

Opponent Testimony for SB56
Judiciary Committee Ohio House of Representatives
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Michael Smith

Chair Jim Thomas, Vice Chair Adam Mathews, Ranking Member Dani Isaacsohn., and members of the House Judiciary Committee

Thank you for allowing me to testify today. My name is Michael Smith. I am a lifelong Ohio resident growing up in NW Ohio farm country. I am a technology leader here in Columbus with multiple graduate degrees & certifications. I am also a medical cannabis patient and a home grower to some of the tastiest terps you will come across. I bring this up to showcase that the cannabis community goes beyond stereotypes and is part of the daily lives in every industry and level across the state. I grow for my own personal use, my family, my adult son, who has a debilitating condition, my neighbors, & my friends. I freely give away or consume my cannabis flower with others because I know the power this plant has, I care about others and ensuring they have medicine when they cannot get a good product at an economical price at the dispensary, and I just love to share this amazing plant. That is the cannabis community in general, and that is how it has been for a century. Representative Tims stated she is a bourbon lover, and as a member of the bourbon community myself, that love and comradery in those groups is not much different. Yet my bourbon meetups are not looked upon as groups of criminals and malfeasants. This bill is aiming to recriminalize care, compassion, and community.

I previously submitted testimony in the Senate and have included that original testimony below. My original testimony targeted specific sections of Senate Bill 56. I am here to give opponent testimony to the entirety of SB56 and the potential impact to Ohio Economy. Today I am providing a blanket statement that there is not one single redeeming quality in either SB56 or HB160.

Senate Bill 56 is at best legislative overreach, and at worst, corruption at the levels we have not seen since House Bill 6. Both the House and Senate have introduced bills that no one has asked for that implement punitive and retaliatory measures against the 57% of voters who passed issue 2. This appears purely punitive due to many of you and the governor did not want Issue 2 to pass because it goes against the will of your lobbying groups.

You ask for testimony, but you have never asked for a meaningful dialogue on what would enhance and improve issue 2. Discussing real positive change cannot be done in 3-minute time chunks. Senator Huffman stated that we will never know why people voted for issue 2. The easiest way is to talk to the people in your districts, all the people, and not the ones that only represent the viewpoints you want them to have.

The legislative body of this state exists to amend and repeal laws that benefit this state and the people the legislature represents. This bill directly circumvents our democratic process by going against the will of the voters.

This bill will spell an economic disaster for Ohio. The craft cannabis industry is vital to ensuring the cannabis industry grows and creates jobs. The tier 3 and craft growers are the real job creators. This bill eliminates that opportunity. Home grow and craft cannabis are a medical necessity. The MSO's do not care about growing the best cannabis, they care about profits, and I like to compare big cannabis to Michelob Ultra or Moonshine. Cannabis cultivation should be allowed outdoors to capitalize on the great agricultural environment Ohio has to offer.

The economic impact of the recriminalizing of cannabis and restrictions being imposed to consumers will have impacts beyond the cannabis industry. I am a technologist and technology leader. Ohio is colloquially known as Tech capital of the Midwest. We have a strong technology industry that by the last count boasted 400,000 jobs at a median income of \$75,141. One source states that the Ohio technology sector brings in \$43 billion in income into Ohio. However, if we factor solely by \$75,141, we come back with a number of \$30 billion dollars annually being brought into Ohio

A recent National survey of IT workers found 60% of respondents used cannabis either medically or recreationally. This aligns with the 57% of Ohioans vote on issue 2. 60% of the technology sector amounts to 240,000 jobs and an income revenue of \$18 billion annually. The DCC states that Cannabis brought in \$242 million last year and \$2.36 billion since the inception of the medical program. The entire cannabis sales to date only account for 13% of the income brought into Ohio from cannabis users in technology economy annually. In short, The cannabis industry is bringing rookie numbers to a major league game.

Finding and retaining top talent is critical to ensuring Ohio remains competitive and a leader in the innovation space. I deal with this issue every day. The constant struggle I deal with is recruiting and retaining the best talent to innovate and stay competitive in the market. How do we continue to entice and retain talent in Ohio if neighboring states with rapidly growing technology sectors respect the will of the voters, provide cannabis protections, and do not punish cannabis consumers. Ohio breeds greatness, it is home to Thomas Edison, Wright Brothers, John Glenn, the OSU agricultural department is continually Revolutionizing growing including their study on worm castings which changed the game for all agriculture. Grove bags from Cleveland revolutionized cannabis curing technology. With the exception of Grove Bags, I sat at OCHBS, where Representative Callander was in attendance, hearing about technology, robotics. and farming innovations from people in Michigan. I foresee a major technology boom in Cannabis and Ohio is posed to miss out on that. We should be leading this, and not happily encouraging our best and brightest to leave the State.

These short-sighted decisions by legislators are risking billions to the Ohio economy just to line the pockets of MSO's and lobbying groups. Detroit, for example, has made massive strides in

technology growth and I have seen software engineering talent go to Michigan already. A 1% loss of cannabis consuming technologists is a mere 2,400 jobs that will amount to over \$180 million annually and \$900 million over 5 years. I think we will lose a vastly larger number than 2400 over the next few years if are continually taking from the voters again and again.

