As Introduced

135th General Assembly Regular Session 2023-2024

H. B. No. 354

Representative Callender

A BILL

То	amend see	ctions 13	1.02, 715	.013, 378	0.01,	1
	3780.03,	3780.04,	3780.05,	3780.06,	3780.07,	2
	3780.08,	3780.09,	3780.10,	3780.11,	3780.17,	3
	3780.19,	3780.20,	3780.21,	3780.22,	3780.23,	4
	3780.25,	3780.26,	3780.28,	3780.29,	3780.30,	5
	3780.31,	3780.32,	3780.33,	3780.34,	3780.35,	6
	3780.36,	3796.02,	5119.10,	5502.13,	5703.052,	7
	5703.053,	5703 . 19,	5703.263	3, 5703.50), 5703.70,	8
	5703.77,	and 5713.	.30; to er	nact sect:	ions 109.802,	9
	5119.81,	5119.82,	5119.83,	5119.84,	5119.85,	10
	5120.81,	5755.01,	5755.02,	5755.03,	5755.04,	11
	5755.05,	5755.06,	5755.07,	5755.071	, 5755.08,	12
	5755.09,	5755.10,	5755.11,	5755.12,	5755.13, and	13
	5755.99;	and to re	epeal sect	cion 3780	.27 of the	14
	Revised (Code to mo	dify the	law gover	rning the	15
	cultivati	ion, proce	essing, di	spensing	, testing,	16
	and taxat	cion of ac	dult use o	cannabis a	and to levy a	17
	gross red	ceipts tax	k on marij	juana cult	tivators.	18

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

Section 1. That sections 131.02, 715.013, 3780.01,193780.03, 3780.04, 3780.05, 3780.06, 3780.07, 3780.08, 3780.09,20

3780.10, 3780.11, 3780.17, 3780.19, 3780.20, 3780.21, 3780.22, 21 3780.23, 3780.25, 3780.26, 3780.28, 3780.29, 3780.30, 3780.31, 22 3780.32, 3780.33, 3780.34, 3780.35, 3780.36, 3796.02, 5119.10, 23 5502.13, 5703.052, 5703.053, 5703.19, 5703.263, 5703.50, 24 5703.70, 5703.77, and 5713.30 be amended and sections 109.802, 25 5119.81, 5119.82, 5119.83, 5119.84, 5119.85, 5120.81, 5755.01, 26 5755.02, 5755.03, 5755.04, 5755.05, 5755.06, 5755.07, 5755.071, 27 5755.08, 5755.09, 5755.10, 5755.11, 5755.12, 5755.13, and 28 5755.99 of the Revised Code be enacted to read as follows: 29 Sec. 109.802. (A) (1) As used in this section, "peace_ 30 officer, " "trooper, " and "appointing authority" have the same 31 meanings as in section 109.803 of the Revised Code. 32 (2) The provisions of this section regarding reimbursement 33 for continuing professional training programs for peace officers 34 and troopers apply on and after the effective date of this 35 section or July 1, 2024, whichever is later. 36 (B) (1) The attorney general shall use the adult use 37 cannabis law enforcement training fund created in section 38 39 5755.13 of the Revised Code to pay reimbursements for continuing professional training programs for peace officers and troopers 40 as provided in this section and section 109.803 of the Revised 41 Code, compensation of any employees of the attorney general 42 required to administer those sections, and any other 43 administrative costs incurred by the attorney general to 44 administer those sections. 45 (2) The provisions of this section apply with respect to 46 funding for the training of peace officers and troopers that is 47 required during and after calendar year 2023 under section 48 109.803 of the Revised Code, and for the training of peace 49 officers and troopers during and after that calendar year in 50

addition to the required training under that section, subject to	51
the maximum per calendar year specified in division (C) of this	52
section and to the limitation specified in division (D)(2) of	53
this section.	54
(C) The attorney general shall adopt rules in accordance	55
with Chapter 119. of the Revised Code establishing application	56
procedures, standards, and guidelines, and prescribing an	57
application form, for the reimbursement, on a quarterly basis,	58
of public appointing authorities for the cost of continuing	59
professional training programs for their peace officers and	60
troopers that is required under section 109.803 of the Revised	61
Code and for the training of peace officers and troopers in	62
addition to the required training under that section, subject to	63
the maximum specified in this division and to the limitation	64
specified in division (D)(2) of this section. The total number	65
of hours of training for which reimbursement may be provided	66
under this section, for the required training plus any training	67
in addition to the required training, shall not exceed forty	68
hours in any calendar year. The rules shall include, but are not	69
limited to, all of the following:	70
	- 1
(1) Requirements as to the timing and manner that	71
applications for reimbursement shall be submitted;	72
(2) The documentation required to substantiate any costs	73
for which the applicant seeks reimbursement, including with	74
respect to additional training for which reimbursement is	75
sought;	76
(3) Procedures for submitting applications for	77
	78
reimbursement for the cost of continuing professional training	-
programs completed by a peace officer or trooper for whom the	79
executive director of the Ohio peace officer training commission	80

