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, 4506.01, 5502.01, 5502.13, 5502.14, 5703.052, 5703.053, 5703.19, 5703.263, 5703.50, 5703.70, and 5703.77 and to enact sections 3779.01, 3779.02, 3779.03, 3779.04, 3779.05, 3779.06, 3779.21, 3779.22, 3779.23, 3779.24, 3779.25, 3779.26, 3779.27, 3779.28, 3779.29, 3779.40, 3779.41, 3779.42, 3779.43, 3779.431, 3779.44, 3779.45, 3779.451, 3779.46, 3779.47, 3779.48, and 3779.99 of the Revised Code to generally prohibit the sale of intoxicating hemp products, except for sales at licensed dispensaries; to regulate drinkable cannabinoid products, and to levy taxes on drinkable cannabinoid products and other intoxicating hemp products that may be sold.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) The assessment or case number;

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

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

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

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

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

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

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

(1) Compromise the claim;

(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.

(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.

(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:

(a) Sell, convey, or otherwise transfer the claim to one or more private entities for collection;

(b) Cancel the claim or cause it to be canceled.

(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.

(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

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

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

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

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

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

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

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

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

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

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

(1) Amounts received for admission to any place;

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

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

Code.

Sec. 928.01. As used in this chapter:

(A) "Cannabidiol" means the cannabidiol compound, containing a delta-9 tetrahydrocannabinol concentration of not more than three-tenths per cent, derived from hemp.

(B) "Cultivate" or "cultivating" means to plant, water, grow, fertilize, till, or harvest a plant or crop. "Cultivating" includes possessing or storing a plant or crop on a premises where the plant or crop was cultivated until transported to the first point of sale.

(C) "Hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, ~~with~~ containing a delta-9 tetrahydrocannabinol concentration of not more than three-tenths per cent on a dry weight basis. "Hemp" does not include any plant material with any additional tetrahydrocannabinol additives.

(D) "Hemp cultivation license" means a license to cultivate hemp issued under section 928.02 of the Revised Code.

(E) "Hemp processing license" means a license to process hemp issued under section 928.02 of the Revised Code.

(F) "Hemp product" means any product, containing a delta-9 tetrahydrocannabinol concentration of not more than three-tenths per cent, that is made with hemp. "Hemp product" includes cosmetics, personal care products, dietary supplements or food intended for animal or human consumption, ~~cloth, cordage, fiber, fuel, paint, paper, particleboard,~~ vapor products, processed hemp flowers, and any other product containing one or more

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.

(G) "Marihuana" has the same meaning as in section 3719.01 of the Revised Code.

(H) "Medical marijuana" has the same meaning as in section 3796.01 of the Revised Code.

(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.

(J) "Process" or "processing" means converting hemp into a hemp product.

~~(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.

~~(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,

tetrahydrocannabiphorol, tetrahydrocannabivarin, hexahydrocannabinol, delta-6-cis or trans tetrahydrocannabinol, delta-3,4-cis or trans tetrahydrocannabinol, 9-hexahydrocannabinol, and delta-9-tetrahydrocannabinol acetate. Since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of designation of atomic positions, are included.

"Tetrahydrocannabinol" does not include the following:

(1) Tetrahydrocannabinols approved by the United States food and drug administration for marketing as a medication or recognized by the United States food and drug administration as generally recognized as safe.

(2) Cannabichromene (CBC);

(3) Cannabicyclol (CBL);

(4) Cannabidiol (CBD),

(5) Cannabidivarol (CBDV);

(6) Cannabielsoin (CBE);

(7) Cannabigerol (CBG);

(8) Cannabigerovarin (CBGV);

(9) Cannabinol (CBN);

(10) Cannabivarin (CBV).

(M) "University" means an institution of higher education as defined in section 3345.12 of the Revised Code and a private nonprofit institution with a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code.

~~(L)~~ (N) "USDA" means the United States department of

agriculture.

(O) "Adult use cannabis" has the same meaning as in section 3780.01 of the Revised Code.

