

As Introduced

**136th General Assembly
Regular Session
2025-2026**

S. B. No. 86

Senators Huffman, Wilkin

A BILL

To amend sections 131.02, 715.013, 928.01, 928.03, 1
4506.01, 5502.01, 5502.13, 5502.14, 5703.052, 2
5703.053, 5703.19, 5703.263, 5703.50, 5703.70, 3
and 5703.77 and to enact sections 3779.01, 4
3779.02, 3779.03, 3779.04, 3779.05, 3779.06, 5
3779.21, 3779.22, 3779.23, 3779.24, 3779.25, 6
3779.26, 3779.27, 3779.28, 3779.29, 3779.40, 7
3779.41, 3779.42, 3779.43, 3779.431, 3779.44, 8
3779.45, 3779.451, 3779.46, 3779.47, 3779.48, 9
and 3779.99 of the Revised Code to generally 10
prohibit the sale of intoxicating hemp products, 11
except for sales at licensed dispensaries; to 12
regulate drinkable cannabinoid products, and to 13
levy taxes on drinkable cannabinoid products and 14
other intoxicating hemp products that may be 15
sold. 16

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

Section 1. That sections 131.02, 715.013, 928.01, 928.03, 17
4506.01, 5502.01, 5502.13, 5502.14, 5703.052, 5703.053, 5703.19, 18
5703.263, 5703.50, 5703.70, and 5703.77 be amended and sections 19
3779.01, 3779.02, 3779.03, 3779.04, 3779.05, 3779.06, 3779.21, 20

3779.22, 3779.23, 3779.24, 3779.25, 3779.26, 3779.27, 3779.28, 21
3779.29, 3779.40, 3779.41, 3779.42, 3779.43, 3779.431, 3779.44, 22
3779.45, 3779.451, 3779.46, 3779.47, 3779.48, and 3779.99 of the 23
Revised Code be enacted to read as follows: 24

Sec. 131.02. (A) Except as otherwise provided in section 25
4123.37, section 5703.061, and division (K) of section 4123.511 26
of the Revised Code, whenever any amount is payable to the 27
state, the officer, employee, or agent responsible for 28
administering the law under which the amount is payable shall 29
immediately proceed to collect the amount or cause the amount to 30
be collected and shall pay the amount into the state treasury or 31
into the appropriate custodial fund in the manner set forth 32
pursuant to section 113.08 of the Revised Code. Except as 33
otherwise provided in this division, if the amount is not paid 34
within forty-five days after payment is due, the officer, 35
employee, or agent shall certify the amount due to the attorney 36
general, in the form and manner prescribed by the attorney 37
general. In the case of an amount payable by a student enrolled 38
in a state institution of higher education, the amount shall be 39
certified within the later of forty-five days after the amount 40
is due or the tenth day after the beginning of the next academic 41
semester, quarter, or other session following the session for 42
which the payment is payable. The attorney general may assess 43
the collection cost to the amount certified in such manner and 44
amount as prescribed by the attorney general. If an amount 45
payable to a political subdivision is past due, the political 46
subdivision may, with the approval of the attorney general, 47
certify the amount to the attorney general pursuant to this 48
section. 49

For the purposes of this section, the attorney general and 50
the officer, employee, or agent responsible for administering 51

the law under which the amount is payable shall agree on the 52
time a payment is due, and that agreed upon time shall be one of 53
the following times: 54

(1) If a law, including an administrative rule, of this 55
state prescribes the time a payment is required to be made or 56
reported, when the payment is required by that law to be paid or 57
reported. 58

(2) If the payment is for services rendered, when the 59
rendering of the services is completed. 60

(3) If the payment is reimbursement for a loss, when the 61
loss is incurred. 62

(4) In the case of a fine or penalty for which a law or 63
administrative rule does not prescribe a time for payment, when 64
the fine or penalty is first assessed. 65

(5) If the payment arises from a legal finding, judgment, 66
or adjudication order, when the finding, judgment, or order is 67
rendered or issued. 68

(6) If the payment arises from an overpayment of money by 69
the state to another person, when the overpayment is discovered. 70

(7) The date on which the amount for which an individual 71
is personally liable under section 5735.35, section 5739.33, or 72
division (G) of section 5747.07 of the Revised Code is 73
determined. 74

(8) Upon proof of claim being filed in a bankruptcy case. 75

(9) Any other appropriate time determined by the attorney 76
general and the officer, employee, or agent responsible for 77
administering the law under which the amount is payable on the 78
basis of statutory requirements or ordinary business processes 79

of the agency, institution, or political subdivision to which 80
the payment is owed. 81

(B) (1) The attorney general shall give immediate notice by 82
mail or otherwise to the party indebted of the nature and amount 83
of the indebtedness. 84

(2) If the amount payable to this state arises from a tax 85
levied under Chapter 3779., 5733., 5739., 5741., 5747., or 5751. 86
of the Revised Code, the notice also shall specify all of the 87
following: 88

(a) The assessment or case number; 89

(b) The tax pursuant to which the assessment is made; 90

(c) The reason for the liability, including, if 91
applicable, that a penalty or interest is due; 92

(d) An explanation of how and when interest will be added 93
to the amount assessed; 94

(e) That the attorney general and tax commissioner, acting 95
together, have the authority, but are not required, to 96
compromise the claim and accept payment over a reasonable time, 97
if such actions are in the best interest of the state. 98

(C) The attorney general shall collect the claim or secure 99
a judgment and issue an execution for its collection. 100

(D) Each claim shall bear interest, from the day on which 101
the claim became due, at the rate per annum required by section 102
5703.47 of the Revised Code. 103

(E) The attorney general and the chief officer of the 104
agency reporting a claim, acting together, may do any of the 105
following if such action is in the best interests of the state: 106

(1) Compromise the claim;	107
(2) Extend for a reasonable period the time for payment of the claim by agreeing to accept monthly or other periodic payments. The agreement may require security for payment of the claim.	108 109 110 111
(3) Add fees to recover the cost of processing checks or other draft instruments returned for insufficient funds and the cost of providing electronic payment options.	112 113 114
(F) (1) Except as provided in division (F) (2) of this section, if the attorney general finds, after investigation, that any claim due and owing to the state is uncollectible, the attorney general, with the consent of the chief officer of the agency reporting the claim, may do the following:	115 116 117 118 119
(a) Sell, convey, or otherwise transfer the claim to one or more private entities for collection;	120 121
(b) Cancel the claim or cause it to be canceled.	122
(2) The attorney general shall cancel or cause to be canceled an unsatisfied claim on the date that is forty years after the date the claim is certified, unless the attorney general has adopted a rule under division (F) (5) of this section shortening this time frame with respect to a subset of claims.	123 124 125 126 127
(3) No initial action shall be commenced to collect any tax payable to the state that is administered by the tax commissioner, whether or not such tax is subject to division (B) of this section, or any penalty, interest, or additional charge on such tax, after the expiration of the period ending on the later of the dates specified in divisions (F) (3) (a) and (b) of this section, provided that such period shall be extended by the period of any stay to such collection or by any other period to	128 129 130 131 132 133 134 135

which the parties mutually agree. If the initial action in aid 136
of execution is commenced before the later of the dates 137
specified in divisions (F) (3) (a) and (b) of this section, any 138
and all subsequent actions may be pursued in aid of execution of 139
judgment for as long as the debt exists. 140

(a) Seven years after the assessment of the tax, penalty, 141
interest, or additional charge is issued. 142

(b) Four years after the assessment of the tax, penalty, 143
interest, or additional charge becomes final. For the purposes 144
of division (F) (3) (b) of this section, the assessment becomes 145
final at the latest of the following: upon expiration of the 146
period to petition for reassessment, or if applicable, to appeal 147
a final determination of the commissioner or decision of the 148
board of tax appeals or a court, or, if applicable, upon 149
decision of the United States supreme court. 150

For the purposes of division (F) (3) of this section, an 151
initial action to collect a tax debt is commenced at the time 152
when a certified copy of the tax commissioner's entry making an 153
assessment final has been filed in the office of the clerk of 154
court of common pleas in the county in which the taxpayer 155
resides or has its principal place of business in this state, or 156
in the office of the clerk of court of common pleas of Franklin 157
county, as provided in section 3779.44, 5739.13, 5741.14, 158
5747.13, or 5751.09 of the Revised Code or in any other 159
applicable law requiring such a filing. If an assessment has not 160
been issued and there is no time limitation on the issuance of 161
an assessment under applicable law, an action to collect a tax 162
debt commences when the action is filed in the courts of this 163
state to collect the liability. 164

(4) If information contained in a claim that is sold, 165

conveyed, or transferred to a private entity pursuant to this 166
section is confidential pursuant to federal law or a section of 167
the Revised Code that implements a federal law governing 168
confidentiality, such information remains subject to that law 169
during and following the sale, conveyance, or transfer. 170

(5) The attorney general may adopt rules to aid in the 171
implementation of this section. 172

Sec. 715.013. (A) Except as otherwise expressly authorized 173
by the Revised Code, no municipal corporation shall levy a tax 174
that is the same as or similar to a tax levied under Chapter 175
322., 3734., 3769., 3779., 4123., 4141., 4301., 4303., 4305., 176
4307., 4309., 5707., 5725., 5726., 5727., 5728., 5729., 5731., 177
5735., 5736., 5737., 5739., 5741., 5743., 5747., 5749., or 5751. 178
of the Revised Code. 179

(B) No municipal corporation may impose any tax, fee, 180
assessment, or other charge on auxiliary containers, on the 181
sale, use, or consumption of such containers, or on the basis of 182
receipts received from the sale of such containers. As used in 183
this division, "auxiliary container" has the same meaning as in 184
section 3767.32 of the Revised Code. 185

(C) This section does not prohibit a municipal corporation 186
from levying an income tax or withholding tax in accordance with 187
Chapter 718. of the Revised Code, or a tax on any of the 188
following: 189

(1) Amounts received for admission to any place; 190

(2) The income of an electric company or combined company, 191
as defined in section 5727.01 of the Revised Code; 192

(3) On and after January 1, 2004, the income of a 193
telephone company, as defined in section 5727.01 of the Revised 194

Code.	195
Sec. 928.01. As used in this chapter:	196
(A) "Cannabidiol" means the cannabidiol compound,	197
containing a delta-9 tetrahydrocannabinol concentration of not	198
more than three-tenths per cent, derived from hemp.	199
(B) "Cultivate" or "cultivating" means to plant, water,	200
grow, fertilize, till, or harvest a plant or crop. "Cultivating"	201
includes possessing or storing a plant or crop on a premises	202
where the plant or crop was cultivated until transported to the	203
first point of sale.	204
(C) "Hemp" means the plant Cannabis sativa L. and any part	205
of that plant, including the seeds thereof and all derivatives,	206
extracts, cannabinoids, isomers, acids, salts, and salts of	207
isomers, whether growing or not, <u>with-containing</u> a delta-9	208
tetrahydrocannabinol concentration of not more than three-tenths	209
per cent on a dry weight basis. <u>"Hemp" does not include any</u>	210
<u>plant material with any additional tetrahydrocannabinol</u>	211
<u>additives.</u>	212
(D) "Hemp cultivation license" means a license to	213
cultivate hemp issued under section 928.02 of the Revised Code.	214
(E) "Hemp processing license" means a license to process	215
hemp issued under section 928.02 of the Revised Code.	216
(F) "Hemp product" means any product, containing a delta-9	217
tetrahydrocannabinol concentration of not more than three-tenths	218
per cent, that is made with hemp. "Hemp product" includes	219
cosmetics, personal care products, dietary supplements or food	220
intended for animal or human consumption, cloth, cordage, fiber,	221
fuel, paint, paper, particleboard, <u>vapor products, processed</u>	222
<u>hemp flowers,</u> and any other product containing one or more	223

cannabinoids derived from hemp, including cannabidiol. "Hemp product" includes any hemp not in the possession of a licensed hemp cultivator or hemp processor. "Hemp product" does not include a non-cannabinoid hemp product. 224
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(G) "Marihuana" has the same meaning as in section 3719.01 of the Revised Code. 228
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(H) "Medical marijuana" has the same meaning as in section 3796.01 of the Revised Code. 230
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(I) "Non-cannabinoid hemp product" means any product that is made from hemp that does not include cannabinoids. "Non-cannabinoid hemp product" includes cloth, cordage, fiber, fuel, paint, paper, particleboard, and foods that have been approved by the United States food and drug administration as generally recognized as safe. 232
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(J) "Process" or "processing" means converting hemp into a hemp product. 238
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~~(J)~~ (K) "Delta-9 tetrahydrocannabinol" means the sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus the percentage by weight of delta-9 tetrahydrocannabinol. 240
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~~(K)~~ (L) "Tetrahydrocannabinol" means naturally occurring or synthetic equivalents, regardless of whether artificially or naturally derived, of the substances contained in the plant, or in the resinous extractives of cannabis, sp. or derivatives, and their isomers with similar chemical structure to delta-1-cis or trans tetrahydrocannabinol, and their optical isomers, salts and salts of isomers. "Tetrahydrocannabinol" includes, but is not limited to, delta-8 tetrahydrocannabinol, delta-10 tetrahydrocannabinol, tetrahydrocannabinol-o acetate, 244
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<u>tetrahydrocannabiphorol, tetrahydrocannabivarin,</u>	253
<u>hexahydrocannabinol, delta-6-cis or trans tetrahydrocannabinol,</u>	254
<u>delta-3,4-cis or trans tetrahydrocannabinol, 9-</u>	255
<u>hexahydrocannabinol, and delta-9-tetrahydrocannabinol acetate.</u>	256
<u>Since nomenclature of these substances is not internationally</u>	257
<u>standardized, compounds of these structures, regardless of</u>	258
<u>designation of atomic positions, are included.</u>	259
<u>"Tetrahydrocannabinol" does not include the following:</u>	260
<u>(1) Tetrahydrocannabinols approved by the United States</u>	261
<u>food and drug administration for marketing as a medication or</u>	262
<u>recognized by the United States food and drug administration as</u>	263
<u>generally recognized as safe.</u>	264
<u>(2) Cannabichromene (CBC);</u>	265
<u>(3) Cannabicyclol (CBL);</u>	266
<u>(4) Cannabidiol (CBD),</u>	267
<u>(5) Cannabidivanol (CBDV);</u>	268
<u>(6) Cannabielsoin (CBE);</u>	269
<u>(7) Cannabigerol (CBG);</u>	270
<u>(8) Cannabigerovarin (CBGV);</u>	271
<u>(9) Cannabinol (CBN);</u>	272
<u>(10) Cannabivarin (CBV).</u>	273
<u>(M) "University" means an institution of higher education</u>	274
<u>as defined in section 3345.12 of the Revised Code and a private</u>	275
<u>nonprofit institution with a certificate of authorization issued</u>	276
<u>pursuant to Chapter 1713. of the Revised Code.</u>	277
<u>(L)-(N) "USDA" means the United States department of</u>	278

agriculture.	279
<u>(O) "Adult use cannabis" has the same meaning as in</u>	280
<u>section 3780.01 of the Revised Code.</u>	281
<u>(P) "Electronic smoking device" means any device that can</u>	282
<u>be used to deliver aerosolized or vaporized hemp or any other</u>	283
<u>substance to the person inhaling from the device, including an</u>	284
<u>electronic cigarette, electronic cigar, electronic hookah,</u>	285
<u>vaping pen, or electronic pipe. "Electronic smoking device"</u>	286
<u>includes any component, part, or accessory of such a device,</u>	287
<u>whether or not sold separately, and includes any substance</u>	288
<u>intended to be aerosolized or vaporized during the use of the</u>	289
<u>device.</u>	290
<u>(Q) "Vapor product" means a product that contains or is</u>	291
<u>made or derived from hemp and that is intended and marketed for</u>	292
<u>human consumption, including by smoking, inhaling, snorting, or</u>	293
<u>sniffing. "Vapor product" includes any component, part, or</u>	294
<u>additive that is intended for use in an electronic smoking</u>	295
<u>device, a mechanical heating element, battery, or electronic</u>	296
<u>circuit and is used to deliver the product.</u>	297
<u>(R) "Processed hemp flower" means the flower of a hemp</u>	298
<u>plant that has been dried or cured.</u>	299
Sec. 928.03. The director of agriculture, in consultation	300
with the governor and attorney general, shall adopt rules in	301
accordance with Chapter 119. of the Revised Code establishing	302
standards and procedures for the regulation of hemp cultivation	303
and processing. The rules shall include all of the following:	304
(A) The form of an application for a hemp cultivation	305
license and hemp processing license and the information required	306
to be included in each license application;	307

(B) The amount of an initial application fee that an applicant shall submit along with an application for a hemp cultivation license or a hemp processing license, and the amount of an annual license fee that a licensee shall submit for a hemp cultivation license or a hemp processing license. In adopting rules under division (B) of this section, the director shall ensure both of the following:

(1) That the amount of the application fee and annual license fee does not exceed an amount sufficient to cover the costs incurred by the department of agriculture to administer and enforce this chapter;

(2) That there is one uniform application fee and one uniform annual license fee that applies to all applicants for a hemp cultivation license.