granted pursuant to division (A)(2) of section 109.803 of the	81
Revised Code an extension of the time for compliance with the	82
continuing professional training requirement specified in	83
division (A) of that section and who complied with the	84
requirement prior to the date on which the extension ends;	85
(4) Procedures for making reimbursements from the fund on	86
a quarterly basis and standards for determining the amounts of	87
those quarterly reimbursements;	88
(5) Procedures for the return to the Ohio peace officer	89
training commission, in accordance with division (G)(2) of this	90
section, of funds that a public appointing authority receives	91
for reimbursement under division (F)(1) or (2) of this section	92
and does not use for reimbursements;	93
(6) Any other requirements necessary for the proper	94
administration of the reimbursement program.	95
(D)(1) The Ohio peace officer training commission shall	96
administer a program for reimbursing public appointing	97
authorities for the costs of continuing professional training	98
programs that are successfully completed by the appointing	99
authority's peace officers or troopers. Reimbursements under the	100
program shall be made on a quarterly basis. The commission shall	101
administer the reimbursement program in accordance with rules	102
adopted by the attorney general pursuant to division (C) of this	103
section.	104
(2) No reimbursement shall be made under this section for	105
any cost of continuing professional training programs for a	106
peace officer or trooper that previously has been reimbursed	107
under the pilot program established under Section 701.70 of H.B.	108
110 of the 134th General Assembly, as amended by H.B. 45 of the	109

110

(E) Each public appointing authority may apply each	111
calendar year to the peace officer training commission for	112
reimbursement for the costs of continuing professional training	113
programs that are successfully completed by the appointing	114
authority's peace officers or troopers. Reimbursement may be	115
requested for the cost of continuing professional training that	116
is required under section 109.803 of the Revised Code and for	117
the cost of professional training in addition to the required	118
training under that section, subject to the maximum per calendar	119
year specified in division (C) of this section and to the	120
limitation specified in division (D)(2) of this section. Each	121
application shall be made in accordance with, on an application	122
form prescribed in, and be supported by the documentation	123
required by, the rules adopted by the attorney general pursuant	124
to division (C) of this section.	125
(F)(1) The Ohio peace officer training commission, in_	126
accordance with rules of the attorney general adopted under	127
division (C) of this section, shall review each application for	128
reimbursement made under division (E) of this section to	129
determine if the applicant is entitled to reimbursement for the	130
training programs for which the applicant seeks reimbursement.	131
Except as provided in division (F)(2) of this section, a public	132
appointing authority that complies with division (B) of section	133
109.761 of the Revised Code and applies under division (E) of	134
this section for reimbursement is entitled to reimbursement, on	135
a quarterly basis, for each of the appointing authority's peace	136
officers or troopers who timely complies with the continuing	137
professional training requirement specified in division (A)(1)	138
of section 109.803 of the Revised Code by completing the minimum	139
number of hours of training directed by the Ohio peace officer	140

training commission under that division and with the other 1	141
requirements described in that division, and for each of the	142
appointing authority's peace officers or troopers who completes 1	143
professional training in addition to the minimum number of hours	144
of required training under that division. The reimbursements are	145
subject to the maximum per calendar year specified in division 1	146
(C) of this section and to the limitation specified in division	147
(D)(2) of this section.	148
(2) If a peace officer or trooper of the public appointing 1	149
authority for whom the executive director of the commission 1	150
granted an extension pursuant to division (A)(2) of section	151
109.803 of the Revised Code complies prior to the date on which	152
the extension ends with the continuing professional training	153
requirement, and if the peace officer or trooper also has	154
complied with the other requirements described in division (A)	155
(1) of section 109.803 of the Revised Code, the public	156
appointing authority is entitled to reimbursement, on a 1	157
quarterly basis, for the training programs completed by that	158
peace officer or trooper, subject to the maximum per calendar	159
year specified in division (C) of this section and to the	160
limitation specified in division (D)(2) of this section. An	161
application for reimbursement of the type described in this	162
division shall be made in accordance with rules adopted by the	163
attorney general pursuant to division (C) of this section.	164
(3) If a public appointing authority that applies under	165
	166
	167
each peace officer and trooper who successfully completes a 1	168
	169
	170
the maximum per calendar year specified in division (C) of this 1	171

