

May 7th, 2025

Chairwoman Manchester, Vice Chair Brenner, Ranking Member Weinstein, and members of the Senate Government Oversight & Reform 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 one piece of HB 96, the state operating budget. Specifically, I would like to comment about the elimination of the local community host fund for adult use marijuana in the current version of the bill.

When Issue 2 passed by the voters, it was decided that the communities who were willing to embrace and accept having a recreational marijuana dispensary in their communities would receive 3.6 percent of the revenues from the gross sales of those 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 would be a catastrophe for our township both financially and politically. We have already planned for these 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. Also, most importantly, that's what we told our voters.

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 adult-use marijuana. So, we had a front-row seat at what these new revenues would be and planned and budgeted accordingly.

Then we went on a road show to sell our voters on accepting adult use marijuana in our community in exchange for the 3.6 percent in revenues from the host agreement and the ability to better regulate recreational marijuana.

We then decided to keep our current waste levy on the November 2024 ballot at its current rate in anticipation of these new revenues. We already planned to increase our police service and pay for it with the host monies. We also pledged money to our fire department to keep them from going for an additional levy.

Then, we opened our 2 dispensaries and shortly thereafter, we got the news that there were discussions to change the rules for the host agreements. This was devastating news! So, we reached out to our leaders in the state and thank goodness they made changes to Senate Bill 56 and fixed the host revenue-sharing agreements.

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

This problem is not unique to Columbia Township. Every community leader who is engaged in the marijuana discussions that I have talked to is concerned. And to think about trying to eliminate it in 5 years isn't what we all told our voters either. So that isn't good, isn't fair and hard to plan long term with those revenues going away. We counted on and need that money in perpetuity.

When adult use marijuana and the local host agreement were on the ballot on Issue 2, it was approved by almost 58% of the voters across the state of Ohio. In our community it won by an overwhelming 72% of the vote. We respected that decision by our 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, and again - we sold it to our voters, and opened our dispensaries, and now here we are...

I recently received a note from our administrator that we should cancel a planned community event and instead schedule a road show to explain to our voters what is happening at the state 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. I was also asked

to 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