(C) Requirements and procedures concerning background investigations of each applicant for a hemp cultivation license and each applicant for a hemp processing license. The director shall include both of the following in the rules adopted under this division:

(1) A requirement that each applicant comply with sections 4776.01 to 4776.04 of the Revised Code;

(2) Provisions that prohibit the director from issuing a hemp cultivation license or hemp processing license to an applicant that has not complied with those sections.

(D) Requirements regarding the experience, equipment, facilities, or land necessary to obtain a hemp cultivation license;

(E) Requirements and procedures regarding standards of financial responsibility for each applicant for a hemp

processing license;	337
(F) Procedures and requirements for the issuance, renewal, denial, suspension, and revocation of a hemp cultivation license and hemp processing license, including providing for a hearing under Chapter 119. of the Revised Code with regard to such a denial, suspension, or revocation;	338 339 340 341 342
(G) Grounds for the denial, suspension, and revocation of a hemp cultivation license and of a hemp processing license, including a requirement that the director revoke a hemp cultivation license or hemp processing license, for a period of ten years, of any person who pleads guilty to or is convicted of a felony relating to a controlled substance;	343 344 345 346 347 348
(H) A requirement that the director shall not issue a hemp cultivation license or hemp processing license to any person who has pleaded guilty to or been convicted of a felony relating to a controlled substance in the ten years immediately prior to the submission of the application for a license;	349 350 351 352 353
(I) A requirement that any person that materially falsifies information in an application for a hemp cultivation license or hemp processing license is ineligible to receive either license;	354 355 356 357
(J) A practice for maintaining relevant information regarding land on which hemp is cultivated by hemp cultivation licensees, including a legal description of the land, in accordance with applicable federal law;	358 359 360 361
(K) Requirements prohibiting a hemp cultivation licensee and a hemp processing licensee from cultivating or processing marihuana;	362 363 364
(L) A procedure for testing, using post-decarboxylation or	365

other similarly reliable methods, delta-9 tetrahydrocannabinol	366
concentration levels of plants and products for purposes of	367
determining compliance with this chapter and rules adopted under	368
it;	369
(M) Requirements and procedures for the issuance,	370
administration, and enforcement of corrective action plans	371
issued under this chapter;	372
(N) A procedure for conducting annual inspections of, at a	373
minimum, a random sample of hemp cultivation license holders to	374
verify that plants are not being cultivated in violation of this	375
chapter or rules adopted under it;	376
(O) A procedure for conducting annual inspections of, at a	377
minimum, a random sample of hemp processing license holders to	378
verify that such license holders are not operating in violation	379
of this chapter or rules adopted under it;	380
(P) A procedure for complying with enforcement procedures	381
required under federal law;	382
(Q) A procedure for the effective disposal of all of the	383
following:	384
(1) Plants, whether growing or not, cultivated in	385
violation of this chapter or rules adopted under it;	386
(2) Products derived from plants cultivated in violation	387
of this chapter or rules adopted under it;	388
(3) Products produced in violation of this chapter or	389
rules adopted under it.	390
(R) Requirements and procedures governing the production,	391
storage, and disposal of hemp byproducts.	392

For the purposes of this chapter and notwithstanding any 393
provision of law to the contrary, "hemp product" includes a 394
byproduct, produced as a result of processing hemp, that 395
contains a delta-9 tetrahydrocannabinol concentration of more 396
than three-tenths per cent, provided that the byproduct is 397
produced, stored, and disposed of in accordance with rules 398
adopted under division (R) of this section. 399

(S) Procedures for sharing information regarding hemp 400
cultivation license holders with the secretary of the USDA; 401

(T) A setback distance requirement that specifies the 402
distance that a hemp cultivation license holder shall locate 403
hemp plants from a location where medical marijuana or -adult 404
use cannabis is being cultivated. The requirement does not apply 405
to a hemp cultivation license holder with regard to a ~~medical-~~ 406
marijuana cultivator that locates medical marijuana or -adult 407
use cannabis within the established setback distance requirement 408
after the hemp cultivation license holder begins operation. 409

(U) Annual reporting requirements and procedures for hemp 410
cultivation license holders and hemp processing license holders; 411

(V) Recordkeeping and documentation maintenance 412
requirements and procedures for hemp cultivation license holders 413
and hemp processing license holders; 414

(W) Fees for the laboratory testing of plants and 415
products; 416

(X) Standards for the testing and labeling of hemp and 417
hemp products; 418

(Y) Requirements prohibiting the processing of hemp in a 419
building used as a personal residence or on land that is zoned 420
for residential use; 421

(Z) Production standards and manufacturing practices for processing hemp;	422 423
(AA) Procedures and requirements for the transportation and storage of both hemp and hemp products;	424 425
(BB) Any other requirements or procedures necessary to administer and enforce this chapter.	426 427
<u>Sec. 3779.01. As used in sections 3779.01 to 3779.06 and 3779.40 to 3779.48 of the Revised Code:</u>	428 429
<u>(A) "At retail" means for use or consumption by the ultimate consumer and not for resale.</u>	430 431
<u>(B) "Delta-9 tetrahydrocannabinol," "hemp product," and "tetrahydrocannabinol" have the same meanings as in section 928.01 of the Revised Code.</u>	432 433 434
<u>(C) "Identification card" means a driver's or commercial driver's license, an identification card issued under sections 4507.50 to 4507.52 of the Revised Code or an equivalent identification card issued by another state, a military identification card issued by the United States department of defense, or a United States or foreign passport that displays a picture of the individual for whom the license, card, or passport is issued and shows that the person buying is then at least twenty-one years of age.</u>	435 436 437 438 439 440 441 442 443
<u>(D) "Intoxicating hemp product" means a hemp product containing any amount of synthetic tetrahydrocannabinol, more than five-tenths of a milligram of delta-9 tetrahydrocannabinol per serving, two milligrams of delta-9 tetrahydrocannabinol per package, or five-tenths of a milligram of total non-delta-9 tetrahydrocannabinol per package. "Intoxicating hemp product" does not include either of the following:</u>	444 445 446 447 448 449 450

(1) A hemp product that cannot be ingested, inhaled, 451
snorted, sniffed, or used sublingually; 452

(2) A drinkable cannabinoid product as defined in section 453
3779.21 of the Revised Code. 454

(E) "Ohio investigative unit" means the investigative unit 455
maintained by the department of public safety under section 456
5502.13 of the Revised Code. 457

(F) "Sell" means the exchange, barter, gift, offer for 458
sale, and sale of an intoxicating hemp product. 459

(G) "Total non-delta-9 tetrahydrocannabinol" means the 460
sum, after the application of any necessary conversion factor, 461
of the percentage by weight of tetrahydrocannabinol, other than 462
delta-9 tetrahydrocannabinol, and the percentage by weight of 463
tetrahydrocannabinolic acid. 464

Sec. 3779.02. (A) (1) No person shall sell an intoxicating 465
hemp product at retail in this state. 466

(2) Division (A) (1) of this section does not apply to the 467
sale of an intoxicating hemp product at retail by a person to 468
which both of the following apply: 469

(a) The person is licensed as an adult use dispensary 470
under Chapter 3780. of the Revised Code or is licensed as a 471
dispensary under Chapter 3796. of the Revised Code. 472

(b) The person sells the intoxicating hemp product to an 473
individual who is twenty-one years of age or older as verified 474
by examining the individual's identification card. 475

(B) No person that is licensed as an adult use dispensary 476
under Chapter 3780. of the Revised Code or that is licensed as a 477
dispensary under Chapter 3796. of the Revised Code shall do any 478

of the following: 479

(1) Subject to division (D) of section 3779.05 of the 480
Revised Code, sell an intoxicating hemp product that has not 481
been tested in compliance with rules adopted under section 482
3780.03 of the Revised Code that otherwise apply to adult use 483
cannabis; 484

(2) Sell an intoxicating hemp product that does not comply 485
with the standards and procedures for packaging, labeling, and 486
advertising set forth in rules adopted under section 3780.03 of 487
the Revised Code that otherwise apply to adult use cannabis; 488

(3) Violate any applicable rules adopted under division 489
(B) of section 3779.05 of the Revised Code. 490

(C) (1) No person shall sell a hemp product and market it 491
as adult use cannabis as defined in section 3780.01 of the 492
Revised Code or as medical marijuana as defined in section 493
3796.01 of the Revised Code. 494

(2) No person shall use any terms associated with the sale 495
of a hemp product that would cause a consumer to infer that the 496
hemp product is medical marijuana or adult use cannabis. 497

(3) No person shall use any terms associated with the sale 498
of a hemp product that would cause a consumer to infer that the 499
person selling the hemp product is a medical marijuana or adult 500
use cannabis dispensary licensed under Chapter 3780. or 3796. of 501
the Revised Code. 502

(4) Division (C) (3) of this section does not apply to an 503
adult use dispensary licensed under Chapter 3780. of the Revised 504
Code or a dispensary licensed under Chapter 3796. of the Revised 505
Code. 506

(D) Notwithstanding any other provision of law to the 507
contrary, a person who violates division (A) (1) of this section 508
shall not be prosecuted under any other criminal statute that 509
otherwise would apply to the person because the person engaged 510
in the activities prohibited in division (A) (1) of this section. 511

Sec. 3779.03. The Ohio investigative unit shall enforce 512
this chapter or cause it to be enforced. If the unit has 513
information that this chapter has been violated, it may 514
investigate the matter and take any action as it considers 515
appropriate. The authority of the Ohio investigative unit is 516
concurrent to the jurisdiction of any law enforcement officer to 517
enforce this chapter. Nothing in this chapter shall be construed 518
to limit or supersede the authority of any law enforcement 519
officer or agency. 520

Sec. 3779.04. (A) The director of commerce may impose an 521
administrative penalty or take other enforcement actions against 522
a person who violates division (A) (1), (B), (C) (1), (C) (2), or 523
(C) (3) of section 3779.02 of the Revised Code or any rules 524
adopted under section 3779.05 of the Revised Code. 525
Administrative penalties shall be set forth in rules adopted 526
under section 3779.05 of the Revised Code. 527

(B) The director shall afford a person an opportunity for 528
an adjudication hearing under Chapter 119. of the Revised Code 529
to challenge the director's determination to impose an 530
administrative penalty or taking other enforcement action under 531
this section, the director's imposition of an administrative 532
penalty under this section, or both. The director's 533
determination, the imposition of the administrative penalty, and 534
taking other enforcement action may be appealed in accordance 535
with section 119.12 of the Revised Code. 536

Sec. 3779.05. (A) The director of commerce shall adopt 537
rules in accordance with Chapter 119. of the Revised Code that 538
establish the amount of administrative penalties to be imposed 539
by the director under section 3779.04 of the Revised Code. 540

(B) Subject to division (C) of this section, to ensure the 541
integrity of intoxicating hemp product sales and operations, the 542
director has jurisdiction over all persons participating in the 543
cultivation, processing, distribution, and sales of intoxicating 544
hemp products, including the authority to complete regulating, 545
investigating, and penalizing those persons in a manner that is 546
consistent with the director's authority with respect to adult 547
use cannabis. To carry out this division, the director may adopt 548
rules under Chapter 119. of the Revised Code. 549

(C) Notwithstanding Chapters 3780. and 3796. of the 550
Revised Code and rules adopted under those chapters to the 551
contrary, the director shall not require hemp that is processed 552
into an intoxicating hemp product to be cultivated or processed 553
in this state. 554

(D) Notwithstanding Chapters 3780. and 3796. of the 555
Revised Code and rules adopted under those chapters to the 556
contrary, an intoxicating hemp product that is sold in this 557
state shall be tested as follows: 558

(1) If the intoxicating hemp product is produced in this 559
state, the product shall be tested in a facility licensed in 560
accordance with Chapter 3780. of the Revised Code and rules 561
adopted under it. 562

(2) If the intoxicating hemp product is produced outside 563
this state, the product shall be tested in a facility licensed 564
in accordance with Chapter 3780. of the Revised Code and rules 565

adopted under it or, as approved by the director, in a facility 566
in another state that meets requirements that are substantially 567
similar to applicable requirements established under Chapter 568
3780. of the Revised Code and rules adopted under it. 569

Sec. 3779.06. (A) As used in this section: 570

(1) "Chauffeured limousine" means a vehicle registered 571
under section 4503.24 of the Revised Code. 572

(2) "Street," "highway," and "motor vehicle" have the same 573
meanings as in section 4511.01 of the Revised Code. 574

(3) "Orchestral performance" and "outdoor performing arts 575
center" have the same meanings as in section 4301.62 of the 576
Revised Code. 577

(B) A person may have in the person's possession an opened 578
container of an intoxicating hemp product that is a beverage in 579
any of the following locations: 580

(1) On the premises of a private residence; 581

(2) On the premises of an outdoor performing arts center 582
if the person is attending an orchestral performance and the 583
owner or operator of the center grants permission for the 584
possession and consumption of an intoxicating hemp product that 585
is a beverage in certain predesignated areas of the premises; 586