(P) "Electronic smoking device" means any device that can be used to deliver aerosolized or vaporized hemp or any other substance to the person inhaling from the device, including an electronic cigarette, electronic cigar, electronic hookah, vaping pen, or electronic pipe. "Electronic smoking device" includes any component, part, or accessory of such a device, whether or not sold separately, and includes any substance intended to be aerosolized or vaporized during the use of the device.

(Q) "Vapor product" means a product that contains or is made or derived from hemp and that is intended and marketed for human consumption, including by smoking, inhaling, snorting, or sniffing. "Vapor product" includes any component, part, or additive that is intended for use in an electronic smoking device, a mechanical heating element, battery, or electronic circuit and is used to deliver the product.

(R) "Processed hemp flower" means the flower of a hemp plant that has been dried or cured.

Sec. 928.03. The director of agriculture, in consultation with the governor and attorney general, shall adopt rules in accordance with Chapter 119. of the Revised Code establishing standards and procedures for the regulation of hemp cultivation and processing. The rules shall include all of the following:

(A) The form of an application for a hemp cultivation license and hemp processing license and the information required to be included in each license application;

(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.;

(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;

(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;

(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;

(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;

(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;

(K) Requirements prohibiting a hemp cultivation licensee and a hemp processing licensee from cultivating or processing marihuana;

(L) A procedure for testing, using post-decarboxylation or

other similarly reliable methods, delta-9 tetrahydrocannabinol concentration levels of plants and products for purposes of determining compliance with this chapter and rules adopted under it;

(M) Requirements and procedures for the issuance, administration, and enforcement of corrective action plans issued under this chapter;

(N) A procedure for conducting annual inspections of, at a minimum, a random sample of hemp cultivation license holders to verify that plants are not being cultivated in violation of this chapter or rules adopted under it;

(O) A procedure for conducting annual inspections of, at a minimum, a random sample of hemp processing license holders to verify that such license holders are not operating in violation of this chapter or rules adopted under it;

(P) A procedure for complying with enforcement procedures required under federal law;

(Q) A procedure for the effective disposal of all of the following:

(1) Plants, whether growing or not, cultivated in violation of this chapter or rules adopted under it;

(2) Products derived from plants cultivated in violation of this chapter or rules adopted under it;

(3) Products produced in violation of this chapter or rules adopted under it.

(R) Requirements and procedures governing the production, storage, and disposal of hemp byproducts.

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

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

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

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

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

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

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

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

(Z) Production standards and manufacturing practices for processing hemp;

(AA) Procedures and requirements for the transportation and storage of both hemp and hemp products;

(BB) Any other requirements or procedures necessary to administer and enforce this chapter.

Sec. 3779.01. As used in sections 3779.01 to 3779.06 and 3779.40 to 3779.48 of the Revised Code:

(A) "At retail" means for use or consumption by the ultimate consumer and not for resale.

(B) "Delta-9 tetrahydrocannabinol," "hemp product," and "tetrahydrocannabinol" have the same meanings as in section 928.01 of the Revised Code.

(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.

(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:

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

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

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

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

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

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

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

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

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

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

of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) On the premises of a private residence;

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

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

(4) 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:

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

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

(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.

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

(1) In any public place;

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

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

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

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

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

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

(1) A manufacturer;

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

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

(1) The product contains cannabinoids.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) Sell at retail a drinkable cannabinoid product unless

the person is a retailer;

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

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

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

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

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

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

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

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

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

(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;

(L) Violate any rule adopted under section 3779.23 of the Revised Code.

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:

(A) Registration of manufacturers under section 3779.24 of the Revised Code;

(B) The testing of drinkable cannabinoid products under section 3779.25 of the Revised Code;

(C) The labeling of drinkable cannabinoid products under section 3779.26 of the Revised Code.

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.

(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.

Sec. 3779.25. (A)(1) A manufacturer of a drinkable cannabinoid product shall test the product in accordance with

rules adopted under section 3779.23 of the Revised Code prior to selling the product or offering the product for sale to a distributor.

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

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

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

(1) The batch identification number;

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

(3) The date that the testing was completed;

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

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

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

following:

(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;

(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.