section and to the limitation specified in division (D)(2) of	172
this section. The actual amount of reimbursement for each	173
authorized training program shall be determined by rules adopted	174
by the attorney general under division (C) of this section.	175
Reimbursements under the program shall be made on a quarterly	176
basis.	177
If the public appointing authority is entitled to	178
reimbursement under division (F)(2) of this section, payment of	179
the reimbursement shall not be withheld during the period of the	180
extension granted to the other peace officers or troopers of the	181
authority pursuant to division (A)(2) of section 109.803 of the	182
Revised Code, pending their compliance with the requirement. If	183
the public appointing authority is entitled to reimbursement	184
under division (F)(2) of this section and if one or more of its	185
peace officers or troopers who were granted an extension	186
pursuant to division (A)(2) of section 109.803 of the Revised	187
Code fails to complete prior to the date on which the extension	188
ends the required minimum number of hours of continuing	189
professional training set by the commission under division (A)	190
(1) of section 109.803 of the Revised Code, the public	191
appointing authority shall return all of the funds under the	192
reimbursement that are not used, in accordance with division (G)	193
(2) of this section.	194
(G)(1) Each public appointing authority that receives	195
funds under this section shall keep those funds separate from	196
any other funds of the appointing authority and shall use those	197
funds only for paying the cost of continuing professional	198
training programs.	199
(2) If a public appointing authority that receives funds	200
for reimbursement under division (F)(1) or (2) of this section	201
	-

for peace officers or troopers who successfully complete a	202
training program does not use all of the funds received for such	203
a reimbursement, the authority shall return all of the funds not	204
used to the Ohio peace officer training commission. Upon receipt	205
of returned funds under this division, the commission shall pay	206
the funds into the state treasury to the credit of the adult use	207
cannabis law enforcement training fund, to be used as described	208
in divisions (B) to (F) of this section.	209
Sec. 131.02. (A) Except as otherwise provided in section	210
4123.37, section 5703.061, and division (K) of section 4123.511	211
of the Revised Code, whenever any amount is payable to the	212
state, the officer, employee, or agent responsible for	213
administering the law under which the amount is payable shall	214
immediately proceed to collect the amount or cause the amount to	215
be collected and shall pay the amount into the state treasury or	216
into the appropriate custodial fund in the manner set forth	217
pursuant to section 113.08 of the Revised Code. Except as	218
otherwise provided in this division, if the amount is not paid	219
within forty-five days after payment is due, the officer,	220
employee, or agent shall certify the amount due to the attorney	221
general, in the form and manner prescribed by the attorney	222
general. In the case of an amount payable by a student enrolled	223
in a state institution of higher education, the amount shall be	224
certified within the later of forty-five days after the amount	225
is due or the tenth day after the beginning of the next academic	226
semester, quarter, or other session following the session for	227
which the payment is payable. The attorney general may assess	228
the collection cost to the amount certified in such manner and	229
amount as prescribed by the attorney general. If an amount	230
payable to a political subdivision is past due, the political	231
subdivision may, with the approval of the attorney general,	232

certify the amount to the attorney general pursuant to this 233 section. 234 For the purposes of this section, the attorney general and 235 the officer, employee, or agent responsible for administering 236 the law under which the amount is payable shall agree on the 237 time a payment is due, and that agreed upon time shall be one of 238 the following times: 239 (1) If a law, including an administrative rule, of this 240 state prescribes the time a payment is required to be made or 241 reported, when the payment is required by that law to be paid or 242 243 reported. (2) If the payment is for services rendered, when the 244 rendering of the services is completed. 245 (3) If the payment is reimbursement for a loss, when the 246 loss is incurred. 247 (4) In the case of a fine or penalty for which a law or 248 administrative rule does not prescribe a time for payment, when 249 the fine or penalty is first assessed. 250 (5) If the payment arises from a legal finding, judgment, 251 or adjudication order, when the finding, judgment, or order is 252 rendered or issued. 253 (6) If the payment arises from an overpayment of money by 254 the state to another person, when the overpayment is discovered. 255 (7) The date on which the amount for which an individual 256 is personally liable under section 5735.35, section 5739.33, or 257 division (G) of section 5747.07 of the Revised Code is 258 determined. 259

(8) Upon proof of claim being filed in a bankruptcy case. 260

(9) Any other appropriate time determined by the attorney 261 general and the officer, employee, or agent responsible for 262 administering the law under which the amount is payable on the 263 basis of statutory requirements or ordinary business processes 264 of the agency, institution, or political subdivision to which 265 the payment is owed. 266 (B) (1) The attorney general shall give immediate notice by 267 mail or otherwise to the party indebted of the nature and amount 268 of the indebtedness. 269 (2) If the amount payable to this state arises from a tax 270 levied under Chapter 5733., 5739., 5741., 5747., or 5751., or 271 5755. of the Revised Code, the notice also shall specify all of 272 the following: 273 (a) The assessment or case number; 274 (b) The tax pursuant to which the assessment is made; 275 (c) The reason for the liability, including, if 276 applicable, that a penalty or interest is due; 277 (d) An explanation of how and when interest will be added 278 to the amount assessed; 279 (e) That the attorney general and tax commissioner, acting 280 together, have the authority, but are not required, to 281 282 compromise the claim and accept payment over a reasonable time, if such actions are in the best interest of the state. 283 (C) The attorney general shall collect the claim or secure 284 a judgment and issue an execution for its collection. 285 286