(3) At an outdoor location at which the person is 587
attending an orchestral performance if the person with 588
supervision and control over the performance grants permission 589
for the possession and consumption of an intoxicating hemp 590
product that is a beverage in certain predesignated areas of 591
that outdoor location; 592

(4) In a chauffeured limousine that is located on any 593

street, highway, or other public or private property open to the 594
public for purposes of vehicular travel or parking if all the 595
following apply: 596

(a) The person, or the guest of the person, pays all or a 597
portion of the fee imposed for the use of a chauffeured 598
limousine pursuant to a prearranged contract; 599

(b) The person or guest is a passenger in the limousine; 600

(c) The person or guest is located in the limousine but is 601
not occupying a seat in the front compartment of the limousine 602
where the operator of the limousine is located. 603

(C) Except as provided in division (B) of this section, no 604
person shall have in the person's possession an opened container 605
of an intoxicating hemp product that is a beverage in any of the 606
following circumstances: 607

(1) In any public place; 608

(2) While operating or being a passenger in or on a motor 609
vehicle on any street, highway, or other public or private 610
property open to the public for purposes of vehicular travel or 611
parking; 612

(3) While being in or on a stationary motor vehicle on any 613
street, highway, or other public or private property open to the 614
public for purposes of vehicular travel or parking. 615

Sec. 3779.21. As used in sections 3779.21 to 3779.48 of 616
the Revised Code: 617

(A) "At retail" and "identification card" have the same 618
meanings as in section 3779.01 of the Revised Code. 619

(B) "Distributor" means a class B permit holder under 620

Chapter 4303. of the Revised Code that sells, offers for sale, 621
arranges for sale, or delivers a drinkable cannabinoid product 622
to a retailer. "Distributor" does not include either of the 623
following: 624

(1) A manufacturer; 625

(2) A person that is a common carrier and that is used to 626
complete delivery of a drinkable cannabinoid product to a 627
retailer. 628

(C) "Drinkable cannabinoid product" means a liquid hemp 629
product to which all the following apply: 630

(1) The product contains cannabinoids. 631

(2) The cannabinoids in the product are solely derived 632
from hemp. 633

(3) The product is intended to be consumed as a beverage 634
by humans. 635

(4) The product does not include a drug as defined in 636
section 4729.01 of the Revised Code. 637

(5) The product does not contain more than three-tenths 638
per cent of any tetrahydrocannibidiol. 639

(6) The product does not contain more than four-tenths of 640
a milligram of tetrahydrocannibidiol per fluid ounce. 641

(7) The product contains not more than forty-eight total 642
fluid ounces in all containers included in a package. 643

"Drinkable cannabinoid product" is not an intoxicating 644
hemp product. 645

(D) "Hemp," "hemp product," and "tetrahydrocannabinol" 646
have the same meanings as in section 928.01 of the Revised Code. 647

(E) "Manufacturer" means a person that manufactures a 648
drinkable cannabinoid product. 649

(F) "Retailer" means an A-1-A, class C, or class D permit 650
holder under Chapter 4303. of the Revised Code or a dispensary 651
issued a license under Chapter 3780. or 3796. of the Revised 652
Code that sells drinkable cannabinoid products from the permit 653
or license premises, as applicable. 654

(G) "Sale" and "sell" include exchange, barter, gift, 655
offer for sale, sale, distribution and delivery of any kind, and 656
the transfer of title or possession of a drinkable cannabinoid 657
product either by constructive or actual delivery by any means 658
or devices. 659

(H) "Testing laboratory" means a laboratory that meets all 660
the following conditions: 661

(1) Holds an ISO 17025 accreditation or is registered with 662
the drug enforcement administration in accordance with 21 C.F.R. 663
1301.13; 664

(2) Does not have a direct or indirect interest in the 665
entity whose product is being tested; 666

(3) Does not have a direct or indirect interest in a 667
facility that cultivates, processes, distributes, dispenses, or 668
sells drinkable cannabinoid products in this state or any other 669
jurisdiction; 670

(4) Performs tetrahydrocannabinol concentration sampling 671
and testing using the high-performance chromatography (HPLC) 672
method. 673

Sec. 3779.22. No person shall do any of the following: 674

(A) Sell at retail a drinkable cannabinoid product unless 675

the person is a retailer; 676

(B) If the person is a manufacturer, sell a drinkable 677
cannabinoid product unless the manufacturer is registered under 678
section 3779.24 of the Revised Code; 679

(C) If the person is a manufacturer, sell a drinkable 680
cannabinoid product to any person other than a distributor or 681
retailer; 682

(D) Sell for distribution a drinkable cannabinoid product 683
unless the person is a distributor; 684

(E) If the person is a distributor, sell a drinkable 685
cannabinoid product to any person other than a retailer; 686

(F) Sell at retail a drinkable cannabinoid product to an 687
individual who is under twenty-one years of age; 688

(G) Fail to verify that an individual who attempts to 689
purchase or purchases a drinkable cannabinoid product at retail 690
is at least twenty-one years of age by examining the 691
individual's identification card; 692

(H) Sell a drinkable cannabinoid product that contains 693
alcohol; 694

(I) Fail to store a drinkable cannabinoid product for sale 695
at retail in a display case that clearly states that the product 696
is a drinkable cannabinoid product; 697

(J) If the person is a manufacturer or distributor, pay to 698
a retailer any payment, credit, or any other consideration to 699
induce the retailer to advertise or display a drinkable 700
cannabinoid product in a certain manner in the retailer's 701
permitted or licensed premises; 702

(K) If a person is a retailer, accept any payment, credit, or any other consideration to advertise or display a drinkable cannabinoid product in a certain manner at the retailer's licensed premises; 703
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(L) Violate any rule adopted under section 3779.23 of the Revised Code. 707
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Sec. 3779.23. The director of commerce shall adopt rules in accordance with Chapter 119. of the Revised Code for the administration and enforcement of sections 3779.21 to 3779.29 of the Revised Code, including rules governing all the following: 709
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(A) Registration of manufacturers under section 3779.24 of the Revised Code; 713
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(B) The testing of drinkable cannabinoid products under section 3779.25 of the Revised Code; 715
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(C) The labeling of drinkable cannabinoid products under section 3779.26 of the Revised Code. 717
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Sec. 3779.24. (A) No person shall manufacture a drinkable cannabinoid product for sale in this state without registering with the director of commerce in accordance with rules adopted under section 3779.23 of the Revised Code. The director shall issue a registration under this section if the applicant submits to the director an application and is in compliance with those rules. 719
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(B) A registration issued under this section is valid for one year after issuance and shall be renewed in the same manner as an initial registration. 726
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Sec. 3779.25. (A) (1) A manufacturer of a drinkable cannabinoid product shall test the product in accordance with 729
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rules adopted under section 3779.23 of the Revised Code prior to 731
selling the product or offering the product for sale to a 732
distributor. 733

(2) No manufacturer, distributor, or retailer shall sell 734
or offer to sell a drinkable cannabinoid product that is not 735
tested in accordance with this section and rules adopted under 736
section 3779.23 of the Revised Code or that exceeds the maximum 737
allowable level for a substance or organism specified in those 738
rules. 739

(B) A manufacturer shall contract with a testing 740
laboratory to provide the testing required under this section. A 741
testing laboratory that tests a drinkable cannabinoid product 742
for a manufacturer shall use high-performance liquid 743
chromatography for any separation and measurement required in 744
the testing. 745

(C) A manufacturer shall ensure that each drinkable 746
cannabinoid product tested in accordance with this section is 747
accompanied by a certificate of analysis issued by the testing 748
laboratory. The laboratory shall include all the following on 749
the certificate of analysis: 750

(1) The batch identification number; 751

(2) The date the drinkable cannabinoid product was 752
received by the laboratory; 753

(3) The date that the testing was completed; 754

(4) The method of analysis for each test conducted; 755

(5) Proof that the applicable certificate of analysis is 756
congruent with the drinkable cannabinoid product being tested. 757

(D) The director of commerce shall do both of the 758

<u>following:</u>	759
<u>(1) Maintain and post on the department of commerce's web site a registry of testing laboratories that are qualified to test drinkable cannabinoid products;</u>	760 761 762
<u>(2) Develop an application and process by which testing laboratories are listed on the department of commerce's web site. The application submitted by a potentially qualifying testing laboratory shall include a sample certificate of analysis issued by the applying laboratory.</u>	763 764 765 766 767
<u>(E) No distributor or retailer shall be held liable for any violations or causes of action if a drinkable cannabinoid product distributed or sold by the distributor or retailer is not consistent with testing as represented.</u>	768 769 770 771
<u>(F) No manufacturer or testing laboratory shall fail to comply with this section.</u>	772 773
<u>Sec. 3779.26.</u> (A) <u>In accordance with rules adopted under section 3779.23 of the Revised Code, a manufacturer shall include a label on each drinkable cannabinoid product container that it sells or offers for sale in this state that includes the following information in legible print:</u>	774 775 776 777 778
<u>(1) The product name or common name on the front of the label;</u>	779 780
<u>(2) The brand name on the front of the label;</u>	781
<u>(3) The size of the container or net count of individual items included in the container on the front of the label;</u>	782 783
<u>(4) The net weight or volume of the items included in the container;</u>	784 785

<u>(5) The number of servings per container;</u>	786
<u>(6) A list of ingredients;</u>	787
<u>(7) The amount of any tetrahydrocannabinol, in milligrams,</u> <u>as identified in the certificate of analysis as required under</u> <u>section 3779.25 of the Revised Code;</u>	788 789 790
<u>(8) The number of calories per container;</u>	791
<u>(9) The words "This Product is a Drinkable Cannabinoid</u> <u>Product."</u>	792 793
<u>(B) In addition to printing the information required under</u> <u>division (A) of this section on the label, a manufacturer may</u> <u>provide the information specified in divisions (A) (6) and (7) of</u> <u>this section via a quick response code.</u>	794 795 796 797
<u>(C) No manufacturer shall fail to comply with this</u> <u>section.</u>	798 799
<u>Sec. 3779.27.</u> <u>(A) As used in this section, "sales area or</u> <u>territory" means an exclusive geographic area or territory that</u> <u>is assigned to a particular distributor and that either has one</u> <u>or more political subdivisions as its boundaries or consists of</u> <u>an area of land with readily identifiable geographic boundaries.</u>	800 801 802 803 804
<u>(B) Each manufacturer shall assign to each of the</u> <u>manufacturer's distributors a sales area or territory within</u> <u>which each distributor shall be the distributor of the brand or</u> <u>brands of the manufacturer, provided that, if the manufacturer</u> <u>manufactures more than one brand of drinkable cannabinoid</u> <u>product, the manufacturer may assign sales areas or territories</u> <u>to additional distributors for the distribution and sale of the</u> <u>additional brand or brands, so long as not more than one</u> <u>distributor distributes the same brand or brands within the same</u>	805 806 807 808 809 810 811 812 813

sales area or territory. No distributor shall distribute a 814
specific brand of drinkable cannabinoid product in any area or 815
territory other than the area or territory assigned to the 816
distributor. 817

(C) This section does not prohibit a manufacturer from 818
selling a drinkable cannabinoid product directly to a retailer. 819

Sec. 3779.28. (A) No manufacturer shall aid or assist a 820
distributor, and no manufacturer or distributor shall aid or 821
assist a retailer, by gift or loan of any money or property of 822
any description or other valuable thing, or by giving premiums 823
or rebates. No distributor or retailer shall accept the same. 824

(B) No manufacturer shall have any financial interest, 825
directly or indirectly, by stock ownership, or through 826
interlocking directors in a corporation, or otherwise, in the 827
establishment, maintenance, or promotion in the business of any 828
distributor. No retailer shall have any interest, directly or 829
indirectly, in the operation of, or any ownership in, the 830
business of any distributor or manufacturer. 831

(C) No manufacturer shall have any financial interest, 832
directly or indirectly, by stock ownership, or through 833
interlocking directors in a corporation, or otherwise, in the 834
establishment, maintenance, or promotion of the business of any 835
retailer. No distributor or employee of a distributor shall have 836
any financial interest, directly or indirectly, by stock 837
ownership, interlocking directors in a corporation, or 838
otherwise, in the establishment, maintenance, or promotion of 839
the business of any retailer. No manufacturer or distributor or 840
any stockholder of a manufacturer or distributor shall acquire, 841
by ownership in fee, leasehold, mortgage, or otherwise, directly 842
or indirectly, any interest in the premises on which the 843

business of any other person engaged in the business of selling 844
drinkable cannabinoid products at retail is occurring. 845

(D) No manufacturer shall sell or offer to sell to any 846
distributor or retailer, no distributor shall sell or offer to 847
sell to any retailer, and no distributor or retailer shall 848
purchase or receive from any manufacturer or distributor any 849
drinkable cannabinoid product in the United States except for 850
cash. No right of action exists to collect any claims for credit 851
extended contrary to this section. 852

Sec. 3779.29. (A) As used in this section: 853

(1) "Airport" means a public-use airport that has 854
commercial flight activity and has one or more passenger or 855
property screening checkpoints or restricted areas used as 856
security measures. 857

(2) "Chauffeured limousine" means a vehicle registered 858
under section 4503.24 of the Revised Code. 859

(3) "Street," "highway," and "motor vehicle" have the same 860
meanings as in section 4511.01 of the Revised Code. 861

(4) "Orchestral performance," "outdoor performing arts 862
center," "market," and "racing event," have the same meanings as 863
in section 4301.62 of the Revised Code. 864

(5) "Outdoor motorsports facility" means an outdoor 865
racetrack to which all of the following apply: 866

(a) It is two and four-tenths miles or more in length. 867

(b) It is located on two hundred acres or more of land. 868

(c) The primary business of the owner of the facility is 869
the hosting and promoting of racing events. 870

