

COLUMBIA TOWNSHIP (HAMILTON COUNTY), OHIO

TRUSTEE CHAIR

DAVID KUBICKI

OPPONENT TESTIMONY

STATE BUDGET (HB 96)

HOUSE WAYS AND MEANS COMMITTEE

MARCH 5TH, 2025

CHAIRMAN ROEMER, RANKING MEMBER TROY, AND MEMBERS OF THE HOUSE WAYS AND MEANS COMMITTEE.

My name is David Kubicki and I serve as the Chair of the Columbia Township Trustees in Hamilton County, Ohio.

I am here today to offer testimony in opposition to part of HB 96, the state budget bill for fiscal years 2026 and 2027. More specifically, I am here to express my concern about the elimination of the local host community revenue agreement for adult use marijuana.

Local communities who were willing to make the decision to embrace and accept having a recreational marijuana dispensary in their communities were promised to receive 3.6 percent of the revenues from the gross sales of their dispensaries.

The new budget bill says those local communities would now get NOTHING!

The elimination of the local host agreement was first proposed in Ohio senate bill 56, but it was eventually removed because of the unfairness of changing the rules and what it will do to communities like mine.

Now it's back in HB 96 and again, it's completely unfair and wrong to change these rules after we already opened our dispensaries. If this budget bill goes through, to the extent that these dispensaries will need any additional local services, we are now unsure if we can even meet those needs.

You have to understand that the ONLY reason we allowed an adult use dispensary in our community was based on the promise of a new revenue source. Otherwise, why would any community do it?

The loss of this revenue source would be a catastrophe for our township both financially and politically. We planned and budgeted for those revenues in our budgets. More importantly, we told our voters that this is the reason we are allowing these dispensaries

in our community when so many others declared moratoriums on them. It's almost impossible to believe that things turned out this way. How do I explain what happened to our voters?

Columbia Township is an older urban community that borders Cincinnati along I-71. We are a small township with some of the best school districts in the state but not a lot of commercial development to help with our tax base. This combined with not having an income tax on our residents makes it a constant struggle to continue to provide our great township services without having extremely high property taxes. The real estate taxes in my community are almost 3 percent of my home value, one of the highest in the state. Just to drive that point home- a \$350,000 homeowner in my community will currently pay about \$10,000 in real estate taxes.

This is why we made the decision to embrace the new revenue opportunity promised by the state in Issue 2. We saw this as a great opportunity to be able to bring in new revenues without having to raise property taxes. That's what we counted on to keep our taxes at bay and pay our bills, and again, that's what we told our voters.

The new budget bill (HB 96) in its current version eliminates the host agreement, and that will be devastating to our community. I'm here to focus only on the host community part of the budget and urge you to reevaluate that component of this bill.

Columbia Township is in a fairly unique position to understand and budget for the new host agreement revenues because we already have 2 medical marijuana dispensaries in our community. Believe it or not those 2 clinics did about \$20 million each in revenues last year and they expect those revenues to increase significantly with the ability to distribute adult-use marijuana. So, we had a front-row seat at what we could do with our new revenues to come and planned and budgeted accordingly.

Then we went on a road show to tell our voters about embracing adult use marijuana because of the benefits brought forth by the host agreement.

We kept our current waste levy on the November 2024 ballot at its current rate in anticipation of our new revenues. We planned to subsidize our current police budget and looked to increase protection. We pledged money to our fire department from the adult use revenues to keep them from going for an additional levy.

Then, we opened our dispensaries about 5 months ago. Then, less than 6 months later we got the news that part of the Issue 56 bill was going to eliminate our new revenues that we counted on and promised to our voters. This was devastating news! So we reached out to our leaders in the state and thank goodness they made changes to that bill to fix the revenue-sharing agreements.

Now, we see another attempt in HB 96 to eliminate our local communities' revenues. That's why I'm here!

This problem is not unique to Columbia Township and every community leader who is engaged in the marijuana discussions that I have talked to is concerned. In fact, I was at our last Hamilton County township, cities, and villages meeting and the elimination of the local host agreement sharing was the major topic of discussion. There were about 100 local community administrators and elected officials in attendance. I asked if anybody in the room was in favor of not sharing revenues with the local host communities? Not one person raised their hand.

Issue 2 was voted and approved by 58% of the voters across the state of Ohio. It passed in our community by an overwhelming 72% of the vote. We respected that decision by the voters. We acted in the best interests of our community, Hamilton County and the state of Ohio. We followed the rules and embraced the opportunity. We then budgeted and planned for the revenues, sold it to our voters, and opened our dispensaries, and then I read about this shift - in the news....

Now, I just got a note from our administrator that we should cancel a planned community event and instead schedule a road show to explain to our voters how the changes in the host agreements by the state will hurt our community and the devastating impact it will have on our current services and levies. I was told to be prepared to discuss our ability to afford any safety service, societal or economic impact these new dispensaries will have on our community. Also, be prepared to answer how the administrator, law director, fiscal officer, and board of trustees did not see this coming.

That is our community's story. Now, I urge you to reconsider keeping the promise we all made to these voters with the host community agreement kept as originally promised from the beginning.

Thank you for your time and consideration.

David Kubicki

Columbia Township Board of Trustees, Chair