(D) Each claim shall bear interest, from the day on which
286
the claim became due, at the rate per annum required by section
5703.47 of the Revised Code.
288

(E) The attorney general and the chief officer of the 289 agency reporting a claim, acting together, may do any of the 290 following if such action is in the best interests of the state: 291 (1) Compromise the claim; 292 (2) Extend for a reasonable period the time for payment of 293 the claim by agreeing to accept monthly or other periodic 294 payments. The agreement may require security for payment of the 295 claim. 296 (3) Add fees to recover the cost of processing checks or 297 other draft instruments returned for insufficient funds and the 298 299 cost of providing electronic payment options. (F)(1) Except as provided in division (F)(2) of this 300 section, if the attorney general finds, after investigation, 301 that any claim due and owing to the state is uncollectible, the 302 attorney general, with the consent of the chief officer of the 303 agency reporting the claim, may do the following: 304 305 (a) Sell, convey, or otherwise transfer the claim to one or more private entities for collection; 306

(b) Cancel the claim or cause it to be canceled. 307

(2) The attorney general shall cancel or cause to be
308
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
313
tax payable to the state that is administered by the tax
314
commissioner, whether or not such tax is subject to division (B)
315
of this section, or any penalty, interest, or additional charge
316

on such tax, after the expiration of the period ending on the 317 later of the dates specified in divisions (F) (3) (a) and (b) of 318 this section, provided that such period shall be extended by the 319 period of any stay to such collection or by any other period to 320 which the parties mutually agree. If the initial action in aid 321 of execution is commenced before the later of the dates 322 specified in divisions (F)(3)(a) and (b) of this section, any 323 and all subsequent actions may be pursued in aid of execution of 324 judgment for as long as the debt exists. 325

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

328 (b) Four years after the assessment of the tax, penalty, interest, or additional charge becomes final. For the purposes 329 of division (F)(3)(b) of this section, the assessment becomes 330 final at the latest of the following: upon expiration of the 331 period to petition for reassessment, or if applicable, to appeal 332 a final determination of the commissioner or decision of the 333 board of tax appeals or a court, or, if applicable, upon 334 decision of the United States supreme court. 335

For the purposes of division (F)(3) of this section, an 336 initial action to collect a tax debt is commenced at the time 337 when a certified copy of the tax commissioner's entry making an 338 assessment final has been filed in the office of the clerk of 339 court of common pleas in the county in which the taxpayer 340 resides or has its principal place of business in this state, or 341 in the office of the clerk of court of common pleas of Franklin 342 county, as provided in section 5739.13, 5741.14, 5747.13, or 343 5751.09 of the Revised Code or in any other applicable law 344 requiring such a filing. If an assessment has not been issued 345 and there is no time limitation on the issuance of an assessment 346

326

under applicable law, an action to collect a tax debt commences 347 when the action is filed in the courts of this state to collect 348 the liability. 349

(4) If information contained in a claim that is sold,
350
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
353
confidentiality, such information remains subject to that law
354
during and following the sale, conveyance, or transfer.

(5) The attorney general may adopt rules to aid in the356implementation of this section.357

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., 4123., 4141., 4301., 4303., 4305., 4307., 4309., 5707., 5725., 5726., 5727., 5728., 5729., 5731., 5735., 5736., 5737., 5739., 5741., 5743., 5747., 5749., or 5751., or 5755. 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
371
from levying an income tax or withholding tax in accordance with
372
Chapter 718. of the Revised Code, or a tax on any of the
373
following:

(1) Amounts received for admission to any place;

358

359

360

361

362

363

364

(2) The income of an electric company or combined company, 376 as defined in section 5727.01 of the Revised Code; 377 (3) On and after January 1, 2004, the income of a 378 telephone company, as defined in section 5727.01 of the Revised 379 Code. 380 Sec. 3780.01. Definitions. 381 (A) As used in this chapter: 382 (1) "Adult use cannabis," or "marijuana" means 383 marihuana as defined in section 3719.01 of the Revised Code. 384 (2) "Adult use cannabis operator" means a level I adult use 385 cultivator, a level II adult use cultivator, a level III adult 386 use cultivator, an adult use processor, and an adult use 387 dispensary. 388 (3) "Adult use consumer" means and an individual who is at least 389 390 twenty-one years of age. (4) "Adult use cultivator" means a level I adult use cultivator 391 or a level II adult use cultivator. 392 (5) "Adult use dispensary" means a person licensed pursuant to 393 section 3780.15 of the Revised Code, this chapter, and any rules 394 promulgated thereunder to sell adult use cannabis as authorized. 395 (6) "Adult use extract" or "extract" means a substance obtained 396 by separating or concentrating cannabinoids and other compounds 397 from any part of the adult use cannabis plant by physical or 398 chemical means, intended to be refined for use as an ingredient 399 in an adult use cannabis product or as a standalone adult use 400 cannabis product. 401 (7) "Adult use processor" means a person licensed pursuant to 402