<u>(d) A retailer that is a D-1, D-2, or D-3 permit holder is</u>	871
<u>located on the property of the facility.</u>	872
<u>(6) "Public-use airport" has the same meaning as in</u>	873
<u>section 4563.30 of the Revised Code.</u>	874
<u>(B) A person may have in the person's possession an opened</u>	875
<u>container of a drinkable cannabinoid product in any of the</u>	876
<u>following locations:</u>	877
<u>(1) On the premises of a private residence;</u>	878
<u>(2) On the premises of a retailer that has been issued an</u>	879
<u>A-1-A or class D permit under Chapter 4303. of the Revised Code;</u>	880
<u>(3) In an outdoor area, as described in division (B) (1) of</u>	881
<u>section 4303.188 of the Revised Code, of a retailer that has</u>	882
<u>been issued an A-1-A or class D permit under Chapter 4303. of</u>	883
<u>the Revised Code, provided the drinkable cannabinoid product was</u>	884
<u>purchased from the retailer;</u>	885
<u>(4) On the premises of an outdoor performing arts center</u>	886
<u>if the person is attending an orchestral performance and the</u>	887
<u>owner or operator of the center grants permission for the</u>	888
<u>possession and consumption of a drinkable cannabinoid product in</u>	889
<u>certain predesignated areas of the premises;</u>	890
<u>(5) At an outdoor location at which the person is</u>	891
<u>attending an orchestral performance if the person with</u>	892
<u>supervision and control over the performance grants permission</u>	893
<u>for the possession and consumption of a drinkable cannabinoid</u>	894
<u>product in certain predesignated areas of that outdoor location;</u>	895
<u>(6) On the property of an outdoor motorsports facility if</u>	896
<u>both of the following apply:</u>	897
<u>(a) The person is attending a racing event at the</u>	898

facility. 899

(b) The owner of the facility grants permission for the possession and consumption of a drinkable cannabinoid product on the property of the facility. 900
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(7) (a) In an outdoor refreshment area designated under section 4301.82 of the Revised Code, provided that the drinkable cannabinoid product was purchased from a retailer located in the outdoor refreshment area to which both of the following apply: 903
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(i) The retailer is an A-1-A or class D permit holder under Chapter 4303. of the Revised Code. 907
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(ii) The retailer has been issued outdoor refreshment area designation under section 4301.82 of the Revised Code for the outdoor refreshment area. 909
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(b) Division (B) (7) (a) of this section does not authorize a person to do either of the following: 912
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(i) Enter the premises of an establishment within an outdoor refreshment area while possessing an opened container of a drinkable cannabinoid product acquired elsewhere; 914
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(ii) Possess an opened container of a drinkable cannabinoid product while being in or on a motor vehicle within an outdoor refreshment area, unless the possession is otherwise authorized under division (B) (8) or (9) this section. 917
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(8) In a chauffeured limousine that is located on any street, highway, or other public or private property open to the public for purposes of vehicular travel or parking if all the following apply: 921
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(a) The person, or the guest of the person, pays all or a portion of the fee imposed for the use of a chauffeured 925
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<u>limousine pursuant to a prearranged contract.</u>	927
<u>(b) The person or guest is a passenger in the limousine.</u>	928
<u>(c) The person or guest is located in the limousine but is not occupying a seat in the front compartment of the limousine where the operator of the limousine is located.</u>	929 930 931
<u>(9) On the premises of a market if the drinkable cannabinoid product has been purchased from a retailer that is a D liquor permit holder located in the market;</u>	932 933 934
<u>(10) In an airport if all of the following apply:</u>	935
<u>(a) Consumption of the opened container of a drinkable cannabinoid product occurs in the area of the airport terminal that is restricted to persons taking flights to and from the airport.</u>	936 937 938 939
<u>(b) The airport's governing body authorizes the consumption of drinkable cannabinoid products in that area.</u>	940 941
<u>(c) A retailer that is an A-1-A or class D permit holder located in the area and the drinkable cannabinoid product was purchased from such a retailer.</u>	942 943 944
<u>(d) The drinkable cannabinoid product is served solely in plastic bottles or other plastic containers that clearly identify the retailer.</u>	945 946 947
<u>(C) Except as provided in division (B) of this section, no person shall have in the person's possession an opened container of a drinkable cannabinoid product in any of the following circumstances:</u>	948 949 950 951
<u>(1) In any public place;</u>	952
<u>(2) While operating or being a passenger in or on a motor</u>	953

vehicle on any street, highway, or other public or private 954
property open to the public for purposes of vehicular travel or 955
parking; 956

(3) While being in or on a stationary motor vehicle on any 957
street, highway, or other public or private property open to the 958
public for purposes of vehicular travel or parking. 959

Sec. 3779.40. (A) As used in sections 3779.40 to 3779.48 960
of the Revised Code: 961

(1) "Dispensary" means an adult use dispensary, as defined 962
in section 3780.01 of the Revised Code, or a retail dispensary 963
licensed under Chapter 3796. of the Revised Code. 964

(2) "Intoxicating hemp product receipts" means the total 965
amount received by a dispensary, without deduction for the cost 966
of goods, taxes paid, or other expenses incurred, from the sale 967
or other disposition of intoxicating hemp products to any other 968
person. 969

(3) "Received" has the same meaning as in section 5751.01 970
of the Revised Code. 971

(4) "Sale" includes exchange, barter, gift, offer for 972
sale, and distribution, and includes transactions in interstate 973
or foreign commerce. 974

(5) "Taxpayer" means any person liable for a tax imposed 975
under this section. 976

(6) "Gallon" means one hundred twenty-eight fluid ounces. 977

(B) For the purpose of providing for the needs of this 978
state, a tax is levied on the intoxicating hemp product receipts 979
received by a dispensary each month at the rate of fifteen per 980
cent of such receipts. All revenue from the tax shall be 981

credited to the general revenue fund. The tax is part of the 982
price for purposes of sales and use taxes levied under Chapters 983
5739. and 5741. of the Revised Code. 984

(C) For the purpose of providing for the needs of this 985
state, an excise tax is levied on sales by a manufacturer to a 986
distributor or retailer of drinkable cannabinoid products at the 987
rate of three dollars and fifty cents per gallon of such 988
products sold. All revenue from the tax shall be credited to the 989
general revenue fund. 990

(D) Not later than thirty days after first receiving 991
intoxicating hemp product receipts, a dispensary shall register 992
with the tax commissioner by submitting all of the following: 993

(1) A copy of the license or licenses issued to the 994
registrant under Chapter 3780. or 3796. of the Revised Code; 995

(2) The registrant's federal employer identification 996
number or social security number or equivalent, as applicable; 997

(3) All other information that the commissioner requires 998
to administer and enforce the tax levied under division (B) of 999
this section. 1000

(E) Not later than thirty days after first selling a 1001
drinkable cannabinoid product to a distributor or retailer, a 1002
manufacturer shall register with the tax commissioner by 1003
submitting all of the following: 1004

(1) The registrant's federal employer identification 1005
number or social security number or equivalent, as applicable; 1006

(2) All other information that the commissioner requires 1007
to administer and enforce the tax levied under division (C) of 1008
this section. 1009

(F) If the commissioner notifies a dispensary or manufacturer required to register under this section of such requirement and of the requirement to remit the tax due under section 3779.41 of the Revised Code, and the dispensary or manufacturer fails to so register and remit the tax within sixty days after the notice, the commissioner may impose an additional penalty of up to thirty-five per cent of the tax due. 1010
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(G) A dispensary that is registered with the tax commissioner under division (D) of this section shall notify the commissioner if any of the following occur with respect to a license issued to the registrant under Chapter 3780. or 3796. of the Revised Code: 1017
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(1) The license expires or is revoked; 1022

(2) A change to the activities in which the registrant is permitted to engage; 1023
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(3) A change in the location or facilities in which the registrant is permitted to engage in such activities. 1025
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Sec. 3779.41. (A) Not later than the twentieth day of the month, every taxpayer shall file with the tax commissioner a return for the preceding calendar month reporting any information the commissioner finds necessary for the proper administration of sections 3779.40 to 3779.48 of the Revised Code, together with remittance of the tax due. In the case of the tax levied under division (B) of section 3779.40 of the Revised Code, the tax shall be calculated on the basis of the taxpayer's intoxicating hemp product receipts received during the preceding month. In the case of the tax levied under division (C) of section 3779.40 of the Revised Code, the tax shall be calculated on the basis of the gallons of drinkable 1027
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cannabinoid products sold by the taxpayer to a distributor or 1039
retailer during the preceding month. 1040

(B) Any taxpayer that fails to file a return or pay the 1041
full amount of the tax due within the period prescribed under 1042
this section shall pay a penalty in an amount not exceeding the 1043
greater of fifty dollars or ten per cent of the tax required to 1044
be paid for the month. 1045

(C) (1) If any additional tax is found to be due, the tax 1046
commissioner may impose an additional penalty of up to fifteen 1047
per cent of the additional tax found to be due. 1048

(2) Any delinquent payments made after a taxpayer is 1049
notified of an audit or a tax discrepancy by the commissioner 1050
are subject to the penalty imposed by division (C) (1) of this 1051
section. If an assessment is issued under section 3779.44 of the 1052
Revised Code in connection with such delinquent payments, the 1053
payments shall be credited to the assessment. 1054

(D) The commissioner may collect any penalty or interest 1055
imposed by this section or section 3779.40 of the Revised Code 1056
in the same manner as the applicable tax imposed under that 1057
section. Penalties and interest so collected shall be considered 1058
as revenue arising from that tax. 1059

(E) The commissioner may abate all or a portion of any 1060
penalties imposed under this section or section 3779.40 of the 1061
Revised Code and may adopt rules governing such abatements. 1062

(F) If any tax due is not timely paid within the period 1063
prescribed under this section, the taxpayer shall pay interest, 1064
calculated at the rate per annum prescribed by section 5703.47 1065
of the Revised Code, from the date the tax payment was due to 1066
the date of payment or to the date an assessment was issued, 1067

whichever occurs first. 1068

(G) The commissioner may impose a penalty of up to ten per cent for any additional tax that is due from a taxpayer that reports incorrect information. 1069
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Sec. 3779.42. (A) Any taxpayer required to file returns under section 3779.41 of the Revised Code shall remit each tax payment, and, if required by the tax commissioner, file the tax return or the annual report, electronically. The commissioner may require taxpayers to use the Ohio business gateway as defined in section 718.01 of the Revised Code to file returns and remit the taxes, or may provide another means for taxpayers to file and remit the taxes electronically. 1072
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(B) A taxpayer required to remit taxes or file returns electronically under division (A) of this section may apply to the commissioner, on a form prescribed by the commissioner, to be excused from that requirement. The commissioner may excuse a taxpayer from the requirements of this section for good cause. 1080
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(C) (1) If a taxpayer required to remit tax or file a return electronically under division (A) of this section fails to do so, the commissioner may impose a penalty not to exceed the following: 1085
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(a) For either of the first two months the taxpayer so fails, the greater of twenty-five dollars or five per cent of the amount of the payment that was required to be remitted; 1089
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(b) For the third and any subsequent months the taxpayer so fails, the greater of fifty dollars or ten per cent of the amount of the payment that was required to be remitted. 1092
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(2) The penalty imposed under division (C) (1) of this section shall be considered as revenue arising from the tax 1095
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imposed under division (B) or (C) of section 3779.40 of the 1097
Revised Code, as applicable. A penalty may be collected by 1098
assessment in the manner prescribed by section 3779.44 of the 1099
Revised Code. The commissioner may abate all or a portion of 1100
such a penalty. 1101

(D) The commissioner may adopt rules necessary to 1102
administer this section. 1103

Sec. 3779.43. (A) An application for refund to the 1104
taxpayer of amounts imposed under sections 3779.40 to 3779.48 of 1105
the Revised Code that are overpaid, paid illegally or 1106
erroneously, or paid on any illegal or erroneous assessment 1107
shall be filed by the taxpayer with the tax commissioner, on a 1108
form prescribed by the commissioner, within four years after the 1109
date of the illegal or erroneous payment, or within any 1110
additional period allowed under division (F) of section 3779.44 1111
of the Revised Code. The applicant shall provide the amount of 1112
the requested refund along with the claimed reasons for, and 1113
documentation to support, the issuance of a refund. 1114

(B) On the filing of the refund application, the 1115
commissioner shall determine the amount of refund to which the 1116
applicant is entitled. If the amount is not less than that 1117
claimed, the commissioner shall certify the amount to the 1118
director of budget and management and treasurer of state for 1119
payment from the tax refund fund created under section 5703.052 1120
of the Revised Code. If the amount is less than that claimed, 1121
the commissioner shall proceed in accordance with section 1122
5703.70 of the Revised Code. 1123

(C) Interest on a refund applied for under this section, 1124
computed at the rate provided for in section 5703.47 of the 1125
Revised Code, shall be allowed from the later of the date the 1126

amount was paid or when the payment was due. 1127

(D) Except as provided in section 3779.431 of the Revised 1128
Code, the commissioner may, with the consent of the taxpayer, 1129
provide for the crediting, against tax due for any month, of the 1130
amount of any refund due to the taxpayer under this section for 1131
a preceding month. 1132

Sec. 3779.431. As used in this section, "debt to this 1133
state" means unpaid taxes due the state, unpaid workers' 1134
compensation premiums due under section 4123.35 of the Revised 1135
Code, unpaid unemployment compensation contributions due under 1136
section 4141.25 of the Revised Code, unpaid unemployment 1137
compensation payment in lieu of contribution under section 1138
4141.241 of the Revised Code, unpaid fees payable to the state 1139
or to the clerk of courts pursuant to section 4505.06 of the 1140
Revised Code, incorrect payments for medicaid services under the 1141
medicaid program, or any unpaid charge, penalty, or interest 1142
arising from any of the foregoing. 1143

If a taxpayer entitled to a refund under section 3779.43 1144
of the Revised Code owes any debt to this state, the amount 1145
refundable may be applied in satisfaction of the debt. If the 1146
amount refundable is less than the amount of the debt, it may be 1147
applied in partial satisfaction of the debt. If the amount 1148
refundable is greater than the amount of the debt, the amount 1149
remaining after satisfaction of the debt shall be refunded. This 1150
section applies only to debts that have become final. For the 1151
purposes of this section, a debt becomes final when, under the 1152
applicable law, any time provided for petition for reassessment, 1153
request for reconsideration, or other appeal of the legality or 1154
validity of the amount giving rise to the debt expires without 1155
an appeal having been filed in the manner provided by law. 1156

Sec. 3779.44. (A) The tax commissioner may make an 1157
assessment, based on any information in the commissioner's 1158
possession, against any person that fails to file a return or 1159
pay tax as required under section 3779.41 of the Revised Code. 1160
The commissioner shall give the person assessed written notice 1161
of the assessment as provided in section 5703.37 of the Revised 1162
Code. With the notice, the commissioner shall provide 1163
instructions on the manner in which to petition for reassessment 1164
and request a hearing with respect to the petition. 1165

(B) Unless the person assessed, within sixty days after 1166
service of the notice of assessment, files with the 1167
commissioner, either personally or by certified mail, a written 1168
petition signed by the person or the person's authorized agent 1169
having knowledge of the facts, the assessment becomes final, and 1170
the amount of the assessment is due and payable from the person 1171
assessed to the treasurer of state. The petition shall indicate 1172
the objections of the person assessed, but additional objections 1173
may be raised in writing if received by the commissioner before 1174
the date shown on the final determination. 1175

If a petition for reassessment has been properly filed, 1176
the commissioner shall proceed under section 5703.60 of the 1177
Revised Code. 1178

(C) (1) After an assessment becomes final, if any portion 1179
of the assessment, including accrued interest, remains unpaid, a 1180
certified copy of the commissioner's entry making the assessment 1181
final may be filed in the office of the clerk of the court of 1182
common pleas in the county in which the person resides or has 1183
its principal place of business in this state, or in the office 1184
of the clerk of the court of common pleas of Franklin county. 1185

(2) Immediately upon the filing of the entry, the clerk 1186

shall enter judgment for the state against the person assessed 1187
in the amount shown on the entry. The judgment may be filed by 1188
the clerk in a loose-leaf book entitled "special judgments for 1189
the intoxicating hemp product receipts tax" or "special 1190
judgments for the drinkable cannabinoid product tax," as 1191
applicable, and shall have the same effect as other judgments. 1192
Execution shall issue upon the judgment at the request of the 1193
commissioner, and all laws applicable to sales on execution 1194
shall apply to sales made under the judgment. 1195