On 04/30/2025 Senator Huffman the sponsor of SB56 at the 20 minute mark of the recording said cannabis should be deregulated "Once the return on equity to the large price, and risk to the current large cultivators and people in the process". He supports deregulation as long as everyone gets paid. Senator Huffman is a medical professional who is willing to cause harm to medical patients, harm to veterans, harm to underrepresented communities, and harm to the voters of this state so that the MSO's, venture capitalist, and founders of OHCANN can get richer at the expense of Ohioans. Why would this committee even entertain SB56 when the sponsor of the bill freely admitted before all of you that he does not even support regulating cannabis at all and is just ensuring his special interests are getting their money.

I originally wanted to come here and say that all of you are better than this. I used to believe that a couple of bad apples exist but the majority of our legislators care about the people. However, I am not sure that is actually true based on what I have seen of hearings on SB56 & HB160. I do not see the end goal you are pursuing while playing with people's lives. Maybe it is to see whether the Ohio Supreme court follows precedent set by California, Washington, Missouri, Maine, and Massachusetts on rejecting legislature attempts to undermine voter approved initiatives.

Senate Bill 56 is corrupt, a waste of taxpayer money, and it's a job killer. This is bad for Ohio, bad for its citizens, and bad for innovation.

Thank you. I am happy to answer any questions.

Original SB56 testimony 02/26/2025

Chair Kristina D. Roegner, Vice Chair Theresa Gavarone, Ranking Member Willis E. Blackshear, Jr., and members of the General Government Committee Ohio Senate

Introduction

Thank you for allowing me to testify today. My name is Michael Smith. I live just a few miles away from here and this is the first time I am giving witness testimony. I, like many of my fellow Americans, do not have a lot of faith that any perspective or values we share with our elected officials on this matter, or any matter are ever truly heard or taken into consideration. However, on the matter of SB56 I could not sit idly by and allow this to go through without trying to have my voice heard. A 2023 Pew research study found that 85% of Americans said, "most elected officials don't care what people like us think". This bill is a prime example of why people feel this way.

The passage of issue 2 was voted on by the citizens of this state in an overwhelming majority. Issue 2 was not perfect and had gaps that should be addressed. However, this bill does not address those gaps and aims to override the will of the voters of this great state. Instead of addressing workplace protections and security for your constituents you have chosen to craft a bill that offers no benefit to this state or its citizens. It only benefits a specific corporate agenda and greed. We can all have a drink with friends after work, a glass of bourbon or wine and not have to worry about being fired or losing your kids over it. You have had years to institute protections for medical patients and have yet to do so, you should be ashamed of this fact. I stand here before you today with a career I love and fantastic job. A job that I risk losing just for giving testimony. That should not ever be a choice a citizen in this state has to make. Use our democratic system and potentially lose your job. It is a ridiculous notion that this scenario exists at all.

Cannabis Industry

Einstein once said: "If he only had an hour to solve a problem, I'd spend 55 minutes thinking about the problem and five minutes thinking about the solution". That is something I stress to my team at work when they are proposing a solution. I ask, "what is your problem statement?." I fail to see what problem we are trying to solve with this bill. The only problem statement I can fathom is that the large cannabis companies asked you to stop their competition because they are unable to compete with tier 2 & 3 markets. Ave they successfully found a way to fail at selling cannabis which is a product no one has ever said that about in the past 100 years?

Instead of allowing a growing and prosperous free market economy you have chosen to codify an oligopoly with big cannabis that will stifle innovation and growth and destroy current and future businesses. The large out of state corporations talk of vertical integration which is great for their business and their wallets. However, Controlling the means of production,

processing, and distribution always has negative affect on the consumer and struggling small businesses. There is a reason most other industries do not have fully vertically integrated businesses. In a free market economy with competition and innovation it does not make financial and logistical sense to do so. When a group of companies control everything there is nothing to stop them from selling their inferior low-quality products at a high price. They are currently exploiting the system and their customers. They are doing it today and you want to make them stronger.

Home grow

The restrictions on home grow in this bill only make sense if you have no horticultural knowledge and no knowledge of the cannabis plant. Plant count does not equal dry yields of quantities of cannabis beyond the use of an individual or family. I grew my plant limit three times last year, and I did not sell a single portion of it. I am also out of most of it at this point so just because we are growing our legal limit does not mean that people are sitting on pounds and pounds of cannabis at any given point in time. I also use dispensary products as well mainly for vape products and tinctures. My home-grown organic flower is vastly better than many products found in dispensaries. To say someone growing 12 plants could be contributing to the illicit market is equivalent to saying someone driving a car could commit vehicular homicide. The possibility exists and is always had, but there are laws in place to prohibit that. Unless the senate believes the majority of its constituents are not law-abiding citizens.