section 3780.14 of the Revised Code, this chapter, and any rules 403 promulgated thereunder to manufacture adult use cannabis as 404 authorized. 405 (8) "Adult use testing laboratory" means an independent 406 laboratory located that has been issued a license by the 407 division of cannabis marijuana control to have custody and use 408 of adult use cannabis for scientific purposes and for purposes 409 of instruction, research, or analysis. 410 411 (9) "Advertising" means any written or verbal statement, illustration, or depiction created to induce sales through the 412 use of or a combination of letters, pictures, objects, lighting 413 effects, illustrations, videos, sounds, or other similar means. 414 "Advertisement" includes brochures, promotional, and other 415 marketing materials consistent with section 3780.21 of the 416 Revised Code. 417 (10) "Applicant" means an individual or person who files an 418 application for a license pursuant to this chapter. 419 (11) "Certificate of operation" means a certification of 420 operation or license issued by either the department of commerce 421 422 <u>division of marijuana control</u>or the state board of pharmacy to a person pursuant to Chapter 3796. of the Revised Code and 423 424 Chapter 3796 of the Administrative Codeany rules promulgated thereunder. 425 (12) "Confidential information" means information that is not a 426 public record for purposes of section 149.43 of the Revised 427 Code. 428 (13) "Cultivate" means to grow, harvest, package, and transports-429 transport adult use cannabis pursuant to this chapter. 430 (14) "Cultivation area" means the boundaries of the enclosed 431

areas in which adult use cannabis is cultivated during the	432
vegetative stage and flowering stage of the cultivation process.	433
For purposes of calculating the cultivation area square footage,	434
enclosed areas used solely for the storage and maintenance of	435
mother plants, clones, or seedlings shall not be included.	436
(15) "Cultivation facility" means a facility where an adult use	437
cultivator or a level III adult use cultivator is authorized to	438
operate.	439
(16) "Dispensary" means a person who has a certificate of	440
operation to operate a dispensary under Chapter 3796 <u>.</u> of the	441
Revised Code and Chapter 3796 of the Administrative Code any	442
rules promulgated thereunder.	443
(17) "Disqualifying offense" means:	444
(a) A conviction or plea of guilty, including conspiracy to	445
commit, attempt to commit, or aiding and abetting another in	446
committing, the following:	447
(i) Any offense set forth in Chapters <u>Chapter</u> 2925<u>.</u>, 3719<u>.</u>, or	448
4729 <u>.</u> of the Revised Code, the violation of which constitutes a	449
felony or a misdemeanor of the first degree;	450
(ii) Any theft offense set forth under division (K) in section	451
2913.01 of the Revised Code, the violation of which constitutes	452
a felony;	453
(iii) Any violation for which a penalty was imposed under	454
section 3715.99 of the Revised Code;	455
(iv) A crime of moral turpitude as defined in section 4776.10 of	456
the Revised Code; or	457
(v) A violation of any former law of this state, any existing or	458
former law of another state, any existing or former law	459

applicable in a military court or Indian tribal court, or any	460
existing or former law of any nation other than the United	461
States that is or was substantially equivalent to any of the	462
offenses listed in paragraphs (a)(iv) <u>d</u>ivisions (a)(i) t o (a)	463
(iv) of this definition.	464
(b) Any first degree misdemeanor offense listed in paragraphs	465
$\underline{\text{divisions}}$ (a) (i) to (a) (v) of this definition will not	466
automatically disqualify an applicant from licensure if the	467
applicant was convicted of or pleaded guilty to the offense more	468
than five years before the date the application for licensure is	469
filed.	470
(c) Notwithstanding paragraph <u>division (</u> a) or (b) of this	471
definition, no misdemeanor offense, including misdemeanors of	472
the first degree, related to cannabis possession, cannabis	473
trafficking, illegal cultivation of cannabis, illegal use or	474
possession of drug paraphernalia or cannabis drug paraphernalia,	475
or other cannabis related <u>cannabis-related</u> crimes shall be	476
considered a disqualifying offense.	477
(18) "Director" means the director of the department of	478
commerce.	479
(19) "Level I adult use cultivator" <u>mean means</u> either a person	480
who has a certificate of operation as a level I cultivator and	481
who is licensed pursuant to section 3780.12 of the Revised Code,	482
this chapter, and any rules promulgated thereunder to cultivate	483
adult use cannabis as authorized, or a person who is licensed as	484
a level I adult use cultivator pursuant to section 3780.12 of	485
the Revised Code, this chapter, and any rules promulgated	486
thereunder to cultivate adult use cannabis as authorized, and	487
either person may operate up to one hundred thousand square	488
footage feet of space designated as the cultivation area in the	489