(3) If the assessment is not paid in its entirety within 1196
sixty days after the day the assessment was issued, the portion 1197
of the assessment consisting of tax due shall bear interest at 1198
the rate per annum prescribed by section 5703.47 of the Revised 1199
Code from the day the commissioner issues the assessment until 1200
it is paid or until it is certified to the attorney general for 1201
collection under section 131.02 of the Revised Code, whichever 1202
comes first. If the unpaid portion of the assessment is 1203
certified to the attorney general for collection, the entire 1204
unpaid portion of the assessment shall bear interest at the rate 1205
per annum prescribed by section 5703.47 of the Revised Code from 1206
the date of certification until the date it is paid in its 1207
entirety. Interest shall be paid in the same manner as the tax 1208
imposed by division (B) or (C) of section 3779.40 of the Revised 1209
Code, as applicable, and may be collected by the issuance of an 1210
assessment under this section. 1211

(D) If the commissioner believes that collection of a tax 1212
imposed by this chapter will be jeopardized unless proceedings 1213
to collect or secure collection of the tax is instituted without 1214
delay, the commissioner may issue a jeopardy assessment against 1215
the person liable for the tax. Immediately upon the issuance of 1216
the jeopardy assessment, the commissioner shall file an entry 1217

with the clerk of the court of common pleas in the manner 1218
prescribed by division (C) of this section. Notice of the 1219
jeopardy assessment shall be served on the person assessed or 1220
the person's authorized agent in the manner provided in section 1221
5703.37 of the Revised Code within five days of the filing of 1222
the entry with the clerk. The total amount assessed is 1223
immediately due and payable unless the person assessed files a 1224
petition for reassessment in accordance with division (B) of 1225
this section and provides security in a form satisfactory to the 1226
commissioner and in an amount sufficient to satisfy the unpaid 1227
balance of the assessment. Full or partial payment of the 1228
assessment does not prejudice the commissioner's consideration 1229
of the petition for reassessment. 1230

(E) The commissioner shall immediately forward to the 1231
treasurer of state all amounts the commissioner receives under 1232
this section, and such amounts shall be considered as revenue 1233
arising from the tax imposed under division (B) or (C) of 1234
section 3779.40 of the Revised Code, as applicable. 1235

(F) Except as otherwise provided in this division, no 1236
assessment shall be made or issued against a taxpayer for a tax 1237
imposed under this chapter more than four years after the due 1238
date for the filing of the return for the tax period for which 1239
the tax was reported, or more than four years after the return 1240
for the tax period was filed, whichever is later. The time limit 1241
may be extended if both the taxpayer and the commissioner 1242
consent in writing to the extension or enter into an agreement 1243
waiving or extending the time limit. Any such extension shall 1244
extend the four-year time limit in division (A) of section 1245
3779.43 of the Revised Code for the same period of time. Nothing 1246
in this division bars an assessment against a taxpayer that 1247
fails to file a return required under section 3779.41 of the 1248

Revised Code or that files a fraudulent return. 1249

(G) If the commissioner possesses information that 1250
indicates that the amount of tax a taxpayer is required to pay 1251
under division (B) or (C) of section 3779.40 of the Revised Code 1252
exceeds the amount the taxpayer paid, the commissioner may audit 1253
a sample of the taxpayer's sales over a representative period of 1254
time to ascertain the amount of tax due, and may issue an 1255
assessment based on the audit. The commissioner shall make a 1256
good faith effort to reach agreement with the taxpayer in 1257
selecting a representative sample. The commissioner may apply a 1258
sampling method only if the commissioner has prescribed the 1259
method by rule. 1260

(H) If the whereabouts of a person subject to this chapter 1261
is not known to the tax commissioner, the commissioner shall 1262
follow the procedures under section 5703.37 of the Revised Code. 1263

Sec. 3779.45. If any person liable for a tax imposed under 1264
section 3779.40 of the Revised Code sells the trade or business, 1265
disposes in any manner other than in the regular course of 1266
business at least seventy-five per cent of assets of the trade 1267
or business, or quits the trade or business, any tax owed by 1268
such person shall become due and payable immediately, and the 1269
person shall pay the tax due under this chapter, including any 1270
applicable penalties and interest, within forty-five days after 1271
the date of selling or quitting the trade or business. The 1272
person's successor shall withhold a sufficient amount of the 1273
purchase money to cover the amount due and unpaid until the 1274
former owner produces a receipt from the tax commissioner 1275
showing that the amounts are paid or a certificate indicating 1276
that no tax is due. If a purchaser fails to withhold purchase 1277
money, that person is personally liable, up to the purchase 1278

money amount, for such amounts that are unpaid during the 1279
operation of the business by the former owner. 1280

The commissioner may adopt rules regarding the issuance of 1281
certificates under this section, including the waiver of the 1282
need for a certificate if certain criteria are met. 1283

Sec. 3779.451. If any person subject to the tax levied 1284
under division (B) of section 3779.40 of the Revised Code fails 1285
to report or pay the tax as required under section 3779.41 of 1286
the Revised Code, or fails to pay any penalty imposed under 1287
sections 3779.40 to 3779.48 of the Revised Code within ninety 1288
days after the time prescribed for payment of the penalty, the 1289
attorney general, on the request of the tax commissioner, shall 1290
commence an action in quo warranto in the court of appeals of 1291
the county in which the person resides or has its principal 1292
place of business to forfeit and annul the person's licenses 1293
issued under Chapter 3780. or 3796. of the Revised Code. If the 1294
court finds that the person is in default for the amount 1295
claimed, it shall render judgment revoking the person's 1296
registration and shall otherwise proceed as provided in Chapter 1297
2733. of the Revised Code. 1298

Sec. 3779.46. (A) The tax commissioner may prescribe 1299
requirements for the keeping of records and other pertinent 1300
documents, the filing of copies of federal income tax returns 1301
and determinations, and computations reconciling federal income 1302
tax returns with the returns required by section 3779.41 of the 1303
Revised Code. The commissioner may require any person, by rule 1304
or notice served on that person, to keep those records that the 1305
commissioner considers necessary to show whether, and the extent 1306
to which, a person is subject to a tax levied under section 1307
3779.40 of the Revised Code. 1308

(B) Each taxpayer shall maintain complete and accurate 1309
records of all sales and other dispositions of intoxicating hemp 1310
products or drinkable cannabinoid products, as applicable, and 1311
shall procure and retain all invoices, bills of lading, and 1312
other documents relating to the sales and other dispositions of 1313
such products. No person shall make a false entry upon any 1314
invoice or record upon which an entry is required by this 1315
section, and no person shall present any false entry for the 1316
inspection of the commissioner with the intent to evade a tax 1317
levied under section 3779.40 of the Revised Code. 1318

(C) The records described in divisions (A) and (B) of this 1319
section and other documents shall be open during business hours 1320
to the inspection of the commissioner, and shall be preserved 1321
for a period of four years, unless the commissioner, in writing, 1322
consents to their destruction within that period, or by order 1323
requires that they be kept for a longer period. If such records 1324
are normally kept by the person electronically, the person shall 1325
provide such records to the commissioner electronically at the 1326
commissioner's request. 1327

(D) Any information acquired by the commissioner under 1328
this chapter is confidential as provided for in section 5703.21 1329
of the Revised Code, except that the commissioner shall make 1330
public an electronic list of all actively registered persons 1331
required to remit a tax under section 3779.40 of the Revised 1332
Code, including legal names, trade names, addresses, and account 1333
numbers. In addition, the list shall include all persons that 1334
canceled their registrations at any time during the preceding 1335
four calendar years, including the effective date of the 1336
cancellation. 1337

Sec. 3779.47. (A) No person shall prepare for shipment, 1338

ship, transport, deliver, prepare for distribution, distribute, 1339
or sell intoxicating hemp products or drinkable cannabinoid 1340
products, or otherwise engage or participate in the business of 1341
selling intoxicating hemp products or drinkable cannabinoid 1342
products, with the intent to avoid payment of a tax levied by 1343
section 3779.40 of the Revised Code. 1344

(B) The tax commissioner or an agent of the commissioner 1345
may enter and inspect the facilities and records of a person 1346
selling intoxicating hemp products or drinkable cannabinoid 1347
products. Such entrance and inspection requires a properly 1348
issued search warrant if conducted outside the normal business 1349
hours of the person, but does not require a search warrant if 1350
conducted during the normal business hours of the person. No 1351
person shall prevent or hinder the commissioner or an agent of 1352
the commissioner from carrying out the authority granted under 1353
this division. 1354

(C) Whenever the commissioner discovers intoxicating hemp 1355
products or drinkable cannabinoid products that are subject to a 1356
tax levied by this chapter and upon which the tax has not been 1357
paid or the commissioner has reason to believe the tax is being 1358
avoided, the commissioner may seize and take possession of the 1359
products, which, upon seizure, shall be forfeited to the state. 1360
Within a reasonable time after seizure, the commissioner may 1361
sell the products. From the proceeds of this sale, the 1362
commissioner shall pay the costs incurred in the seizure and 1363
sale, and any proceeds remaining after the sale shall be 1364
considered as revenue arising from the tax. The seizure and sale 1365
do not relieve any person from the fine or imprisonment provided 1366
for a violation of this chapter. The commissioner shall make the 1367
sale where it is most convenient and economical, but may order 1368
the destruction of forfeited products if the quantity or quality 1369

is not sufficient to warrant its sale. 1370

Sec. 3779.48. (A) Any person that is not a taxpayer 1371
registered under section 3779.40 of the Revised Code is liable 1372
for any amounts, including tax, interest, and penalties, imposed 1373
by sections 3779.40 to 3779.48 of the Revised Code in the same 1374
manner as persons that do hold such a registration are liable, 1375
if the person does either of the following: 1376

(1) Receives intoxicating hemp product receipts from the 1377
retail sale of intoxicating hemp; 1378

(2) Sells drinkable cannabinoid products upon which the 1379
tax levied by those sections has not been paid. 1380

(B) The tax commissioner may issue an assessment against a 1381
person described in division (A) of this section for any amount 1382
due under this chapter in the same manner provided under section 1383
3779.44 of the Revised Code. 1384

Sec. 3779.99. (A) Except as provided in division (B) of 1385
this section, whoever recklessly violates division (A)(1) of 1386
section 3779.02 of the Revised Code is guilty of a misdemeanor 1387
of the first degree on a first offense and a felony of the fifth 1388
degree on a second or subsequent offense. 1389

(B) Whoever recklessly violates division (A)(1) of section 1390
3779.02 of the Revised Code is guilty of a felony of the fifth 1391
degree if the offense involves the sale of an intoxicating hemp 1392
product to a person under twenty-one years of age. 1393

(C) Whoever knowingly violates section 3779.06 of the 1394
Revised Code is guilty of a minor misdemeanor. 1395

(D) (1) As used in this section, "licensing authority" 1396
means the following: 1397

<u>(a) For purposes of a license issued under section 3770.05</u>	1398
<u>of the Revised Code, the state lottery commission;</u>	1399
<u>(b) For purposes of sections 5743.15 and 5743.61 of the</u>	1400
<u>Revised Code, the tax commissioner;</u>	1401
<u>(c) For purposes of Chapter 4303. of the Revised Code, the</u>	1402
<u>division of liquor control.</u>	1403
<u>(2) A licensing authority shall adopt rules in accordance</u>	1404
<u>with Chapter 119. of the Revised Code to enforce violations of</u>	1405
<u>this chapter directly against a person who has been issued a</u>	1406
<u>license under section 3770.05, 5743.15, or 5743.61 or has been</u>	1407
<u>issued a permit under Chapter 4303. of the Revised Code, as</u>	1408
<u>applicable.</u>	1409
<u>(E) Whoever recklessly violates division (A) of section</u>	1410
<u>3779.22 of the Revised Code is guilty of a misdemeanor of the</u>	1411
<u>first degree on a first offense and a felony of the fifth degree</u>	1412
<u>on a second or subsequent offense.</u>	1413
<u>(F) Whoever recklessly violates division (F) of section</u>	1414
<u>3779.22 of the Revised Code is guilty of a felony of the fifth</u>	1415
<u>degree.</u>	1416
<u>(G) Whoever knowingly violates section 3779.29 of the</u>	1417
<u>Revised Code is guilty of a minor misdemeanor.</u>	1418
<u>(H) Whoever knowingly files a fraudulent refund claim</u>	1419
<u>under section 3779.43 of the Revised Code shall be fined the</u>	1420
<u>greater of one thousand dollars or the amount of the fraudulent</u>	1421
<u>refund requested, or imprisoned not more than sixty days, or</u>	1422
<u>both.</u>	1423
<u>(I) Except as otherwise provided in this section, whoever</u>	1424
<u>knowingly violates sections 3779.40 to 3779.48 of the Revised</u>	1425

Code shall be fined not more than five hundred dollars, or 1426
imprisoned not more than thirty days, or both. 1427

(J) The penalties provided in divisions (H) and (I) of 1428
this section are in addition to any penalties imposed by the tax 1429
commissioner under sections 3779.40 to 3779.48 of the Revised 1430
Code. 1431

Sec. 4506.01. As used in this chapter: 1432

(A) "Alcohol concentration" means the concentration of 1433
alcohol in a person's blood, breath, or urine. When expressed as 1434
a percentage, it means grams of alcohol per the following: 1435

(1) One hundred milliliters of whole blood, blood serum, 1436
or blood plasma; 1437

(2) Two hundred ten liters of breath; 1438

(3) One hundred milliliters of urine. 1439

(B) (1) "Commercial driver's license" means a license 1440
issued in accordance with this chapter that authorizes an 1441
individual to drive a commercial motor vehicle. Except as 1442
otherwise specifically provided, "commercial driver's license" 1443
includes an "enhanced commercial driver's license." 1444

(2) "Enhanced commercial driver's license" means a 1445
commercial driver's license issued in accordance with sections— 1446
~~4507.021~~ 4506.072 and ~~4506.072~~ 4507.021 of the Revised Code that 1447
denotes citizenship and identity and is approved by the United 1448
States secretary of homeland security or other designated 1449
federal agency for purposes of entering the United States. 1450

(C) "Commercial driver's license information system" means 1451
the information system established pursuant to the requirements 1452
of the "Commercial Motor Vehicle Safety Act of 1986," 100 Stat. 1453

3207-171, 49 U.S.C.A. App. 2701. 1454

(D) Except when used in section 4506.25 of the Revised 1455
Code, "commercial motor vehicle" means any motor vehicle 1456
designed or used to transport persons or property that meets any 1457
of the following qualifications: 1458

(1) Any combination of vehicles with a gross vehicle 1459
weight or combined gross vehicle weight rating of twenty-six 1460
thousand one pounds or more, provided the gross vehicle weight 1461
or gross vehicle weight rating of the vehicle or vehicles being 1462
towed is in excess of ten thousand pounds; 1463

(2) Any single vehicle with a gross vehicle weight or 1464
gross vehicle weight rating of twenty-six thousand one pounds or 1465
more; 1466

