

BEFORE THE SENATE FINANCE COMMITTEE

Testimony of Joshua Smith

OFFERED IN SUPPORT OF SENATE BILL 86

Chairwoman Roegner and honorable members of this committee,

My name is Joshua Smith, and I am the owner of Southern Ohio Botanicals, a licensed dispensary in Ohio. With over 23 years of experience as a licensed pharmacist, I am also a proud veteran of the United States Air Force and a graduate of The Ohio State University College of Pharmacy. Throughout my career, I have been committed to ensuring the safe, legal, and responsible dispensing of scheduled products in compliance with Ohio's and the federal government's strict regulations.

Ohio's legal cannabis industry is facing a growing crisis. **Fake, pop-up, poser dispensaries** are exploiting loopholes in hemp laws to sell **legitimate cannabis** while misleading consumers into believing they are licensed establishments. These businesses lure in vulnerable Ohioans with **deceptive signage**, including giant posters featuring marijuana leaves and banners reading, *'marijuana here, no med card needed.'*

One of these shops, located about **10 miles from my dispensary**, has actively misled customers and operates outside of regulatory oversight. At an emergency town hall meeting in **Chillicothe**, the business pleaded to remain open, bringing in **crowds of customers** who testified on their behalf. To promote and incentivize attendance through their Facebook page, they handed out **vouchers for free pre-rolls** to be redeemed immediately after the event—even though **licensed dispensaries in Ohio are not even allowed to sell pre-rolls yet, let alone give away a THC-containing product for free**. While testifying, their customers openly **admitted** that they were purchasing **actual cannabis**, not hemp-based THC-A products, from this store.

These unregulated dispensaries demonstrate a failure in Ohio's Marijuana Program. Licensed dispensary owners like me have to compete with the illegal market and Michigan's more accessible and affordable market, but now we also have to compete with these unlicensed stores that do not follow the same strict regulations we do. Without oversight, we have no way of verifying where their cannabis is sourced from or if it has been properly tested for safety. Unlike regulated dispensaries, where all products are pre-packaged and lab-tested, these rogue shops **weigh out cannabis in front of customers**

with no quality control measures in place. The employees are even smoking cannabis while working inside of the shop.

Adding to these concerns, I have had **school resource officers** visit my dispensary, accusing us of contributing to increased **cannabis vaping in schools** since the passage of **Issue 2**. However, upon further investigation, it was discovered that the **products in question were actually obtained from gas stations and smoke shops, not licensed dispensaries**. These unregulated businesses are selling cannabis products to minors, while licensed dispensaries like mine follow strict age-verification protocols. This false blame highlights the urgent need for better oversight of non-dispensary retailers that are **exploiting regulatory gaps and enabling underage access**.

Furthermore, I do believe this bill is leading Ohioans in the right direction. However, I question the provision in SB86 that permits the sale of Hemp THC beverages through the liquor control system. While I do believe that some regulation is better than no regulation, the issue is one of fairness and public safety.

The State of Ohio established dispensaries as the sole controllers of THC products, and businesses like mine have invested **millions of dollars** to comply with those regulations and obtain our licenses. Now, seemingly overnight, lobbyists representing the petroleum industry want to **push these THC beverages into gas stations** where alcohol is already sold. This raises serious questions about the consistency and integrity of Ohio's cannabis regulations.

For years, lawmakers have emphasized that THC needs to be **tightly controlled**, but now we are considering the creation of an entirely **new licensing structure** outside of the Division of Cannabis Control (DCC). This is particularly concerning given that we have already faced **coordination issues** in the past between the Board of Pharmacy and the Department of Commerce. What **liquor control department** will be responsible for regulating these THC drinks? Will they truly be **better equipped** than the DCC to oversee THC-containing products? And, how will Ohioans feel knowing that their hard-earned tax money will be used inefficiently to support cannabis being regulated by liquor when there is already a regulatory system in place to regulate THC products?

Additionally, will these THC beverages be **held to the same advertising and packaging restrictions** that dispensaries must follow? Licensed dispensaries operate under strict guidelines, ensuring responsible marketing that prevents targeting minors and misleading claims. If these beverages are allowed outside of dispensary oversight, will they be subject to the same level of scrutiny? These are critical questions that must be answered before

moving forward with this legislation. What sort of message will it send to the public and college students when they see THC drinks available at liquor stores? We know how young people are and they like to experiment, mixing THC and alcohol is often a recipe for intensified intoxication, leading to temporary vertigo and vomiting. This has the potential to become the next hazing activity on college campuses — bingeing THC drinks or adding them to their batched party punches without attendees' knowledge.

In closing, I urge this committee to support Senate Bill 86 while amending it to ensure that all intoxicating hemp products, including drinkable cannabinoid products, remain under the jurisdiction of the Division of Cannabis Control. Additionally, we must take stronger action against these unregulated, deceptive dispensaries that threaten consumer safety and undermine the integrity of Ohio's legal cannabis industry. **We need enforcement, oversight, and accountability to protect both our patients and our businesses.**

Thank you for your time and consideration. I welcome any questions you may have.

Sincerely,

Joshua Smith

CEO, Southern Ohio Botanicals

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