application which may be increased if a request for expansion is 490 approved by the division of cannabis marijuana control. 491 (20) "Level II adult use cultivator" mean means either a person 492 who has a certificate of operation as a level II cultivator and 493 who is licensed pursuant to section 3780.12 of the Revised Code, 494 this chapter, and any rules promulgated thereunder to cultivate 495 adult use cannabis as authorized, or a person who is licensed as 496 a level II adult use cultivator pursuant to section 3780.12 of 497 the Revised Code, this chapter, and any rules promulgated 498 499 thereunder to cultivate adult use cannabis as authorized, and either person may operate up to fifteen thousand square footage 500 feet of space designated as the cultivation area in the 501 application which may be increased if a request for expansion is 502 approved by the division of cannabis marijuana control. 503 (21) "Level III adult use cultivator" means a person licensed 504 pursuant to section 3780.13 of the Revised Code, this chapter, 505 and any rules promulgated thereunder to cultivate adult use 506 cannabis as authorized. 507 (22) "Level I cultivator" means a person who has a certificate 508 of operation to operate as a level I cultivator under Chapter 509 3796. of the Revised Code and Chapter 3796of the Administrative 510 Codeany rules promulgated thereunder. 511 (23) "Level II cultivator" means a person who has a certificate 512 of operation to operate as a level II cultivator under Chapter 513 3796. of the Revised Code and Chapter 3796of the Administrative 514 Codeany rules promulgated thereunder. 515 (24) "License" means a license by the division of cannabis-516

<u>marijuana</u> control to a license applicant pursuant to chapter 517 <u>Chapter</u> 3780. of the Revised Code and the rules adopted 518 thereunder.

(25) "License applicant" means an individual or person who 520 applies for a license under this chapter. 521 (26) "License holder" or "Licensee" means an adult 522 use cannabis operator, adult use testing laboratory, or an 523 individual who is licensed under the provisions of this chapter 524 3780 of the Revised Code. 525 (27) "Manufacture" means the process of converting harvested 526 plant material into adult use extract by physical or chemical 527 means for use as an ingredient in an adult use cannabis product. 528 (28) "Medical provisional license" means a provisional license 529 issued by either the department of commerce division of 530 marijuana control or the state board of pharmacy to a person 531 pursuant to Chapter 3796. of the Revised Code and Chapter 3796 532 of the Administrative Codeany rules promulgated thereunder. 533 (29) "Minor cannabinoid" means any cannabinoid other than CBD, 534 CBDa, Delta 9 <u>delta-9</u> THC or Delta 9 <u>delta-9</u> THCa, including any 535 isomer, analogue, or derivative thereof, and any other 536 cannabinoid that naturally occurs in cannabis, regardless of 537 whether that cannabinoid may be naturally or synthetically 538 derived, which may be used as an ingredient in adult use 539 540 products. (30) "Mother plant" means an adult use cannabis plant that is 541 cultivated or maintained for the purpose of generating clones, 542 and that will not be used to produce plant material for sale to 543 an adult use processor or an adult use dispensary unless the 544 plant is transferred into the cultivation area of the facility. 545 (31) "Paraphernalia" means any equipment, products, or materials 546 of any kind which are used, intended for use, or designed for 547

use in planting, propagating, cultivating, growing, harvesting,
548
composting, manufacturing, compounding, converting, producing,
processing, preparing, testing, analyzing, packaging,
repackaging, storing, vaporizing, or containing cannabis, or for
ingesting, inhaling, or otherwise introducing cannabis into the
553

(32) "Person" includes, but is not limited to, an individual or 554 a combination of individuals; a sole proprietorship, a firm, a 555 company, a joint venture, a partnership of any type, a joint-556 stock company, a corporation of any type, a corporate subsidiary 557 of any type, a limited liability company, a business trust, or 558 any other business entity or organization; an assignee; a 559 560 receiver; a trustee in bankruptcy; an unincorporated association, club, society, or other unincorporated entity or 561 organization; entities that are disregarded for federal income 562 tax purposes; and any other nongovernmental, artificial, legal 563 entity that is capable of engaging in business. 564

(33) "Primary residence" means the residence of an individual in
565
which the individual's habitation is fixed and to which,
whenever the person is absent, the person has the intention of
567
returning. An individual's "primary residence" is presumed to be
568
the residential address that appears in the following:
569

(a) The individual's voter registration in this state;

(b) If the individual is not registered to vote in this state,571the individual's valid driver's license or government-issued572identification card;573