(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.

(F) No manufacturer or testing laboratory shall fail to comply with this section.

Sec. 3779.26. (A) 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:

(1) The product name or common name on the front of the label;

(2) The brand name on the front of the label;

(3) The size of the container or net count of individual items included in the container on the front of the label;

(4) The net weight or volume of the items included in the container;

(5) The number of servings per container;

(6) A list of ingredients;

(7) The amount of any tetrahydrocannabinol, in milligrams, as identified in the certificate of analysis as required under section 3779.25 of the Revised Code;

(8) The number of calories per container;

(9) The words "This Product is a Drinkable Cannabinoid Product."

(B) In addition to printing the information required under division (A) of this section on the label, a manufacturer may provide the information specified in divisions (A)(6) and (7) of this section via a quick response code.

(C) No manufacturer shall fail to comply with this section.

Sec. 3779.27. (A) As used in this section, "sales area or territory" means an exclusive geographic area or territory that is assigned to a particular distributor and that either has one or more political subdivisions as its boundaries or consists of an area of land with readily identifiable geographic boundaries.

(B) Each manufacturer shall assign to each of the manufacturer's distributors a sales area or territory within which each distributor shall be the distributor of the brand or brands of the manufacturer, provided that, if the manufacturer manufactures more than one brand of drinkable cannabinoid product, the manufacturer may assign sales areas or territories to additional distributors for the distribution and sale of the additional brand or brands, so long as not more than one distributor distributes the same brand or brands within the same

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

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

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

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

(C) No manufacturer shall have any financial interest, directly or indirectly, by stock ownership, or through interlocking directors in a corporation, or otherwise, in the establishment, maintenance, or promotion of the business of any retailer. No distributor or employee of a distributor shall have any financial interest, directly or indirectly, by stock ownership, interlocking directors in a corporation, or otherwise, in the establishment, maintenance, or promotion of the business of any retailer. No manufacturer or distributor or any stockholder of a manufacturer or distributor shall acquire, by ownership in fee, leasehold, mortgage, or otherwise, directly or indirectly, any interest in the premises on which the

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

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

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

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

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

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

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

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

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

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

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

(d) A retailer that is a D-1, D-2, or D-3 permit holder is located on the property of the facility.

(6) "Public-use airport" has the same meaning as in section 4563.30 of the Revised Code.

(B) A person may have in the person's possession an opened container of a drinkable cannabinoid product in any of the following locations:

(1) On the premises of a private residence;

(2) On the premises of a retailer that has been issued an A-1-A or class D permit under Chapter 4303. of the Revised Code;

(3) In an outdoor area, as described in division (B)(1) of section 4303.188 of the Revised Code, of a retailer that has been issued an A-1-A or class D permit under Chapter 4303. of the Revised Code, provided the drinkable cannabinoid product was purchased from the retailer;

(4) On the premises of an outdoor performing arts center if the person is attending an orchestral performance and the owner or operator of the center grants permission for the possession and consumption of a drinkable cannabinoid product in certain predesignated areas of the premises;

(5) At an outdoor location at which the person is attending an orchestral performance if the person with supervision and control over the performance grants permission for the possession and consumption of a drinkable cannabinoid product in certain predesignated areas of that outdoor location;

(6) On the property of an outdoor motorsports facility if both of the following apply:

(a) The person is attending a racing event at the

facility.

(b) The owner of the facility grants permission for the possession and consumption of a drinkable cannabinoid product on the property of the facility.

(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:

(i) The retailer is an A-1-A or class D permit holder under Chapter 4303. of the Revised Code.

(ii) The retailer has been issued outdoor refreshment area designation under section 4301.82 of the Revised Code for the outdoor refreshment area.

(b) Division (B)(7)(a) of this section does not authorize a person to do either of the following:

(i) Enter the premises of an establishment within an outdoor refreshment area while possessing an opened container of a drinkable cannabinoid product acquired elsewhere;

(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.

(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:

(a) The person, or the guest of the person, pays all or a portion of the fee imposed for the use of a chauffeured

limousine pursuant to a prearranged contract.