(3) Any single vehicle or combination of vehicles that is 1467
not a class A or class B vehicle, but is designed to transport 1468
sixteen or more passengers including the driver; 1469

(4) Any school bus with a gross vehicle weight or gross 1470
vehicle weight rating of less than twenty-six thousand one 1471
pounds that is designed to transport fewer than sixteen 1472
passengers including the driver; 1473

(5) Is transporting hazardous materials for which 1474
placarding is required under subpart F of 49 C.F.R. part 172, as 1475
amended; 1476

(6) Any single vehicle or combination of vehicles that is 1477
designed to be operated and to travel on a public street or 1478
highway and is considered by the federal motor carrier safety 1479
administration to be a commercial motor vehicle, including, but 1480
not limited to, a motorized crane, a vehicle whose function is 1481
to pump cement, a rig for drilling wells, and a portable crane. 1482

(E) "Controlled substance" means all of the following:	1483
(1) Any substance classified as a controlled substance	1484
under the "Controlled Substances Act," 80 Stat. 1242 (1970), 21	1485
U.S.C.A. 802(6), as amended;	1486
(2) Any substance included in schedules I through V of 21	1487
C.F.R. part 1308, as amended;	1488
(3) Any drug of abuse.	1489
(F) "Conviction" means an unvacated adjudication of guilt	1490
or a determination that a person has violated or failed to	1491
comply with the law in a court of original jurisdiction or an	1492
authorized administrative tribunal, an unvacated forfeiture of	1493
bail or collateral deposited to secure the person's appearance	1494
in court, a plea of guilty or nolo contendere accepted by the	1495
court, the payment of a fine or court cost, or violation of a	1496
condition of release without bail, regardless of whether or not	1497
the penalty is rebated, suspended, or probated.	1498
(G) "Disqualification" means any of the following:	1499
(1) The suspension, revocation, or cancellation of a	1500
person's privileges to operate a commercial motor vehicle;	1501
(2) Any withdrawal of a person's privileges to operate a	1502
commercial motor vehicle as the result of a violation of state	1503
or local law relating to motor vehicle traffic control other	1504
than parking, vehicle weight, or vehicle defect violations;	1505
(3) A determination by the federal motor carrier safety	1506
administration that a person is not qualified to operate a	1507
commercial motor vehicle under 49 C.F.R. 391.	1508
(H) "Domiciled" means having a true, fixed, principal, and	1509
permanent residence to which an individual intends to return.	1510

(I) "Downgrade" means any of the following, as applicable:	1511
(1) A change in the commercial driver's license, or	1512
commercial driver's license temporary instruction permit,	1513
holder's self-certified status as described in division (A) (1)	1514
of section 4506.10 of the Revised Code;	1515
(2) A change to a lesser class of vehicle;	1516
(3) Removal of commercial driver's license privileges from	1517
the individual's driver's license.	1518
(J) "Drive" means to drive, operate, or be in physical	1519
control of a motor vehicle.	1520
(K) "Driver" means any person who drives, operates, or is	1521
in physical control of a commercial motor vehicle or is required	1522
to have a commercial driver's license.	1523
(L) "Driver's license" means a license issued by the	1524
bureau of motor vehicles that authorizes an individual to drive.	1525
(M) "Drug of abuse" means any controlled substance,	1526
dangerous drug as defined in section 4729.01 of the Revised	1527
Code, harmful intoxicant as defined in section 2925.01 of the	1528
Revised Code, <u>intoxicating hemp product as defined in section</u>	1529
<u>3779.01 of the Revised Code, drinkable cannabinoid product as</u>	1530
<u>defined in section 3779.21 of the Revised Code, or over-the-</u>	1531
counter medication that, when taken in quantities exceeding the	1532
recommended dosage, can result in impairment of judgment or	1533
reflexes.	1534
(N) "Electronic device" includes a cellular telephone, a	1535
personal digital assistant, a pager, a computer, and any other	1536
device used to input, write, send, receive, or read text.	1537
(O) "Eligible unit of local government" means a village,	1538

township, or county that has a population of not more than three 1539
thousand persons according to the most recent federal census. 1540

(P) "Employer" means any person, including the federal 1541
government, any state, and a political subdivision of any state, 1542
that owns or leases a commercial motor vehicle or assigns a 1543
person to drive such a motor vehicle. 1544

(Q) "Endorsement" means an authorization on a person's 1545
commercial driver's license that is required to permit the 1546
person to operate a specified type of commercial motor vehicle. 1547

(R) "Farm truck" means a truck controlled and operated by 1548
a farmer for use in the transportation to or from a farm, for a 1549
distance of not more than one hundred fifty miles, of products 1550
of the farm, including livestock and its products, poultry and 1551
its products, floricultural and horticultural products, and in 1552
the transportation to the farm, from a distance of not more than 1553
one hundred fifty miles, of supplies for the farm, including 1554
tile, fence, and every other thing or commodity used in 1555
agricultural, floricultural, horticultural, livestock, and 1556
poultry production, and livestock, poultry, and other animals 1557
and things used for breeding, feeding, or other purposes 1558
connected with the operation of the farm, when the truck is 1559
operated in accordance with this division and is not used in the 1560
operations of a motor carrier, as defined in section 4923.01 of 1561
the Revised Code. 1562

(S) "Fatality" means the death of a person as the result 1563
of a motor vehicle accident occurring not more than three 1564
hundred sixty-five days prior to the date of death. 1565

(T) "Felony" means any offense under federal or state law 1566
that is punishable by death or specifically classified as a 1567

felony under the law of this state, regardless of the penalty 1568
that may be imposed. 1569

(U) "Foreign jurisdiction" means any jurisdiction other 1570
than a state. 1571

(V) "Gross vehicle weight rating" means the value 1572
specified by the manufacturer as the maximum loaded weight of a 1573
single or a combination vehicle. The gross vehicle weight rating 1574
of a combination vehicle is the gross vehicle weight rating of 1575
the power unit plus the gross vehicle weight rating of each 1576
towed unit. 1577

(W) "Hazardous materials" means any material that has been 1578
designated as hazardous under 49 U.S.C. 5103 and is required to 1579
be placarded under subpart F of 49 C.F.R. part 172 or any 1580
quantity of a material listed as a select agent or toxin in 42 1581
C.F.R. part 73, as amended. 1582

(X) "Imminent hazard" means the existence of a condition 1583
that presents a substantial likelihood that death, serious 1584
illness, severe personal injury, or a substantial endangerment 1585
to health, property, or the environment may occur before the 1586
reasonably foreseeable completion date of a formal proceeding 1587
begun to lessen the risk of that death, illness, injury, or 1588
endangerment. 1589

(Y) "Medical variance" means one of the following received 1590
by a driver from the federal motor carrier safety administration 1591
that allows the driver to be issued a medical certificate: 1592

(1) An exemption letter permitting operation of a 1593
commercial motor vehicle under 49 C.F.R. 381, subpart C or 49 1594
C.F.R. 391.64; 1595

(2) A skill performance evaluation certificate permitting 1596

operation of a commercial motor vehicle pursuant to 49 C.F.R. 1597
391.49. 1598

(Z) "Mobile telephone" means a mobile communication device 1599
that falls under or uses any commercial mobile radio service as 1600
defined in 47 C.F.R. 20, except that mobile telephone does not 1601
include two-way or citizens band radio services. 1602

(AA) "Motor vehicle" means a vehicle, machine, tractor, 1603
trailer, or semitrailer propelled or drawn by mechanical power 1604
used on highways, except that such term does not include a 1605
vehicle, machine, tractor, trailer, or semitrailer operated 1606
exclusively on a rail. 1607

(BB) "Out-of-service order" means a declaration by an 1608
authorized enforcement officer of a federal, state, local, 1609
Canadian, or Mexican jurisdiction declaring that a driver, 1610
commercial motor vehicle, or commercial motor carrier operation 1611
is out of service as defined in 49 C.F.R. 390.5. 1612

(CC) "Peace officer" has the same meaning as in section 1613
2935.01 of the Revised Code. 1614

(DD) "Portable tank" means a liquid or gaseous packaging 1615
designed primarily to be loaded onto or temporarily attached to 1616
a vehicle and equipped with skids, mountings, or accessories to 1617
facilitate handling of the tank by mechanical means. 1618

(EE) "Public safety vehicle" has the same meaning as in 1619
divisions (E) (1) and (3) of section 4511.01 of the Revised Code. 1620

(FF) "Recreational vehicle" includes every vehicle that is 1621
defined as a recreational vehicle in section 4501.01 of the 1622
Revised Code and is used exclusively for purposes other than 1623
engaging in business for profit. 1624

(GG) "Residence" means any person's residence determined 1625
in accordance with standards prescribed in rules adopted by the 1626
registrar. 1627

(HH) "School bus" has the same meaning as in section 1628
4511.01 of the Revised Code. 1629

(II) "Serious traffic violation" means any of the 1630
following: 1631

(1) A conviction arising from a single charge of operating 1632
a commercial motor vehicle in violation of any provision of 1633
section 4506.03 of the Revised Code; 1634

(2) (a) Except as provided in division (II) (2) (b) of this 1635
section, a violation while operating a commercial motor vehicle 1636
of a law of this state, or any municipal ordinance or county or 1637
township resolution, or any other substantially similar law of 1638
another state or political subdivision of another state 1639
prohibiting either of the following: 1640

(i) Texting while driving; 1641

(ii) Using a handheld mobile telephone. 1642

(b) It is not a serious traffic violation if the person 1643
was texting or using a handheld mobile telephone to contact law 1644
enforcement or other emergency services. 1645

(3) A conviction arising from the operation of any motor 1646
vehicle that involves any of the following: 1647

(a) A single charge of any speed in excess of the posted 1648
speed limit by fifteen miles per hour or more; 1649

(b) Violation of section 4511.20 or 4511.201 of the 1650
Revised Code or any similar ordinance or resolution, or of any 1651

similar law of another state or political subdivision of another state; 1652
1653

(c) Violation of a law of this state or an ordinance or resolution relating to traffic control, other than a parking violation, or of any similar law of another state or political subdivision of another state, that results in a fatal accident; 1654
1655
1656
1657

(d) Violation of section 4506.03 of the Revised Code or a substantially similar municipal ordinance or county or township resolution, or of any similar law of another state or political subdivision of another state, that involves the operation of a commercial motor vehicle without a valid commercial driver's license with the proper class or endorsement for the specific vehicle group being operated or for the passengers or type of cargo being transported; 1658
1659
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(e) Violation of section 4506.03 of the Revised Code or a substantially similar municipal ordinance or county or township resolution, or of any similar law of another state or political subdivision of another state, that involves the operation of a commercial motor vehicle without a valid commercial driver's license being in the person's possession; 1666
1667
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(f) Violation of section 4511.33 or 4511.34 of the Revised Code, or any municipal ordinance or county or township resolution substantially similar to either of those sections, or any substantially similar law of another state or political subdivision of another state; 1672
1673
1674
1675
1676

(g) Violation of any other law of this state, any law of another state, or any ordinance or resolution of a political subdivision of this state or another state that meets both of the following requirements: 1677
1678
1679
1680

(i) It relates to traffic control, other than a parking violation;	1681 1682
(ii) It is determined to be a serious traffic violation by the United States secretary of transportation and is designated by the director as such by rule.	1683 1684 1685
(JJ) "State" means a state of the United States and includes the District of Columbia.	1686 1687
(KK) "Tank vehicle" means any commercial motor vehicle that is designed to transport any liquid or gaseous materials within a tank or tanks that are either permanently or temporarily attached to the vehicle or its chassis and have an individual rated capacity of more than one hundred nineteen gallons and an aggregate rated capacity of one thousand gallons or more. "Tank vehicle" does not include a commercial motor vehicle transporting an empty storage container tank that is not designed for transportation, has a rated capacity of one thousand gallons or more, and is temporarily attached to a flatbed trailer.	1688 1689 1690 1691 1692 1693 1694 1695 1696 1697 1698
(LL) "Tester" means a person or entity acting pursuant to a valid agreement entered into pursuant to division (B) of section 4506.09 of the Revised Code.	1699 1700 1701
(MM) "Texting" means manually entering alphanumeric text into, or reading text from, an electronic device. Texting includes short message service, e-mail, instant messaging, a command or request to access a world wide web page, pressing more than a single button to initiate or terminate a voice communication using a mobile telephone, or engaging in any other form of electronic text retrieval or entry, for present or future communication. Texting does not include the following:	1702 1703 1704 1705 1706 1707 1708 1709

(1) Using voice commands to initiate, receive, or	1710
terminate a voice communication using a mobile telephone;	1711
(2) Inputting, selecting, or reading information on a	1712
global positioning system or navigation system;	1713
(3) Pressing a single button to initiate or terminate a	1714
voice communication using a mobile telephone; or	1715
(4) Using, for a purpose that is not otherwise prohibited	1716
by law, a device capable of performing multiple functions, such	1717
as a fleet management system, a dispatching device, a mobile	1718
telephone, a citizens band radio, or a music player.	1719
(NN) "Texting while driving" means texting while operating	1720
a commercial motor vehicle, with the motor running, including	1721
while temporarily stationary because of traffic, a traffic	1722
control device, or other momentary delays. Texting while driving	1723
does not include operating a commercial motor vehicle with or	1724
without the motor running when the driver has moved the vehicle	1725
to the side of, or off, a highway and is stopped in a location	1726
where the vehicle can safely remain stationary.	1727
(OO) "United States" means the fifty states and the	1728
District of Columbia.	1729
(PP) "Upgrade" means a change in the class of vehicles,	1730
endorsements, or self-certified status as described in division	1731
(A) (1) of section 4506.10 of the Revised Code, that expands the	1732
ability of a current commercial driver's license holder to	1733
operate commercial motor vehicles under this chapter;	1734
(QQ) "Use of a handheld mobile telephone" means:	1735
(1) Using at least one hand to hold a mobile telephone to	1736
conduct a voice communication;	1737

(2) Dialing or answering a mobile telephone by pressing 1738
more than a single button; or 1739

(3) Reaching for a mobile telephone in a manner that 1740
requires a driver to maneuver so that the driver is no longer in 1741
a seated driving position, or restrained by a seat belt that is 1742
installed in accordance with 49 C.F.R. 393.93 and adjusted in 1743
accordance with the vehicle manufacturer's instructions. 1744

(RR) "Vehicle" has the same meaning as in section 4511.01 1745
of the Revised Code. 1746

Sec. 5502.01. (A) The department of public safety shall 1747
administer and enforce the laws relating to the registration, 1748
licensing, sale, and operation of motor vehicles and the laws 1749
pertaining to the licensing of drivers of motor vehicles. 1750

The department shall compile, analyze, and publish 1751
statistics relative to motor vehicle accidents and the causes of 1752
them, prepare and conduct educational programs for the purpose 1753
of promoting safety in the operation of motor vehicles on the 1754
highways, and conduct research and studies for the purpose of 1755
promoting safety on the highways of this state. 1756

(B) The department shall administer the laws and rules 1757
relative to trauma and emergency medical services specified in 1758
Chapter 4765. of the Revised Code and any laws and rules 1759
relative to medical transportation services specified in Chapter 1760
4766. of the Revised Code. 1761

