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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**S.B. 299**  
**136<sup>th</sup> General Assembly**

## **Fiscal Note & Local Impact Statement**

[Click here for S.B. 299's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Sen. Blessing

**Local Impact Statement Procedure Required:** No

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### **Highlights**

- The Department of Agriculture's Division of Food Safety will incur costs related to the regulation of kratom, in particular food processors that handle kratom products. These costs would be offset by annual kratom product registration fees paid by processors or retailers and deposited into the Food Safety Fund (Fund 4P70). Those fees range from \$50 to \$300 depending on a facility's square footage.
- The Ohio Department of Health (ODH) and Department of Agriculture (AGR) will jointly realize costs for regulating kratom products available in retail food establishments.
- Local health departments regulate retail food operations in their districts, so they could realize costs related to kratom products depending on the rules adopted by AGR and ODH. However, local health departments typically charge fees to support any services provided.
- Local criminal justice systems may experience some increase in their annual operating costs if additional persons are arrested, prosecuted, and sanctioned as a result of the bill. These costs may be offset somewhat by a related gain in court costs, fees, and fines, if collected. The net annual fiscal effect for any given local jurisdiction is likely to be minimal.
- The bill provides for a civil remedy for individuals who suffer damages as a result of a violation of the bill's requirements regarding kratom products. It is expected that the common pleas, municipal, and county courts will be able to absorb any additional filings into their respective caseloads with little, if any, discernible effect on annual operating expenses.

## Detailed Analysis

### Oversight by the Department of Agriculture and the Department of Health

The bill creates a framework for the manufacture, distribution, and sale of kratom products under the Department of Agriculture (AGR) and the Ohio Department of Health (ODH). These new responsibilities for AGR will be placed under the Division of Food Safety. The costs that AGR incurs for overseeing food processing establishments, including enforcing product standards, testing, and labeling, will primarily be covered by kratom product registration fees. Oversight would include any facility that processes, packages, manufactures, handles, or distributes kratom products. Under the bill, these fees would be based upon square footage of a food processing establishment that handles kratom products, but cannot exceed the annual registration fees of between \$50 and \$300 established in existing AGR rules.<sup>1</sup> The total costs incurred by AGR will ultimately depend on the number of kratom processors and sellers that would operate in this state under the bill's regulatory framework, which is unknown. As of March 2026, AGR's Division of Food Safety employs 16 food safety specialists and eight other people involved with food safety oversight.

In the case of retail food establishments, the bill requires AGR and ODH to jointly adopt rules for regulating kratom products. Local health departments are responsible for licensing and inspecting retail food establishments in their jurisdiction. As a result, there could be costs associated with kratom products depending on the rules adopted by AGR and ODH. However, local health departments typically charge fees to support their operations, which could offset costs.

### Prohibitions

The bill prohibits a food processing or retail food establishment from recklessly (1) violating the bill's requirements regarding the content of a kratom product, and (2) selling or distributing a kratom product to an individual under 18, violations of which are a second degree misdemeanor punishable by not more than 90 days in jail, a fine of up to \$750, or both. The number of offenses under the bill is indeterminate, but likely minimal in relation to the number of misdemeanor offenses adjudicated annually. Local criminal justice systems including local law enforcement, municipal and county courts, and local and county jails may see a minimal at most increase to investigate, arrest, adjudicate, and sanction a small number of additional offenders annually.

### Civil action

The bill establishes a private cause of action for individuals who suffer damages as a result of a violation of the bill's requirements regarding kratom products. The effect on the daily operations and related operating expenses of the courts will depend on the monetary amount being sought by the victim, the frequency of civil actions being filed, and the matter's legal complexity. Costs would likely be partially offset by filing fees charged by the court. Municipal

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<sup>1</sup> That fee is between \$50 and \$300, depending on the establishment's square footage. See Ohio Administrative Code (O.A.C.) 901:3-21-01.

and county courts have limited civil jurisdiction, and may only hear cases in which the amount of money in dispute does not exceed \$15,000. Courts of common pleas hear all cases in which the amount of money in dispute is more than \$15,000. The number of new civil cases that may result is uncertain but likely will be minimal for any single jurisdiction and court.