As Introduced

136th General Assembly Regular Session 2025-2026

H. B. No. 611

Representatives Callender, Stewart

To	amend sections 3780.10, 3780.13, 3796.07,	1
	3796.14, 3796.19, and 3796.21 of the Revised	2
	Code to issue cultivation and dispensary	3
	licenses for certain medical marijuana	4
	processors.	5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1 . That sections 3780.10, 3780.13, 3796.07,	6
3796.14, 3796.19, and 3796.21 of the Revised Code be amended to	7
read as follows:	8
Sec. 3780.10. Adult use cannabis operator and adult use	9
cesting laboratory licenses.	10
(A) No person shall operate as an adult use cannabis operator or	11
adult use testing laboratory without a license issued pursuant	12
to this chapter.	13
(B) The following licenses shall be issued by the division of	14
cannabis control within nine months of December 7, 2023, if the	15
icense applicant is in compliance with section 3780.11 of the	16
Revised Code and this chapter, and the license applicant has, or	17
the same owners of the license applicant have, a certificate of	18
peration or medical provisional license issued as of December	19
7, 2023:	20

(1) A dispensary issued a certificate of operation or medical	21
provisional license shall be issued an adult use dispensary	22
license under this chapter for the current location of the	23
dispensary;	24
(2) A level I cultivator issued a certificate of operation or	25
medical provisional license shall be issued under this chapter	26
three adult use dispensary licenses at locations designated in a	27
license application, and one level I adult use cultivator	28
license for the current location of the level I cultivation	29
facility;	30
(3) A level II cultivator issued a certificate of operation or	31
medical provisional license shall be issued under this chapter	32
one adult use dispensary license at a location designated in the	33
license application, and one level II adult use cultivator	34
license for the current location of the level II cultivation	35
facility;	36
(4) A dispensary issued a certificate of operation or medical	37
provisional license shall be issued under this chapter one adult	38
use dispensary license at a different location as designated in	39
the license application if the dispensary does not have any	40
common ownership or control with any level I adult use	41
cultivator, level II adult use cultivator, or adult use	42
processor license applicant or licensee;	43
(5) A processor issued a certificate of operation or medical	44
provisional license shall be issued under this chapter one adult	45
use processor license for the current location of the processor;	46
and	47
(6) A testing laboratory issued a certificate of operation shall	48
be issued under this chapter one adult use testing laboratory	49

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license for the current location of the testing laboratory.	50
(C) Subject to division (E) of this section:	51
(1) The division of cannabis control shall issue the following	52
licenses to an applicant that meets all of the requirements	53
described in division (C)(2) of this section:	54
(a) One adult use dispensary license, at a location designated	55
in the license application;	56
(b) One dispensary license, at a location designated in the	57
license application;	58
(c) One level III adult use cultivator license, at a location	59
designated in the license application.	60
(2) The division of cannabis control shall issue the licenses	61
described in division (C)(1) of this section to an applicant	62
that meets all of the following:	63
(a) The applicant is a processor that was issued a certificate	64
of operation on or before December 7, 2023;	65
(b) The applicant has not and does not transfer the processor	66
license or control of processing operations at any point after	67
December 7, 2023, and before the date the respective license is	68
issued under this section;	69
(c) The applicant does not have any common ownership or control	70
with a cultivator.	71
(D) Notwithstanding anything in this section, a license shall	72
not be issued pursuant to division (B) or (C) of this section to	73
a license applicant holding only a related medical provisional	74
license unless the medical provisional license holder is issued	75
a certificate of operation within two years of December 7, 2023.	76