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

(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.

(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;

(10) In an airport if all of the following apply:

(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.

(b) The airport's governing body authorizes the consumption of drinkable cannabinoid products in that area.

(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.

(d) The drinkable cannabinoid product is served solely in plastic bottles or other plastic containers that clearly identify the retailer.

(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:

(1) In any public place;

(2) While operating or being a passenger in or on a motor

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(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.

(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:

(1) The license expires or is revoked;

(2) A change to the activities in which the registrant is permitted to engage;

(3) A change in the location or facilities in which the registrant is permitted to engage in such activities.

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

cannabinoid products sold by the taxpayer to a distributor or retailer during the preceding month.

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

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

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

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

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

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

whichever occurs first.

(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.

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.

(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.

(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:

(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;

(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.

(2) The penalty imposed under division (C)(1) of this section shall be considered as revenue arising from the tax

imposed under division (B) or (C) of section 3779.40 of the Revised Code, as applicable. A penalty may be collected by assessment in the manner prescribed by section 3779.44 of the Revised Code. The commissioner may abate all or a portion of such a penalty.

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

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

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

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

amount was paid or when the payment was due.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revised Code or that files a fraudulent return.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

is not sufficient to warrant its sale.

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

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

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

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

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

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

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

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

(a) For purposes of a license issued under section 3770.05 of the Revised Code, the state lottery commission;

(b) For purposes of sections 5743.15 and 5743.61 of the Revised Code, the tax commissioner;

(c) For purposes of Chapter 4303. of the Revised Code, the division of liquor control.

(2) A licensing authority shall adopt rules in accordance with Chapter 119. of the Revised Code to enforce violations of this chapter directly against a person who has been issued a license under section 3770.05, 5743.15, or 5743.61 or has been issued a permit under Chapter 4303. of the Revised Code, as applicable.

(E) Whoever recklessly violates division (A) of section 3779.22 of the Revised Code is guilty of a misdemeanor of the first degree on a first offense and a felony of the fifth degree on a second or subsequent offense.

(F) Whoever recklessly violates division (F) of section 3779.22 of the Revised Code is guilty of a felony of the fifth degree.

(G) Whoever knowingly violates section 3779.29 of the Revised Code is guilty of a minor misdemeanor.

(H) Whoever knowingly files a fraudulent refund claim under section 3779.43 of the Revised Code shall be fined the greater of one thousand dollars or the amount of the fraudulent refund requested, or imprisoned not more than sixty days, or both.

(I) Except as otherwise provided in this section, whoever knowingly violates sections 3779.40 to 3779.48 of the Revised

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

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

Sec. 4506.01. As used in this chapter:

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

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

(2) Two hundred ten liters of breath;

(3) One hundred milliliters of urine.

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

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

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

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

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

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

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

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

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

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

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

(E) "Controlled substance" means all of the following:

(1) Any substance classified as a controlled substance under the "Controlled Substances Act," 80 Stat. 1242 (1970), 21 U.S.C.A. 802(6), as amended;

(2) Any substance included in schedules I through V of 21 C.F.R. part 1308, as amended;

(3) Any drug of abuse.

(F) "Conviction" means an unvacated adjudication of guilt or a determination that a person has violated or failed to comply with the law in a court of original jurisdiction or an authorized administrative tribunal, an unvacated forfeiture of bail or collateral deposited to secure the person's appearance in court, a plea of guilty or nolo contendere accepted by the court, the payment of a fine or court cost, or violation of a condition of release without bail, regardless of whether or not the penalty is rebated, suspended, or probated.

(G) "Disqualification" means any of the following:

(1) The suspension, revocation, or cancellation of a person's privileges to operate a commercial motor vehicle;

(2) Any withdrawal of a person's privileges to operate a commercial motor vehicle as the result of a violation of state or local law relating to motor vehicle traffic control other than parking, vehicle weight, or vehicle defect violations;

(3) A determination by the federal motor carrier safety administration that a person is not qualified to operate a commercial motor vehicle under 49 C.F.R. 391.

(H) "Domiciled" means having a true, fixed, principal, and permanent residence to which an individual intends to return.