I have an adult son who has Crohn's disease that his medical card and cannabis has done wonders for. I ask him what strains help him, and I provide him with organic home-grown flower whenever he needs. He, as a young adult, cannot afford to shop in the dispensary all the time, but does still shop there for certain items. Pushing this bill forward would criminalize me giving him the flower products he uses on a daily basis to treat his condition. I had a neighbor come by late one night after messaging that they were out of cannabis, the dispensary was closed, and his wife was having a rough time with her condition. He knew I was a home grower and asked if I could spare anything. I asked him what terpenes he was looking for and how much did he need. He said I only have \$40 right now so whatever u can spare to tide her over. I laughed, pulled out a handful of flower, gave it to him and said I do not sell cannabis, but anytime you are in need, I got you covered, just swing by. Because as a community we help each other. Somewhere along the lines society has drifted from this, but not the cannabis community, besides the normal online trolls, this community is all about helping one another.

How each individual grows their cannabis is spirited debate based on personal preference. I prefer to grow with what is referred to as a Sea of Green (SoG). The easiest way to describe this is by thinking of a tomato plant. A tomato plant can grow large and produce numerous tomatoes just like a cannabis plant can product numerous bud sites. A SoG is where you grow many plants in close proximity to one another, but they do not get large at all. If done with tomato plants, it would be that each individual plant only produces a single tomato. The sum of these does not

necessarily produce more tomatoes than a single plant. It just produces a more consistent tomato. Probably the juiciest fragrant tomato with a beautiful color and density on each plant. This grow method maximizes the efficiency of the growing environment. Watering easier, lighting is more efficiently distributed, easier trimming, less organic plant waste, and allows the ability to grow a variety of strains for your specific needs. It is also really cool to look at. Current Ohio law does not allow for full potential use of SoG, and this bill will restrict it even further to make this method virtually impossible.

There should also be a clarification between vegetative plants versus flowering. If starting from seed many growers will germinate many seeds and then start culling the plants looking for the strongest and other traits they desire. If you absolutely must put a restriction on home grow, growing capacity, I recommend switching to a square footage canopy rule for a dedicated grow environment and cap it at 999sqft. This would allow both indoor and outdoor capacity and the threshold is below the bare minimum square footage needed for a hemp license in Ohio.

Killing of the small businesses

The limitations being proposed on home grow and Tier 3 licensing will destroy small businesses. Every indoor home grower is spending money on lighting, ventilation, soil, nutrients, planters, trimming equipment, curing equipment, processing equipment, genetics, and a host of their items. Much of this comes from small brick and mortar businesses. These businesses rely on home growers and smaller cultivators to purchase their goods. The Tier 1 cultivators are not shopping at the small business in Canal Winchester to get their soil and worm castings. Most of the local greenhouses such as Straders and Dills are stocking and selling soil that is mainly for the cannabis industry. The amount of business revenue that the home grows is generating and will generate in the future is needed locally. The ancillary cannabis market is booming thanks to the home grower and Tier 2 and potentially tier 3 cultivators. I am a tech guy and with Ohio bringing in data centers, Intel and being the IT capital of the Midwest the potential for ancillary tech business in our state is exponential. Do we not want Ohio to grow and lead with innovation?

Canada's cannabis market is not perfect by any means, but they have done some good things with good results. Such as some of their rules and statutes correctly classify what should apply to flowering plants versus vegetative plants. Additionally, survey in 2023 assessing the impacts of the cannabis market stated that 71.7% of respondents stated they only buy from dispensaries citing the safety standards, wide selection of products, and testing being the reasons. This is in a country where a medical patient can grow over 500 plants as a home grower. Home growers are not the problem. The current market system and stigma that currently exists and is being expanded on in this bill is the problem.

Home grows and Tier 3 will allow passionate entrepreneurs to enter the market and see if they have the expertise and skills to compete and thrive. The cost for a new business to enter without a tier 3 locks the market down to only those already established and shuts the door to our next generation of aspiring business leaders. When did both political parties unite to decide

that free markets, entrepreneurs, and small business are no longer the path we want for our economy and that the will of the voters does not matter anymore?

In Closing, Senate Bill 56 directly attacks the inalienable rights outlined in the declaration of independence by directly attacking life, liberty, and the pursuit of happiness. Cannabis has many medical benefits across a wide array of conditions. It offers life-changing benefits for our veterans and those with medical conditions like myself and my son. However, not all benefits are from consuming cannabis. I work a stressful job like I am sure many of you do. There are days I come home or log off work and I just need to de-stress. My grow room is my Zen place to decompress and de-stress. Its nature, its beautiful, its peaceful, and it smells absolutely amazing. Heck we should be able to open a cannabis Zen Garden experience because as many people in this world are medicated on what big pharma wants you to be on for stress and anxiety, it could benefit so many people. Stop this bill and move towards crafting something truly meaningful in this crazy world. Form an independent panel of cannabis home growers to help educate and advise. We will probably never see eye to eye on a lot of things, but people here do care and are open to helping.

Thank you. I am happy to answer any questions.