



Perkins Township Board of Trustees

Timothy Coleman, James Lang, James Ommert

April 2, 2025

Representative Brian Stewart
Chair
House Finance Committee
Ohio Representatives
1 Capital Square
Columbus, Ohio 43215

Re: House Bill 96 Substitute Version– State Budget Operating Budget FY 26-27

Chairman Stewart, Vice-Chair Dovilla, Ranking Member Sweeny, and members of the House Finance Committee, this letter is being sent to provide you with Perkins Township's comments and concerns related to substitute bill 96, and more specifically on the changes to the adult use marijuana law.

There are two (2) medical marijuana/ adult use cannabis dispensaries licensed by the Division of Cannabis Control and located in Perkins Township, Erie County. Both dispensaries were initially licensed by the State as medical marijuana dispensaries, and then were subsequently issued dual licenses that provides for the sale of adult use cannabis.

Current state law provides that there would be a ten (10) percent excise tax on the sale of adult use cannabis and that thirty-six (36) percent of the collected excise tax on those sales would be distributed to any community that has an adult use cannabis dispensary. That excise tax would be collected by the State in conjunction with the sales tax also applicable to retail sales. The recently adopted substitute bill would reduce the amount of excise tax collection to be directed to local host governments from thirty-six (36) percent to twenty (20) percent for any township that has a dispensary as of June 25, 2025. This substitute bill would also result in the sunset of excise tax sharing with host communities after five (5) years.

The Township has the following comments on Substitute House Bill 96:

1. The sharing of excise tax revenue under current law with local governments that host adult use marijuana dispensaries is important in providing local host communities with funding that assists with providing public safety services; and
2. The provision to sunset of the sharing of excise tax revenue is not provided for now under State law. Local or host communities will still need to provide safety services after the five (5) year period identified in the substitute bill. The dispensaries will still be in operation after 2030.

As noted above, the Township's concerns with the reduction in sharing of excise tax revenue from adult use cannabis sales with host communities as now provided for under State law is taken from the perspective of the following:

1. Township governments rely on property tax to fund their operations and they do not benefit from any sales tax revenue collected by the State which is, in turn, shared with counties. In this regard, it is noted that townships such as Perkins Township generate considerable sales tax collections and much of the sales tax revenue collected in Erie County is the result of the hundreds of large and small businesses located in our Township which businesses serve a multi-county area as well as millions of visitors annually to Cedar Point, Lake Erie and the islands, indoor water parks and resorts, and sports venues in and around this Township;
2. Perkins Township provides professional Police, Fire and EMS services that enables us to provide public safety and security to residents, businesses and visitors in our community that they expect and deserve. Those services are provided directly by the Township and **not** by the county;
3. The proposed elimination or reduction of sharing of excise tax collected on the sale of adult use cannabis with host communities is disappointing on several levels including:
 - (a) current State law reflects the will of the voters with respect to excise tax revenue sharing with host communities per Issue 2;
 - (b) the State will continue to collect sales tax on the sale of adult use cannabis in addition to the excise tax collected;
 - (c) sharing of such excise tax collected on adult use cannabis sales would provide this Township and other host communities with an additional source of revenue that would help to replace some, but not all, of the revenue lost through significant reductions in local government fund transfers from the State that have occurred over the years as well as the elimination of other funding sources to communities by the State that has also taken place; and
 - (d) excise tax on adult use cannabis is an important funding source for this Township as well as other communities that have adult use cannabis dispensaries. The continuation of that funding will enable Perkins Township to continue to provide important public safety services to our residents, visitors and communities.

In conclusion, Perkins Township does appreciate the fact that the House Finance Committee has retained the sharing of excise tax on adult use cannabis sales with local or host communities. The Township does, however, respectfully request that excise tax sharing related to adult use cannabis sales with local governments that host dispensaries not sunset after five (5) years.

Thank you in advance for your consideration of the Township's comments and concerns related to Substitute House Bill 96.

Should you have any questions concerning the Township's position, please do not hesitate to contact us.

Sincerely,

Timothy D. Coleman

Timothy D. Coleman, CPM
Chair

A handwritten signature in blue ink, appearing to read "Gary Boyle".

Gary Boyle, AICP
Township Administrator

cc: Representative DJ Swearingen
Senator T. Gavarone
Trustees Vice Chair, J. Ommert
Trustee J. Lang
Police Chief J. Musser
Fire Chief D. Murphy