(I) "Downgrade" means any of the following, as applicable:

(1) A change in the commercial driver's license, or commercial driver's license temporary instruction permit, holder's self-certified status as described in division (A)(1) of section 4506.10 of the Revised Code;

(2) A change to a lesser class of vehicle;

(3) Removal of commercial driver's license privileges from the individual's driver's license.

(J) "Drive" means to drive, operate, or be in physical control of a motor vehicle.

(K) "Driver" means any person who drives, operates, or is in physical control of a commercial motor vehicle or is required to have a commercial driver's license.

(L) "Driver's license" means a license issued by the bureau of motor vehicles that authorizes an individual to drive.

(M) "Drug of abuse" means any controlled substance, dangerous drug as defined in section 4729.01 of the Revised Code, harmful intoxicant as defined in section 2925.01 of the Revised Code, intoxicating hemp product as defined in section 3779.01 of the Revised Code, drinkable cannabinoid product as defined in section 3779.21 of the Revised Code, or over-the-counter medication that, when taken in quantities exceeding the recommended dosage, can result in impairment of judgment or reflexes.

(N) "Electronic device" includes a cellular telephone, a personal digital assistant, a pager, a computer, and any other device used to input, write, send, receive, or read text.

(O) "Eligible unit of local government" means a village,

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) A skill performance evaluation certificate permitting

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Texting while driving;

(ii) Using a handheld mobile telephone.

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

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

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

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

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

(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;

(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;

(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;

(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;

(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:

(i) It relates to traffic control, other than a parking violation;

(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.

(JJ) "State" means a state of the United States and includes the District of Columbia.

(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.

(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.

(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:

(1) Using voice commands to initiate, receive, or terminate a voice communication using a mobile telephone;

(2) Inputting, selecting, or reading information on a global positioning system or navigation system;

(3) Pressing a single button to initiate or terminate a voice communication using a mobile telephone; or

(4) Using, for a purpose that is not otherwise prohibited by law, a device capable of performing multiple functions, such as a fleet management system, a dispatching device, a mobile telephone, a citizens band radio, or a music player.

(NN) "Texting while driving" means texting while operating a commercial motor vehicle, with the motor running, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays. Texting while driving does not include operating a commercial motor vehicle with or without the motor running when the driver has moved the vehicle to the side of, or off, a highway and is stopped in a location where the vehicle can safely remain stationary.

(OO) "United States" means the fifty states and the District of Columbia.

(PP) "Upgrade" means a change in the class of vehicles, endorsements, or self-certified status as described in division (A)(1) of section 4506.10 of the Revised Code, that expands the ability of a current commercial driver's license holder to operate commercial motor vehicles under this chapter;

(QQ) "Use of a handheld mobile telephone" means:

(1) Using at least one hand to hold a mobile telephone to conduct a voice communication;

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

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

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

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

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

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

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

(D) The department shall administer the laws governing the

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

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

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

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

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

titles.

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) Enforcement agents who are on, immediately adjacent

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

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

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

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

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

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

(i) Pleads guilty to a felony;

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

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

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

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

Sec. 5703.052. (A) There is hereby created in the state treasury the tax refund fund, from which refunds shall be paid for amounts illegally or erroneously assessed or collected, or for any other reason overpaid, with respect to taxes levied by Chapter 3779., 4301., 4305., 5726., 5728., 5729., 5731., 5733., 5735., 5736., 5739., 5741., 5743., 5747., 5748., 5749., 5751., or 5753. and sections 3737.71, 3905.35, 3905.36, 4303.33, 5707.03, 5725.18, 5727.28, 5727.38, 5727.81, and 5727.811 of the Revised Code. Refunds for fees levied under sections 3734.90 to 3734.9014 of the Revised Code, wireless 9-1-1 charges imposed under section 128.40 of the Revised Code, next generation 9-1-1 access fees imposed under sections 128.41 and 128.42 of the Revised Code, or any penalties assessed with respect to such fees or charges, that are illegally or erroneously assessed or collected, or for any other reason overpaid, also shall be paid from the fund. Refunds for amounts illegally or erroneously assessed or collected by the tax commissioner, or for any other reason overpaid, that are due under section 1509.50 of the Revised Code shall be paid from the fund. Refunds for amounts illegally or erroneously assessed or collected by the commissioner, or for any other reason overpaid to the commissioner, under sections 718.80 to 718.95 of the Revised Code shall be paid from the fund. However, refunds for amounts illegally or erroneously assessed or collected by the commissioner, or for any other reason overpaid to the commissioner, with respect to taxes levied under section 5739.101 of the Revised Code shall not be paid from the tax