(c) If the individual is not registered to vote in this state574and does not have a valid driver's license or government-issued575identification card, a deed, mortgage, lease, current home576

owner's or renter's insurance declaration page, or current real	577
property tax bill in the individual's name;	578
(d) If the individual is not registered to vote in this state,	579
does not have a valid driver's license or government-issued	580
identification card, and cannot produce any of the documents	581
described in division (A)(33)(c) of this section, a utility bill	582
or receipt of utility installation issued to the individual;	583
(e) If the individual is not registered to vote in this state,	584
does not have a valid driver's license or government-issued	585
identification card, and cannot produce any of the documents	586
described in division (A)(33)(c) or (d) of this section, a	587
paycheck or pay stub issued to the individual that includes the	588
address of the individual's primary residence;	589
(f) If the individual is not registered to vote in this state,	590
does not have a valid driver's license or government-issued	591
identification card, and cannot produce any of the documents	592
described in division (A)(33)(c), (d), or (e) of this section,	593
the most current available bank statement issued to the	594
individual that includes the address of the individual's primary	595
<u>residence</u> .	596
(34) "Processor" means a person who has been issued a processing	597
certificate of operation pursuant to Chapter 3796. of the	598
Revised Code and Chapter 3796 of the Administrative Code any	599
rules promulgated thereunder.	600
(35) "Prohibited facility" means any church, public library,	601
public playground, public park, or school $_{m{ au}}$ as defined in section	602
3796.30 of the Revised Code.	603
(36) "Provisional license" means a temporary license issued to	604
an applicant for an individual license that establishes the	605

conditions that must be met by the licensee before the	606
individual is issued a license in accordance with the	607
requirements and conditions set forth in <u>this</u> chapter 3780 of	608
the Revised Code and the rules adopted thereunder.	609
(37) "Tetrahydrocannabinol" or "THC" means the sum of the amount	610
of delta-9 tetrahydrocannabinol (THC) and 87.7 per cent of the	611
amount of delta-9-tetrahydrocannabinolic acid (THCA)-<u>(</u>THCa)	612
present in the product or plant material. THC does not include	613
minor cannabinoids.	614
(38) "Ohio investigative unit" means the investigative unit	615
maintained by the department of public safety under section	616
5502.13 of the Revised Code.	617
Sec. 3780.03. Establishment and authority Authority of division	618
of <u>cannabis marijuana</u> control; adoption of rules.	619
(A) There is hereby established a division of cannabis control	620
within the department of commerce.	621
(B) To ensure the proper oversight and control of the adult use	622
cannabis industry, the division of cannabis <u>marijuana</u> control<u>,</u>	623
under the supervision and direction of the superintendent of	624
marijuana control as established under section 121.04 of the	625
Revised Code, shall have the authority to license, regulate,	626
investigate, and penalize adult use cannabis operators, adult	627
use testing laboratories, and individuals required to be	628
licensed under this chapter.	629
(C) (B) The division of cannabis marijuana control shall adopt,	630
and as advisable and necessary shall amend or repeal, rules on	631
the following:	632
(1) Prevention of practices detrimental to the public interest	633
consistent with this chapter, and also ways to educate the	634

public about this chapter;

(2) Establishing application, licensure, and renewal standards 636 and procedures for license applicants or license holders related 637 to adult use cannabis operators, adult use testing laboratories, 638 and individuals required to be licensed, including any 639 additional background check requirements, the disqualifying 640 offenses under section 3780.01 of the Revised Code that prohibit 641 licensure, and any exemption criteria from licensing 642 requirements for institutional or private investors who do not 643 have significant control or influence over a license applicant 644 or license holder, and whose ownership in a license is for 645 investment purposes only; 646

(3) Establishing reasonable application, licensure, and renewal
647
fees amounts to ensure license applicants and license holders
648
under this chapter pay for the actual costs for administration
649
and licensure for the division of cannabis marijuana control;
650

(4) Establishing standards for provisional licenses for an 651 individual who is required to be licensed and who has exigent 652 circumstances. Such standards for provisional licenses must 653 include submission of a complete application and compliance with 654 a required background check. A provisional license shall be 655 valid not longer than three months. A provisional license may be 656 renewed, at the division of cannabis marijuana control's 657 discretion, for an additional three months. In establishing 658 standards with regard to instant background checks the division 659 of cannabis marijuana control may use all available resources+.___ 660

(5) Specifying the process and reasons for which a license
holder may be fined, suspended either with or without a prior
hearing, revoked, or not renewed or issued;
663