$\frac{(C)}{(E)}$ The division of cannabis control shall issue up to forty	77
level III adult use cultivator licenses consistent with this	78
chapter. No person may have any ownership or control in more	79
than one level III adult use cultivator license under this	80
chapter. No adult use cultivator or adult use processor issued a	81
<u>level III adult use cultivator license under this section may</u>	82
have any ownership or control in a level $\overline{\text{III}}$ adult use	83
cultivator license or level II adult use cultivator license.	84
(D) (F) The division of cannabis control shall issue up to fifty	85
additional adult use dispensary licenses in conformity with this	86
chapter.	87
$\frac{(E)}{(G)}$ Following twenty-four months from the first date of	88
issuance of an adult use operator license, the division of	89
cannabis control shall review the number of adult use cannabis	90
operator licenses on a biannual basis and may authorize	91
additional licenses after considering:	92
(1) The current and anticipated market growth and consumer	93
demand, including the number of adult use consumers seeking	94
adult use cannabis;	95
(2) The current and projected supply of adult use cannabis	96
produced by licensed adult use cultivators, level III adult use	97
cultivators, and adult use processors; and	98
(3) The geographic distribution of adult use dispensary sites in	99
an effort to ensure adult use customer access to adult use	100
cannabis.	101
$\frac{(F)(1)(H)(1)}{(H)(1)}$ The division of cannabis control shall provide a	102
report and recommendation within ninety days of the conclusion	103
of the requirements in division $\frac{(E)}{(G)}$ of this section to the	104
director for consideration.	105

(2) The division of cannabis control may adopt rules as	106
necessary to implement this division.	107
(3) The division of cannabis control shall adopt a rule	108
regarding the number of licenses a license holder may hold for	109
each type of license consistent with this chapter. As of	110
December 7, 2023, and notwithstanding any other provision of	111
this chapter, no person shall be issued more than eight adult	112
use dispensary licenses, not more than one adult use cultivator	113
license, and not more than one adult use processor license at	114
any time, unless authorized by the division of cannabis control	115
after an analysis supporting the licensing pursuant to rule.	116
(G)(I) The division of cannabis control may authorize additional	117
adult use testing laboratory licenses at any time.	118
Sec. 3780.13. Level III adult use cultivator license.	119
(A) Notwithstanding any conflicting provision of the Revised	120
Code, and except as provided in division divisions (B) and (C)	121
of this section, the holder of a current and valid level III	122
adult use cultivator license issued under this chapter may do	123
any of the following:	124
(1) Cultivate adult use cannabis;	125
(2) Distribute, transfer, and sell adult use cannabis to other	126
adult use cannabis operators; and	127
(3) Acquire seeds, clones, plants, and other genetic material.	128
(B) A level III adult use cultivator license holder shall not	129
cultivate any adult use cannabis for personal, family, or	130
household use under the license.	131
(C) Notwithstanding any provision of the Revised Code to the	132
contrary, in addition to the authority granted under division	133

(A) of this section, the holder of a current and valid level III	134
adult use cultivator license issued under division (C) of	135
section 3780.10 of the Revised Code may do any of the following:	136
(1) Cultivate medical marijuana;	137
(2) Deliver or sell medical marijuana to one or more licensed	138
processors.	139
Sec. 3796.07. The department of commerce shall establish	140
and maintain an electronic database to monitor medical marijuana	141
from its seed source through its cultivation, processing,	142
testing, and dispensing. The department may contract with a	143
separate entity to establish and maintain all or any part of the	144
electronic database on behalf of the department.	145
The electronic database shall allow for information	146
regarding medical marijuana to be updated instantaneously. Any	147
cultivator, processor, retail dispensary, or laboratory licensed	148
under this chapter, and any level III adult use cultivator	149
issued a license under division (C) of section 3780.10 of the	150
Revised Code, shall submit to the department any information the	151
department determines is necessary for maintaining the	152
electronic database.	153
The department and any entity under contract with the	154
department shall not make public any information reported to or	155
collected by the department under this division that identifies	156
or would tend to identify any specific patient.	157
Sec. 3796.14. (A) The division of marijuana control may do	158
any of the following for any reason specified in rules adopted	159
under section 3796.03 of the Revised Code:	160
(1) Suspend, suspend without prior hearing, revoke, or	161

