



# OHIO CHAMBER OF COMMERCE

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Ohio Chamber of Commerce  
*Proponent Testimony – Senate Bill 56*  
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Chair Roegner, Vice Chair Gavarone, Ranking Member Blackshear, and members of the Senate General Government Committee, thank you for the opportunity to testify in support of Senate Bill 56. My name is Rick Carfagna, and I am Senior Vice President of Government Affairs for the Ohio Chamber of Commerce (OCC). The Ohio Chamber is the state's leading business advocate, and we represent over 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness, and growth for the benefit of all Ohioans.

With the passage of Issue 2, the OCC understands that this is new ground for everyone, with a statute that is complex and full of nuanced policy measures. Because Issue 2 passed through an initiated statute, the Ohio General Assembly has the discretion to make any necessary statutory adjustments that govern the use of recreational marijuana and its emerging marketplace.

Of all the provisions targeted for revision, we remain focused on three main areas of broadest applicability and highest priority for the statewide business community: employer workplace protections, ensuring private property rights, and amending the tax distribution.

## EMPLOYER WORKPLACE PROTECTIONS

We appreciate the sponsor's inclusion of two key OCC requests which strengthen Ohio's employer protection laws to account for recreational marijuana usage.

First, SB 56 addresses a provision currently found in Ohio's medical marijuana employer protection law but not included in Issue 2. This provision – ORC 3796.28(C), which was adopted in the budget during the 134<sup>th</sup> General Assembly – specifies that employers do not violate any anti-discrimination laws when enforcing drug-free workplace policies. Accordingly, the simple deletions of "medical" now expands this provision to apply to all forms of marijuana, regardless of whether it is medical or recreational.

Second, SB 56 also now clarifies that any person discharged from employment because of their use of marijuana – not just medical - is discharged for just cause and ineligible for unemployment benefits if the use was in violation of the employer’s drug free or zero tolerance policies.

The OCC is grateful for these critical changes and other efforts to strengthen Ohio’s employer protection laws to reinforce employers’ abilities to maintain drug-free workplaces, zero tolerance policies and the flexibility to conduct employee testing.

## ENSURING PRIVATE PROPERTY RIGHTS

The OCC believes the Issue 2 statute is ambiguous as to what extent private property owners will be able to prohibit people from using, possessing, displaying, or transferring marijuana on their properties, apart from existing bans on smoking. The OCC firmly believes that publicly accessible places such as shopping malls, restaurants and bars, amusement parks, and other large areas under private ownership should be able to limit cannabis use, possession, or transfer beyond the state’s existing smoking ban.

To address this ambiguity, we believe the best way to achieve this outcome is to adopt Colorado’s approach of making all public use illegal. Colorado was one of the very first states to legalize recreational marijuana, and marijuana use there in any form is prohibited in all public places, including outdoor and indoor areas.

SB 56 largely achieves this goal by limiting the smoking, combustion, and vaporization of recreational marijuana to private residences. Furthermore, the revisions also align with the OCC’s request to empower rental property owners to ban the use of marijuana products on their properties.

## AMENDING THE TAX DISTRIBUTION

Ohio’s Issue 2 statute disburses these new annual tax revenues among a cannabis social equity and jobs program (36%), a host fund benefitting only those municipal corporations or townships that have adult use dispensaries (36%), a fund to fight substance abuse (25%), and a fund for the Ohio Department of Commerce and the Ohio Department of Taxation to administer the new law (3%). Under this tax distribution, over one-third of these revenues are slated to flow right back into the industry, with the remainder going to remediate issues resulting from legalization of recreational marijuana.

To contrast, SB 56 calls for all adult-use marijuana tax revenues to be transferred to the state’s general revenue fund. The OCC believes in amending the tax distribution that, at minimum, bolsters Ohio’s behavioral health and recovery services. To that end, the OCC is participating in discussions with other statewide business advocacy organizations and the OneOhio Recovery

Foundation (“OneOhio”) on a variety of initiatives surrounding sustained workforce, community prevention, public education and research. As you know, OneOhio is a non-profit charitable organization created to support substance use disorder prevention, treatment and recovery efforts and invest funds to support these efforts for Ohioans into the future.

Our collective aim is to safeguard Ohio’s economic future from the challenges legalized marijuana is already creating in our communities and workplaces, and we look forward to sharing more about this effort soon with both the Ohio General Assembly and the DeWine Administration.

## CLOSING

We understand that creating a new industry in Ohio that was formerly illegal involves layers of complexity and consequences. It is equally important to both honor the vote of the people and administer this new program in the most socially responsible manner. We believe Ohio can do both and applaud the work and initiative by Senator Steve Huffman to revise the Issue 2 statute. The Ohio Chamber of Commerce supports the efforts under SB 56 to ensure the safe and responsible usage of recreational marijuana, and we encourage your affirmative vote on this legislation.