

**As Introduced**

**136th General Assembly**

**Regular Session**

**2025-2026**

**H. B. No. 611**

**Representatives Callender, Stewart**

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

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

**Section 1.** That sections 3780.10, 3780.13, 3796.07,  
3796.14, 3796.19, and 3796.21 of the Revised Code be amended to  
read as follows:

**Sec. 3780.10. Adult use cannabis operator and adult use  
testing laboratory licenses.**

(A) No person shall operate as an adult use cannabis operator or  
adult use testing laboratory without a license issued pursuant  
to this chapter.

(B) The following licenses shall be issued by the division of  
cannabis control within nine months of December 7, 2023, if the  
license applicant is in compliance with section 3780.11 of the  
Revised Code and this chapter, and the license applicant has, or  
the same owners of the license applicant have, a certificate of  
operation or medical provisional license issued as of December  
7, 2023:

- (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

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

~~(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  
level III adult use cultivator license under this section may 82  
have any ownership or control in a level ~~III~~ I 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

~~(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

~~(F)~~ ~~(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 ~~(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 162

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

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| <u>section 3780.10 of the Revised Code;</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 192                                                  |
| (2) All records maintained pursuant to this chapter by a holder of a current license.                                                                                                                                                                                                                                                                                                                                                                                                             | 193<br>194                                           |
| (C) Whenever it appears to the division, from its files, upon complaint, or otherwise, that any person or entity has engaged in, is engaged in, or is about to engage in any practice declared to be illegal or prohibited by this chapter or the rules adopted under this chapter, or when the division believes it to be in the best interest of the public or patients, the division may do any of the following:                                                                              | 195<br>196<br>197<br>198<br>199<br>200<br>201        |
| (1) Investigate the person or entity as authorized pursuant to this chapter or the rules adopted under this chapter;                                                                                                                                                                                                                                                                                                                                                                              | 202<br>203<br>204                                    |
| (2) Issue subpoenas to any person or entity for the purpose of compelling either of the following:                                                                                                                                                                                                                                                                                                                                                                                                | 205<br>206                                           |
| (a) The attendance and testimony of witnesses;                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 207                                                  |
| (b) The production of books, accounts, papers, records, or documents.                                                                                                                                                                                                                                                                                                                                                                                                                             | 208<br>209                                           |
| (D) If a person or entity fails to comply with any order of the division or a subpoena issued by the division pursuant to this section, a judge of the court of common pleas of the county in which the person resides or the entity may be served, on application of the division, shall compel obedience by attachment proceedings as for contempt, as in the case of disobedience with respect to the requirements of a subpoena issued from such court or a refusal to testify in such court. | 210<br>211<br>212<br>213<br>214<br>215<br>216<br>217 |
| <b>Sec. 3796.19.</b> (A) Notwithstanding any conflicting provision of the Revised Code, the holder of a current, valid                                                                                                                                                                                                                                                                                                                                                                            | 218<br>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  
Revised Code; 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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| <u>or level III adult use cultivators issued a license under</u> | 248 |
| <u>division (C) of section 3780.10 of the Revised Code;</u>      | 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 |
| <b>Section 2.</b> 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 |