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

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

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

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

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

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

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

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

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

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

produce the person's authority to make the inspection.

(B) If a person or public utility receives at least ten days' written notice of a demand made under division (A) of this section and refuses to comply with that demand, a penalty of five hundred dollars shall be imposed upon the person or public utility for each day the person or public utility refuses to comply with the demand. Penalties imposed under this division 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., ~~or sections~~ section 718.90~~,~~ or 3779.44, or sections 3734.90 to 3734.9014, of the Revised Code.

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

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

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

(c) Prepares as a fiduciary an application for refund or a return;

(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.

(2) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(3) "Accountant" means any of the following:

(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;

(b) An individual who holds a foreign certificate;

(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.

(4) "CPA certificate" and "foreign certificate" have the same meanings as in section 4701.01 of the Revised Code.

(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.

(6) A tax return preparer engages in "prohibited conduct" if the preparer does any of the following:

(a) Prepares any return or application for refund that includes an understatement of a taxpayer's tax liability due to an unreasonable position or due to willful or reckless conduct. For the purposes of this division, "unreasonable position" and "willful or reckless conduct" have the meanings as used in section 6694 of the Internal Revenue Code.

(b) When required under any provision of Title LVII of the Revised Code, the preparer fails to do any of the following:

(i) Provide copies of a return or application for refund;

(ii) Provide the preparer's signature or federal preparer tax identification number on a return or application for refund;

(iii) Retain copies of the preparer's records;

(iv) Provide any information or documents requested by the tax commissioner;

(v) Act diligently in determining a taxpayer's eligibility for tax credits, deductions, or exemptions.

(c) Negotiates a check or other negotiable instrument issued to a taxpayer by the department of taxation without the permission of the taxpayer;

(d) Engages in any conduct subject to criminal penalties under Title LVII of the Revised Code;

(e) Misrepresents the preparer's eligibility to file returns or applications for refund on behalf of taxpayers, or otherwise misrepresents the preparer's experience or education;

(f) Guarantees the payment of any tax refund or the

allowance of any tax credit, deduction, or exemption;

(g) Engages in any other fraudulent or deceptive conduct that substantially interferes with the proper administration of any provision of Title LVII of the Revised Code.

(7) "State" means a state of the United States, the District of Columbia, the commonwealth of Puerto Rico, or any territory or possession of the United States.

(B) When a tax return preparer engages in prohibited conduct, the commissioner, may do either or both of the following:

(1) If the commissioner has previously warned the tax return preparer in writing of the consequences of continuing to engage in prohibited conduct, impose a penalty not exceeding one hundred dollars per instance of prohibited conduct;

(2) Regardless of whether the commissioner has previously warned the tax return preparer, request that the attorney general apply to a court of competent jurisdiction for an injunction to restrain the preparer from further engaging in the prohibited conduct. The court may take either of the following actions:

(a) If the court finds that injunctive relief is appropriate to prevent the recurrence of the prohibited conduct, the court shall issue an injunction against the preparer enjoining the preparer from engaging in such conduct.

(b) If the court finds that the preparer has continually or repeatedly engaged in prohibited conduct, and that enjoining the preparer solely from engaging in such conduct would not be sufficient to prevent the preparer's interference with the proper administration of any provision of Title LVII of the

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 notice shall be sent to the address shown on the application unless the applicant notifies the commissioner of a different address. The applicant shall have sixty days from the date the commissioner mails the notice to provide additional information to the commissioner or request a hearing, or both.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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