



Ohio Restaurant & Hospitality Alliance Interested Party Testimony on Senate Bill 86

March 25, 2025

Chair Roegner, Vice Chair Gavarone, Ranking Member Blackshear and Members of the Senate General Government Committee:

On behalf of Ohio's 25,821 restaurant and foodservice locations and Ohio's 564,000 restaurant and foodservice workers, the Ohio Restaurant & Hospitality Alliance (ORHA) appreciates the opportunity to provide Interested Party testimony on Senate Bill 86.

As representatives of Ohio's hospitality industry, we are writing to support those Ohio brewers who took it upon themselves to responsibly test a new market and experiment with hemp infused beverages, referred to in the bill as drinkable cannabinoid beverages (DCBs). Alongside Ohio's brewers, and in support of those bars and restaurants who might also be interested in this potential market, we testified last General Assembly in support of DCBs being regulated similarly to alcohol, like how brewers were already treating sales of DCBs, including of course being sold only in an already age regulated, 21 and over environment. Our thanks to the sponsors for implementing that feedback into this bill. However, we still have some suggestions for changes so that this bill does not hamper bars', restaurants', and brewers' ability to serve and sell these beverages.

- DCBs are subject to a much higher tax than the alcohol equivalent and are significantly less competitive as a result.
 - The tax rate on DCBs is \$3.50/gallon meanwhile beer is taxed at roughly \$.18/gallon, liquor has the closest tax rate at \$3.38/gallon and hemp beverages are much more comparable to beer.
- And again, as hemp beverages are most comparable to beer, the language limiting sales to 48oz overall makes draft and keg sales impossible, mitigating the most significant age-controlled and potentially profitable environment for these DCBs.

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Ohio Restaurant & Hospitality Alliance