(C) The department shall administer and enforce the laws 1762
contained in Chapters 4301. and 4303. of the Revised Code and 1763
enforce the rules and orders of the liquor control commission 1764
pertaining to retail liquor permit holders. 1765

(D) The department shall administer the laws governing the 1766

state emergency management agency and shall enforce all 1767
additional duties and responsibilities as prescribed in the 1768
Revised Code related to emergency management services. 1769

(E) The department shall conduct investigations pursuant 1770
to Chapter 5101. of the Revised Code in support of the duty of 1771
the department of job and family services to administer the 1772
supplemental nutrition assistance program throughout this state. 1773
The department of public safety shall conduct investigations 1774
necessary to protect the state's property rights and interests 1775
in the supplemental nutrition assistance program. 1776

(F) The department of public safety shall enforce 1777
compliance with orders and rules of the public utilities 1778
commission and applicable laws in accordance with Chapters 1779
4905., 4921., and 4923. of the Revised Code regarding commercial 1780
motor vehicle transportation safety, economic, and hazardous 1781
materials requirements. 1782

(G) Notwithstanding Chapter 4117. of the Revised Code, the 1783
department of public safety may establish requirements for its 1784
enforcement personnel, including its enforcement agents 1785
described in section 5502.14 of the Revised Code, that include 1786
standards of conduct, work rules and procedures, and criteria 1787
for eligibility as law enforcement personnel. 1788

(H) The department shall administer, maintain, and operate 1789
the Ohio criminal justice network. The Ohio criminal justice 1790
network shall be a computer network that supports state and 1791
local criminal justice activities. The network shall be an 1792
electronic repository for various data, which may include arrest 1793
warrants, notices of persons wanted by law enforcement agencies, 1794
criminal records, prison inmate records, stolen vehicle records, 1795
vehicle operator's licenses, and vehicle registrations and 1796

titles. 1797

(I) The department shall coordinate all homeland security 1798
activities of all state agencies and shall be a liaison between 1799
state agencies and local entities for those activities and 1800
related purposes. 1801

(J) The department shall administer and enforce the laws 1802
relative to private investigators and security service providers 1803
specified in Chapter 4749. of the Revised Code. 1804

(K) The department shall administer criminal justice 1805
services in accordance with sections 5502.61 to 5502.66 of the 1806
Revised Code. 1807

(L) The department shall administer the Ohio school safety 1808
and crisis center and the Ohio mobile training team in 1809
accordance with sections 5502.70 to 5502.703 of the Revised 1810
Code. 1811

(M) The department shall coordinate security measures and 1812
operations, and may direct the department of administrative 1813
services to implement any security measures and operations the 1814
department of public safety requires, at the Vern Riffe Center 1815
and the James A. Rhodes state office tower. 1816

Notwithstanding section 125.28 of the Revised Code, the 1817
director of public safety may recover the costs of directing 1818
security measures and operations under this division by either 1819
issuing intrastate transfer voucher billings to the department 1820
of administrative services, which the department shall process 1821
to pay for the costs, or, upon the request of the director of 1822
administrative services, the director of budget and management 1823
may transfer cash in the requested amount from the building 1824
management fund created under section 125.28 of the Revised 1825

Code. Payments received or cash transfers made under this 1826
division for the costs of directing security measures and 1827
operations shall be deposited into the state treasury to the 1828
credit of the security, investigations, and policing fund 1829
created under section 4501.11 of the Revised Code. 1830

(N) The department of public safety shall assist the 1831
department of commerce in enforcing Chapter 3779. of the Revised 1832
Code as provided in that chapter. 1833

Sec. 5502.13. The department of public safety shall 1834
maintain an investigative unit in order to conduct 1835
investigations and other enforcement activity authorized by 1836
Chapters 4301., 4303., 5101., 5107., and 5108. and sections 1837
2903.12, 2903.13, 2903.14, 2907.09, 2913.46, 2917.11, 2921.13, 1838
2921.31, 2921.32, 2921.33, 2923.12, 2923.121, 2925.11, 2925.13, 1839
2927.02, 3779.03, and 4507.30 of the Revised Code. The director 1840
of public safety shall appoint the employees of the unit who are 1841
necessary, designate the activities to be performed by those 1842
employees, and prescribe their titles and duties. 1843

Sec. 5502.14. (A) As used in this section, "felony" has 1844
the same meaning as in section 109.511 of the Revised Code. 1845

(B) (1) Any person who is employed by the department of 1846
public safety and designated by the director of public safety to 1847
enforce Title XLIII of the Revised Code, and the rules adopted 1848
under it, Chapter 3779. of the Revised Code and the rules 1849
adopted under that chapter, and the laws and rules regulating 1850
the use of supplemental nutrition assistance program benefits 1851
shall be known as an enforcement agent. The employment by the 1852
department of public safety and the designation by the director 1853
of public safety of a person as an enforcement agent shall be 1854
subject to division (D) of this section. An enforcement agent 1855

has the authority vested in peace officers pursuant to section 1856
2935.03 of the Revised Code to keep the peace, to enforce all 1857
applicable laws and rules on any retail liquor permit premises, 1858
or on any other premises of public or private property, where a 1859
violation of Title XLIII of the Revised Code or any rule adopted 1860
under it is occurring, and to enforce all laws and rules 1861
governing the use of supplemental nutrition assistance program 1862
benefits, women, infants, and children's coupons, electronically 1863
transferred benefits, or any other access device that is used 1864
alone or in conjunction with another access device to obtain 1865
payments, allotments, benefits, money, goods, or other things of 1866
value, or that can be used to initiate a transfer of funds, 1867
pursuant to the supplemental nutrition assistance program 1868
established under the Food and Nutrition Act of 2008 (7 U.S.C. 1869
2011 et seq.) or any supplemental food program administered by 1870
any department of this state pursuant to the "Child Nutrition 1871
Act of 1966," 80 Stat. 885, 42 U.S.C.A. 1786. Enforcement 1872
agents, in enforcing compliance with the laws and rules 1873
described in this division, may keep the peace and make arrests 1874
for violations of those laws and rules. 1875

(2) In addition to the authority conferred by division (B) 1876
(1) of this section, an enforcement agent also may execute 1877
search warrants and seize and take into custody any contraband, 1878
as defined in section 2901.01 of the Revised Code, or any 1879
property that is otherwise necessary for evidentiary purposes 1880
related to any violations of the laws or rules described in 1881
division (B)(1) of this section. An enforcement agent may enter 1882
public or private premises where activity alleged to violate the 1883
laws or rules described in division (B)(1) of this section is 1884
occurring. 1885

(3) Enforcement agents who are on, immediately adjacent 1886

to, or across from retail liquor permit premises and who are 1887
performing investigative duties relating to that premises, 1888
enforcement agents who are on premises that are not liquor 1889
permit premises but on which a violation of Title XLIII of the 1890
Revised Code or any rule adopted under it allegedly is 1891
occurring, and enforcement agents who view a suspected violation 1892
of Title XLIII of the Revised Code, of a rule adopted under it, 1893
or of another law or rule described in division (B) (1) of this 1894
section have the authority to enforce the laws and rules 1895
described in division (B) (1) of this section, authority to 1896
enforce any section in Title XXIX of the Revised Code or any 1897
other section of the Revised Code listed in section 5502.13 of 1898
the Revised Code if they witness a violation of the section 1899
under any of the circumstances described in this division, and 1900
authority to make arrests for violations of the laws and rules 1901
described in division (B) (1) of this section and violations of 1902
any of those sections. 1903

(4) The jurisdiction of an enforcement agent under 1904
division (B) of this section shall be concurrent with that of 1905
the peace officers of the county, township, or municipal 1906
corporation in which the violation occurs. 1907

(C) Enforcement agents of the department of public safety 1908
who are engaged in the enforcement of the laws and rules 1909
described in division (B) (1) of this section may carry concealed 1910
weapons when conducting undercover investigations pursuant to 1911
their authority as law enforcement officers and while acting 1912
within the scope of their authority pursuant to this chapter. 1913

(D) (1) The department of public safety shall not employ, 1914
and the director of public safety shall not designate, a person 1915
as an enforcement agent on a permanent basis, on a temporary 1916

basis, for a probationary term, or on other than a permanent 1917
basis if the person previously has been convicted of or has 1918
pleaded guilty to a felony. 1919

(2) (a) The department of public safety shall terminate the 1920
employment of a person who is designated as an enforcement agent 1921
and who does either of the following: 1922

(i) Pleads guilty to a felony; 1923

(ii) Pleads guilty to a misdemeanor pursuant to a 1924
negotiated plea agreement as provided in division (D) of section 1925
2929.43 of the Revised Code in which the enforcement agent 1926
agrees to surrender the certificate awarded to that agent under 1927
section 109.77 of the Revised Code. 1928

(b) The department shall suspend the employment of a 1929
person who is designated as an enforcement agent if the person 1930
is convicted, after trial, of a felony. If the enforcement agent 1931
files an appeal from that conviction and the conviction is 1932
upheld by the highest court to which the appeal is taken or if 1933
no timely appeal is filed, the department shall terminate the 1934
employment of that agent. If the enforcement agent files an 1935
appeal that results in that agent's acquittal of the felony or 1936
conviction of a misdemeanor, or in the dismissal of the felony 1937
charge against the agent, the department shall reinstate the 1938
agent. An enforcement agent who is reinstated under division (D) 1939
(2) (b) of this section shall not receive any back pay unless the 1940
conviction of that agent of the felony was reversed on appeal, 1941
or the felony charge was dismissed, because the court found 1942
insufficient evidence to convict the agent of the felony. 1943

(3) Division (D) of this section does not apply regarding 1944
an offense that was committed prior to January 1, 1997. 1945

(4) The suspension or termination of the employment of a 1946
person designated as an enforcement agent under division (D) (2) 1947
of this section shall be in accordance with Chapter 119. of the 1948
Revised Code. 1949

Sec. 5703.052. (A) There is hereby created in the state 1950
treasury the tax refund fund, from which refunds shall be paid 1951
for amounts illegally or erroneously assessed or collected, or 1952
for any other reason overpaid, with respect to taxes levied by 1953
Chapter 3779., 4301., 4305., 5726., 5728., 5729., 5731., 5733., 1954
5735., 5736., 5739., 5741., 5743., 5747., 5748., 5749., 5751., 1955
or 5753. and sections 3737.71, 3905.35, 3905.36, 4303.33, 1956
5707.03, 5725.18, 5727.28, 5727.38, 5727.81, and 5727.811 of the 1957
Revised Code. Refunds for fees levied under sections 3734.90 to 1958
3734.9014 of the Revised Code, wireless 9-1-1 charges imposed 1959
under section 128.40 of the Revised Code, next generation 9-1-1 1960
access fees imposed under sections 128.41 and 128.42 of the 1961
Revised Code, or any penalties assessed with respect to such 1962
fees or charges, that are illegally or erroneously assessed or 1963
collected, or for any other reason overpaid, also shall be paid 1964
from the fund. Refunds for amounts illegally or erroneously 1965
assessed or collected by the tax commissioner, or for any other 1966
reason overpaid, that are due under section 1509.50 of the 1967
Revised Code shall be paid from the fund. Refunds for amounts 1968
illegally or erroneously assessed or collected by the 1969
commissioner, or for any other reason overpaid to the 1970
commissioner, under sections 718.80 to 718.95 of the Revised 1971
Code shall be paid from the fund. However, refunds for amounts 1972
illegally or erroneously assessed or collected by the 1973
commissioner, or for any other reason overpaid to the 1974
commissioner, with respect to taxes levied under section 1975
5739.101 of the Revised Code shall not be paid from the tax 1976

refund fund, but shall be paid as provided in section 5739.104 1977
of the Revised Code. 1978

(B) (1) Upon certification by the tax commissioner to the 1979
treasurer of state of a tax refund, a wireless 9-1-1 charge 1980
refund, a next generation 9-1-1 access fee refund, or another 1981
amount refunded, or by the superintendent of insurance of a 1982
domestic or foreign insurance tax refund, the treasurer of state 1983
shall place the amount certified to the credit of the fund. The 1984
certified amount transferred shall be derived from the receipts 1985
of the same tax, fee, wireless 9-1-1 charge, next generation 9- 1986
1-1 access fee, or other amount from which the refund arose. 1987

(2) When a refund is for a tax, fee, wireless 9-1-1 1988
charge, next generation 9-1-1 access fee, or other amount that 1989
is not levied by the state or that was illegally or erroneously 1990
distributed to a taxing jurisdiction, the tax commissioner shall 1991
recover the amount of that refund from the next distribution of 1992
that tax, fee, wireless 9-1-1 charge, next generation 9-1-1 1993
access fee, or other amount that otherwise would be made to the 1994
taxing jurisdiction. If the amount to be recovered would exceed 1995
twenty-five per cent of the next distribution of that tax, fee, 1996
wireless 9-1-1 charge, next generation 9-1-1 access fee, or 1997
other amount, the commissioner may spread the recovery over more 1998
than one future distribution, taking into account the amount to 1999
be recovered and the amount of the anticipated future 2000
distributions. In no event may the commissioner spread the 2001
recovery over a period to exceed thirty-six months. 2002

Sec. 5703.053. As used in this section, "postal service" 2003
means the United States postal service. 2004

An application to the tax commissioner for a tax refund 2005
under section 3779.43, 4307.05, 4307.07, 718.91, 5726.30, 2006

5727.28, 5727.91, 5728.061, 5735.122, 5735.13, 5735.14, 2007
5735.141, 5735.142, 5736.08, 5739.07, 5741.10, 5743.05, 5743.53, 2008
5745.11, 5749.08, or 5751.08 of the Revised Code or division (B) 2009
of section 5703.05 of the Revised Code, or a fee refunded under 2010
section 3734.905 of the Revised Code, that is received after the 2011
last day for filing under such section shall be considered to 2012
have been filed in a timely manner if: 2013

(A) The application is delivered by the postal service and 2014
the earliest postal service postmark on the cover in which the 2015
application is enclosed is not later than the last day for 2016
filing the application; 2017

(B) The application is delivered by the postal service, 2018
the only postmark on the cover in which the application is 2019
enclosed was affixed by a private postal meter, the date of that 2020
postmark is not later than the last day for filing the 2021
application, and the application is received within seven days 2022
of such last day; or 2023

(C) The application is delivered by the postal service, no 2024
postmark date was affixed to the cover in which the application 2025
is enclosed or the date of the postmark so affixed is not 2026
legible, and the application is received within seven days of 2027
the last day for making the application. 2028