refuse to renew a license it issued under this chapter or a

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license or a registration the state board of pharmacy issued	163
prior to the transfer of regulatory authority over the medical	164
marijuana control program to the division;	165
(2) Refuse to issue a license;	166
(3) Impose on a license holder a civil penalty in an	167
amount to be determined by the division.	168
(4) With respect to a suspension of a retail dispensary	169
license without prior hearing, the division may utilize a	170
telephone conference call to review the allegations and take a	171
vote. The division shall suspend a license without prior hearing	172
only if it finds clear and convincing evidence that continued	173
distribution of medical marijuana by the license holder presents	174
a danger of immediate and serious harm to others. The suspension	175
shall remain in effect, unless lifted by the division, until the	176
division issues its final adjudication order. If the division	177
does not issue the order within ninety days after the	178
adjudication hearing, the suspension shall be lifted on the	179
ninety-first day following the hearing.	180
The division's actions under division (A) of this section	181
shall be taken in accordance with Chapter 119. of the Revised	182
Code.	183
(B) The division may inspect all of the following for any	184
reason specified in rules adopted under section 3796.03 of the	185
Revised Code without prior notice to the applicant or license	186
holder:	187
(1) The premises of an applicant for licensure or holder	188
of a current, valid cultivator, processor, retail dispensary, or	189
laboratory license issued under this chapter or a level III	190
adult use cultivator license issued under division (C) of	191

section 3780.10 of the Revised Code;	192
(2) All records maintained pursuant to this chapter by a	193
holder of a current license.	194
(C) Whenever it appears to the division, from its files,	195
upon complaint, or otherwise, that any person or entity has	196
engaged in, is engaged in, or is about to engage in any practice	197
declared to be illegal or prohibited by this chapter or the	198
rules adopted under this chapter, or when the division believes	199
it to be in the best interest of the public or patients, the	200
division may do any of the following:	201
(1) Investigate the person or entity as authorized	202
pursuant to this chapter or the rules adopted under this	203
chapter;	204
(2) Issue subpoenas to any person or entity for the	205
purpose of compelling either of the following:	206
(a) The attendance and testimony of witnesses;	207
(b) The production of books, accounts, papers, records, or	208
documents.	209
(D) If a person or entity fails to comply with any order	210
of the division or a subpoena issued by the division pursuant to	211
this section, a judge of the court of common pleas of the county	212
in which the person resides or the entity may be served, on	213
application of the division, shall compel obedience by	214
attachment proceedings as for contempt, as in the case of	215
disobedience with respect to the requirements of a subpoena	216
issued from such court or a refusal to testify in such court.	217
Sec. 3796.19. (A) Notwithstanding any conflicting	218
provision of the Revised Code, the holder of a current, valid	219

processor license issued under this chapter may do any of the	220
following:	221
(1) Obtain medical marijuana from one or more cultivators	222
licensed under this chapter or level III adult use cultivators_	223
issued a license under division (C) of section 3780.10 of the	224
<pre>Revised Code;</pre>	225
(2) Subject to division (B) of this section, process	226
medical marijuana obtained from one or more licensed cultivators	227
in accordance with division (A)(1) of this section into a form	228
described in section 3796.06 of the Revised Code;	229
(3) Deliver or sell processed medical marijuana to one or	230
more licensed retail dispensaries.	231
(B) When processing medical marijuana, a licensed	232
processor shall do both of the following:	233
(1) Package the medical marijuana in accordance with	234
child-resistant effectiveness standards described in 16 C.F.R.	235
1700.15(b) on September 8, 2016;	236
(2) Label the medical marijuana packaging with the	237
product's tetrahydrocannabinol and cannabidiol content;	238
(3) Comply with any packaging or labeling requirements	239
established in rules adopted by the division of marijuana	240
control under section 3796.03 of the Revised Code.	241
Sec. 3796.21. (A) Notwithstanding any conflicting	242
provision of the Revised Code, the holder of a current, valid	243
laboratory license issued under this chapter may do both of the	244
following:	245
(1) Obtain medical marijuana from one or more cultivators,	246
processors, and retail dispensaries licensed under this chapter	247

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or level III adult use cultivators issued a license under	248
division (C) of section 3780.10 of the Revised Code;	249
(2) Conduct medical marijuana testing in the manner	250
specified in rules adopted under section 3796.03 of the Revised	251
Code.	252
(B) When testing medical marijuana, a licensed laboratory	253
shall do both of the following:	254
(1) Test the marijuana for potency, homogeneity, and	255
contamination;	256
(2) Prepare a report of the test results.	257
Section 2. That existing sections 3780.10, 3780.13,	258
3796.07, 3796.14, 3796.19, and 3796.21 of the Revised Code are	259
hereby repealed.	260