Sec. 5703.19. (A) To carry out the purposes of the laws 2029
that the tax commissioner is required to administer, the 2030
commissioner or any person employed by the commissioner for that 2031
purpose, upon demand, may inspect books, accounts, records, and 2032
memoranda of any person or public utility subject to those laws, 2033
and may examine under oath any officer, agent, or employee of 2034
that person or public utility. Any person other than the 2035
commissioner who makes a demand pursuant to this section shall 2036

produce the person's authority to make the inspection. 2037

(B) If a person or public utility receives at least ten 2038
days' written notice of a demand made under division (A) of this 2039
section and refuses to comply with that demand, a penalty of 2040
five hundred dollars shall be imposed upon the person or public 2041
utility for each day the person or public utility refuses to 2042
comply with the demand. Penalties imposed under this division 2043
may be assessed and collected in the same manner as assessments 2044
made under Chapter 3769., 4305., 5727., 5728., 5733., 5735., 2045
5736., 5739., 5743., 5745., 5747., 5749., 5751., or 5753., ~~or~~ 2046
~~sections~~ section 718.907 or 3779.44, or sections 3734.90 to 2047
3734.9014, of the Revised Code. 2048

Sec. 5703.263. (A) (1) "Tax return preparer" means any 2049
person other than an accountant or an attorney that operates a 2050
business that prepares, or directly or indirectly employs 2051
another person to prepare, for a taxpayer a tax return or 2052
application for refund in exchange for compensation or 2053
remuneration from the taxpayer or the taxpayer's related member. 2054
The preparation of a substantial portion of a tax return or 2055
application for refund shall be considered to be the same as the 2056
preparation of the return or application for refund. "Tax return 2057
preparer" does not include an individual who performs only one 2058
or more of the following activities: 2059

(a) Furnishes typing, reproducing, or other mechanical 2060
assistance; 2061

(b) Prepares an application for refund or a return on 2062
behalf of an employer by whom the individual is regularly and 2063
continuously employed, or on behalf of an officer or employee of 2064
that employer; 2065

(c) Prepares as a fiduciary an application for refund or a return;	2066 2067
(d) Prepares an application for refund or a return for a taxpayer in response to a notice of deficiency issued to the taxpayer or the taxpayer's related member, or in response to a waiver of restriction after the commencement of an audit of the taxpayer or the taxpayer's related member.	2068 2069 2070 2071 2072
(2) "Related member" has the same meaning as in section 5733.042 of the Revised Code.	2073 2074
(3) "Accountant" means any of the following:	2075
(a) An individual who holds both a CPA certificate and an Ohio permit or Ohio registration issued by the accountancy board under section 4701.10 of the Revised Code;	2076 2077 2078
(b) An individual who holds a foreign certificate;	2079
(c) An individual who is employed by a public accounting firm with respect to any return prepared under the supervision of an individual described in division (A) (3) (a) or (b) of this section, regardless of whether the public accounting firm is required to register with the accountancy board under section 4701.04 of the Revised Code.	2080 2081 2082 2083 2084 2085
(4) "CPA certificate" and "foreign certificate" have the same meanings as in section 4701.01 of the Revised Code.	2086 2087
(5) "Attorney" means an individual who has been admitted to the bar by order of the supreme court in compliance with its prescribed and published rules, is permitted to practice as an attorney and counselor at law in this state under Chapter 4705. of the Revised Code, and is not currently suspended or removed from such practice under that chapter.	2088 2089 2090 2091 2092 2093

(6) A tax return preparer engages in "prohibited conduct"	2094
if the preparer does any of the following:	2095
(a) Prepares any return or application for refund that	2096
includes an understatement of a taxpayer's tax liability due to	2097
an unreasonable position or due to willful or reckless conduct.	2098
For the purposes of this division, "unreasonable position" and	2099
"willful or reckless conduct" have the meanings as used in	2100
section 6694 of the Internal Revenue Code.	2101
(b) When required under any provision of Title LVII of the	2102
Revised Code, the preparer fails to do any of the following:	2103
(i) Provide copies of a return or application for refund;	2104
(ii) Provide the preparer's signature or federal preparer	2105
tax identification number on a return or application for refund;	2106
(iii) Retain copies of the preparer's records;	2107
(iv) Provide any information or documents requested by the	2108
tax commissioner;	2109
(v) Act diligently in determining a taxpayer's eligibility	2110
for tax credits, deductions, or exemptions.	2111
(c) Negotiates a check or other negotiable instrument	2112
issued to a taxpayer by the department of taxation without the	2113
permission of the taxpayer;	2114
(d) Engages in any conduct subject to criminal penalties	2115
under Title LVII of the Revised Code;	2116
(e) Misrepresents the preparer's eligibility to file	2117
returns or applications for refund on behalf of taxpayers, or	2118
otherwise misrepresents the preparer's experience or education;	2119
(f) Guarantees the payment of any tax refund or the	2120

allowance of any tax credit, deduction, or exemption;	2121
(g) Engages in any other fraudulent or deceptive conduct	2122
that substantially interferes with the proper administration of	2123
any provision of Title LVII of the Revised Code.	2124
(7) "State" means a state of the United States, the	2125
District of Columbia, the commonwealth of Puerto Rico, or any	2126
territory or possession of the United States.	2127
(B) When a tax return preparer engages in prohibited	2128
conduct, the commissioner, may do either or both of the	2129
following:	2130
(1) If the commissioner has previously warned the tax	2131
return preparer in writing of the consequences of continuing to	2132
engage in prohibited conduct, impose a penalty not exceeding one	2133
hundred dollars per instance of prohibited conduct;	2134
(2) Regardless of whether the commissioner has previously	2135
warned the tax return preparer, request that the attorney	2136
general apply to a court of competent jurisdiction for an	2137
injunction to restrain the preparer from further engaging in the	2138
prohibited conduct. The court may take either of the following	2139
actions:	2140
(a) If the court finds that injunctive relief is	2141
appropriate to prevent the recurrence of the prohibited conduct,	2142
the court shall issue an injunction against the preparer	2143
enjoining the preparer from engaging in such conduct.	2144
(b) If the court finds that the preparer has continually	2145
or repeatedly engaged in prohibited conduct, and that enjoining	2146
the preparer solely from engaging in such conduct would not be	2147
sufficient to prevent the preparer's interference with the	2148
proper administration of any provision of Title LVII of the	2149

Revised Code, the court may issue an injunction against the preparer enjoining the preparer from acting as a tax return preparer in this state.

If a tax return preparer has been enjoined from preparing tax returns or applications for refunds by a federal court or by another state court in the five years preceding the date on which an injunction is requested under this section, that prior injunction shall be sufficient to establish a prima facie case for the issuance of an injunction under division (B) (2) of this section.

(C) The commissioner may require a tax return preparer to include the preparer's name and federal preparer tax identification number when filing any return or application for refund. If a tax return preparer fails to include this information when required to do so by the commissioner, or if the information provided is false, inaccurate, or incomplete, the commissioner may impose a penalty of fifty dollars for each such failure, provided that the maximum penalty imposed on a preparer under this division in a calendar year shall not exceed twenty-five thousand dollars.

(D) The penalties imposed under divisions (B) (1) and (C) of this section may be assessed and collected in the same manner as assessments made under Chapter 3769., 4305., 5727., 5728., 5733., 5735., 5736., 5739., 5743., 5745., 5747., 5749., 5751., or 5753., section 718.90 or 3779.44, or sections 3734.90 to 3734.9014 of the Revised Code. The commissioner may abate all or a portion of any penalty imposed under this section upon the showing of good cause by the tax return preparer.

Sec. 5703.50. As used in sections 5703.50 to 5703.53 of the Revised Code:

(A) "Tax" includes only those taxes imposed on tangible personal property listed in accordance with Chapter 5711. of the Revised Code, taxes imposed under Chapters 3779., 5733., 5736., 5739., 5741., 5747., and 5751. of the Revised Code, and the tax administered under sections 718.80 to 718.95 of the Revised Code.

(B) "Taxpayer" means a person subject to or potentially subject to a tax including an employer required to deduct and withhold any amount under section 5747.06 of the Revised Code.

(C) "Audit" means the examination of a taxpayer or the inspection of the books, records, memoranda, or accounts of a taxpayer for the purpose of determining liability for a tax.

(D) "Assessment" means a notice of underpayment or nonpayment of a tax issued pursuant to section 718.90, 3779.44, 5711.26, 5711.32, 5733.11, 5736.09, 5739.13, 5741.11, 5741.13, 5747.13, or 5751.09 of the Revised Code.

(E) "County auditor" means the auditor of the county in which the tangible personal property subject to a tax is located.

Sec. 5703.70. (A) On the filing of an application for refund under section 718.91, 3734.905, 3779.43, 4307.05, 4307.07, 5726.30, 5727.28, 5727.91, 5728.061, 5733.12, 5735.122, 5735.13, 5735.14, 5735.141, 5735.142, 5735.18, 5736.08, 5739.07, 5739.071, 5739.104, 5741.10, 5743.05, 5743.53, 5747.11, 5749.08, 5751.08, or 5753.06 of the Revised Code, or an application for compensation under section 5739.061 of the Revised Code, if the tax commissioner determines that the amount of the refund or compensation to which the applicant is entitled is less than the amount claimed in the application, the commissioner shall give

the applicant written notice by ordinary mail of the amount. The 2209
notice shall be sent to the address shown on the application 2210
unless the applicant notifies the commissioner of a different 2211
address. The applicant shall have sixty days from the date the 2212
commissioner mails the notice to provide additional information 2213
to the commissioner or request a hearing, or both. 2214

(B) If the applicant neither requests a hearing nor 2215
provides additional information to the tax commissioner within 2216
the time prescribed by division (A) of this section, the 2217
commissioner shall take no further action, and the refund or 2218
compensation amount denied becomes final. 2219

(C) (1) If the applicant requests a hearing within the time 2220
prescribed by division (A) of this section, the tax commissioner 2221
shall assign a time and place for the hearing and notify the 2222
applicant of such time and place, but the commissioner may 2223
continue the hearing from time to time, as necessary. After the 2224
hearing, the commissioner may make such adjustments to the 2225
refund or compensation as the commissioner finds proper, and 2226
shall issue a final determination thereon. 2227

(2) If the applicant does not request a hearing, but 2228
provides additional information, within the time prescribed by 2229
division (A) of this section, the commissioner shall review the 2230
information, make such adjustments to the refund or compensation 2231
as the commissioner finds proper, and issue a final 2232
determination thereon. The commissioner may review such 2233
information and make such adjustments as many times as the 2234
commissioner finds proper before the issuance of a final 2235
determination. 2236

(3) If the applicant requests a hearing and provides 2237
additional information within the time prescribed by division 2238

(A) of this section, the commissioner may review the information 2239
and make such adjustments to the refund or compensation as the 2240
commissioner finds proper. The commissioner may review such 2241
information and make such adjustments as many times as the 2242
commissioner finds proper before the issuance of a final 2243
determination. 2244

The commissioner shall assign a time and place for the 2245
hearing and notify the applicant of such time and place, but the 2246
commissioner may continue the hearing from time to time, as 2247
necessary. After the hearing, the commissioner may make any 2248
additional adjustments to the refund or compensation as the 2249
commissioner finds proper and shall issue a final determination 2250
thereon. 2251

(4) The commissioner shall serve a copy of the final 2252
determination made under division (C) (1), (2), or (3) of this 2253
section on the applicant in the manner provided in section 2254
5703.37 of the Revised Code, and the decision is final, subject 2255
to appeal under section 5717.02 of the Revised Code. 2256

(D) The tax commissioner shall certify to the director of 2257
budget and management and treasurer of state for payment from 2258
the tax refund fund created by section 5703.052 of the Revised 2259
Code, the amount of the refund to be refunded under division (B) 2260
or (C) of this section. The commissioner also shall certify to 2261
the director and treasurer of state for payment from the general 2262
revenue fund the amount of compensation to be paid under 2263
division (B) or (C) of this section. 2264

Sec. 5703.77. (A) As used in this section: 2265

(1) "Taxpayer" means a person subject to or previously 2266
subject to a tax or fee, a person that remits a tax or fee, or a 2267

person required to or previously required to withhold or collect 2268
and remit a tax or fee on behalf of another person. 2269

(2) "Tax or fee" means a tax or fee administered by the 2270
tax commissioner. 2271

(3) "Credit account balance" means the amount that a 2272
taxpayer remits to the state in excess of the amount required to 2273
be remitted, after accounting for factors applicable to the 2274
taxpayer such as accelerated payments, estimated payments, tax 2275
credits, and tax credit balances that may be carried forward. 2276

(4) "Tax debt" means an unpaid tax or fee or any unpaid 2277
penalty, interest, or additional charge on such a tax or fee due 2278
the state. 2279

(B) As soon as practicable, but not later than sixty days 2280
before the expiration of the period of time during which a 2281
taxpayer may file a refund application for a tax or fee, the tax 2282
commissioner shall review the taxpayer's accounts for the tax or 2283
fee and notify the taxpayer of any credit account balance for 2284
which the commissioner is required to issue a refund if the 2285
taxpayer were to file a refund application for that balance, 2286
regardless of whether the taxpayer files a refund application or 2287
amended return with respect to that tax or fee. The notice shall 2288
be made using contact information for the taxpayer on file with 2289
the commissioner. 2290

(C) Notwithstanding sections 128.47, 718.91, 3734.905, 2291
3779.43, 4307.05, 5726.30, 5727.28, 5727.42, 5727.91, 5728.061, 2292
5735.122, 5736.08, 5739.07, 5739.104, 5741.10, 5743.05, 5743.53, 2293
5747.11, 5749.08, 5751.08, 5753.06, and any other section of the 2294
Revised Code governing refunds, the commissioner may apply the 2295
amount of any credit account balance for which the commissioner 2296

is required to issue a refund if the taxpayer were to file a 2297
refund application for that balance as a credit against the 2298
taxpayer's liability for the tax or fee in the taxpayer's next 2299
reporting period for that tax or fee or issue a refund of that 2300
credit account balance to the taxpayer, subject to division (D) 2301
of this section. 2302

(D) Before issuing a refund to a taxpayer under division 2303
(C) of this section, the tax commissioner shall withhold from 2304
that refund the amount of any of the taxpayer's tax debt 2305
certified to the attorney general under section 131.02 of the 2306
Revised Code and the amount of the taxpayer's liability, if any, 2307
for a tax debt. The commissioner shall apply any amount withheld 2308
first in satisfaction of the amount of the taxpayer's certified 2309
tax debt and then in satisfaction of the taxpayer's liability. 2310
If the credit account balance originates from the tax 2311
administered under sections 718.80 to 718.95 of the Revised 2312
Code, it may be applied only against the taxpayer's certified 2313
tax debt or tax liability due under those sections. 2314

(E) The tax commissioner may adopt rules to administer 2315
this section. 2316

Section 2. That existing sections 131.02, 715.013, 928.01, 2317
928.03, 4506.01, 5502.01, 5502.13, 5502.14, 5703.052, 5703.053, 2318
5703.19, 5703.263, 5703.50, 5703.70, and 5703.77 of the Revised 2319
Code are hereby repealed. 2320

Section 3. Until such time as rules are adopted and 2321
operable under section 3780.03 of the Revised Code, references 2322
in divisions (B) (1) and (2) of section 3779.02 of the Revised 2323
Code to rules adopted under section 3780.03 of the Revised Code 2324
are deemed to be references to applicable rules adopted under 2325
Chapter 3796. of the Revised Code. Until that time, references 2326

in those divisions to adult use cannabis are deemed to be
references to medical marijuana.

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