(6) The process and requirements for division of cannabis	664
marijuana control approval of any requested change in ownership	665
or transfer of control of an adult use cannabis operator or	666
adult use testing laboratory;	667
(7) Establishing process processes and standards for expanding	668
the size of the cultivation area for a cultivation facility;	669
(8) Establishing standards and procedures for the testing of	670
adult use cannabis by an adult use testing laboratory licensed	671
under this chapter. When establishing standards and procedures	672
for the testing of cannabis, the division of cannabis <u>marijuana</u>	673
control shall do all of the following:	674
(a) Specify when testing must be conducted;	675
(b) Determine the minimum amount of adult use cannabis that must	676
be tested;	677
(c) Specify the manner in which testing is to be conducted in an	678
effort to ensure uniformity of cannabis products processed for	679
and dispensed; and	680
(d) Specify the manner in which test results are provided.	681
(9) The minimum amount of insurance or surety bond that must be	682
maintained by an adult use cannabis operator and adult use	683
testing laboratory;	684
(10) Requiring the division of cannabis control to adopt-	685
Establish reasonable standards for any adult use cannabis	686
samples, and advertising as prescribed in section 3780.21 of the	687
Revised Code;	688
(11) Requiring that the records, including financial statements,	689
of an adult use cannabis operator or adult use testing	690
laboratory be maintained in the manner up to two years as	691

prescribed by the division of cannabis marijuana control and692which shall be made available for inspection upon demand by the693division of cannabis marijuana control or the Ohio investigative694unit, but shall be subject to section 3780.31 of the Revised695Code;696

(12) Prescribing technical standards and requirements consistent 697 with industry standards that must be met for security and 698 surveillance equipment necessary for the provision of security 699 and surveillance of adult use cannabis operators and adult use 700 testing laboratories; 701

(13) Prescribing requirements for a license holder's provision 702 of security services for an adult use cannabis operator and 703 adult use testing laboratories which shall include the license 704 holder's option to use armed or unarmed services including 705 through agents of the license holder; 706

(14) Prescribing standards according to which license holders 707 shall keep accounts and standards according to which adult use 708 cannabis operators and adult use testing laboratories accounts 709 shall be audited, and establish guidance for assisting the 710 department of taxation in levying and collecting the taxes on 711 adult use cannabis tax levied under section 3780.22 of the 712 Revised Codeand licensees; 713

(15) Determining penalties for violation of division of cannabis
714
marijuana control rules or this chapter, and a process for
715
imposing such penalties;
716

(16) Training requirements for employees and agents of adult use717cannabis operators and adult use laboratories;718

(17) Prescribing standards and procedures to allow for adult use719cannabis delivery to adult use consumers, and online and mobile720

ordering procedures, which may only be conducted by an adult use 721 722 dispensary or their agent; (18) Prescribing cannabis inventory requirements to be 723 maintained in an electronic database consistent with section 724 3780.05 of the Revised Code: 725 (19) Prescribing standards and procedures for product packaging 726 and labeling of adult use cannabis products which shall, at 727 minimum, comply with the child-resistant effectiveness standards 728 in 16 C.F.R. 1700.15(b); 729 (20) Prescribing standards and procedures in coordination with 730 the department of development to administer and enforce the 731 cannabis social equity and jobs program as prescribed under 732 section 3780.19 of the Revised Code; 733 (21) Establishing a tetrahydrocannabinol content limit for adult 734 use cannabis, which for plant material the content limit shall 735 <u>not</u> be no-less than thirty-five per cent_L and for extracts the 736 content limit shall not be no-less than ninety per cent, but 737 that such content limits may be increased or eliminated by the 738 division of cannabis marijuana control; and 739 (22) Prescribing duty to update requirements for license 740 holders; 741 742 (23) Prescribing policies, procedures, and minimum standards for adult-use dispensaries that ensure patients and caregivers 743 registered under Chapter 3796. of the Revised Code have 744 sufficient access to medical marijuana, as defined in that 745 746 chapter. (D) (C) All rules adopted under this section and chapter shall 747 be adopted in accordance with Chapter 119. of the Revised Code. 748

$\frac{(E)}{(D)}$ In addition to the rules described in division (C) of	749
this section, the division of cannabis <u>marijuana</u> control may	750
adopt any other rules it considers necessary for the	751
administration, implementation, and enforcement of this chapter	752
consistent with this chapter.	753
(F) (E) When adopting rules under this section, the division of	754
cannabis <u>marijuana</u> control shall consider standards and	755
procedures that have been found to be best practices relative to	756
the use and regulation of adult use cannabis and shall harmonize	757
any rules with the rules adopted pursuant to sections 3796.03	758
and 3796.04 of the Revised Code to minimize duplication of	759
operational requirements and fees as much as possible. If there	760
is a conflict with Chapter 3796 <u>. of the Revised Code</u> and related	761
rules, and <u>this</u> chapter 3780 of the Revised Code and related	762
rules, then chapter 3780<u>this chapter</u> and related rules shall	763
govern.	764
Sec. 3780.04. Allowable forms of adult use cannabis.	765
(A) Only adult use cannabis may be sold under this chapter in	766
the following forms: plant material and seeds, live plants,	767
clones, extracts, drops, lozenges, oils, tinctures, edibles,	768
patches, smoking or combustible product, vaporization of	769
product, beverages, pills, capsules, suppositories, oral	770

pouches, oral strips, oral and topical sprays, salves, lotions 771 or similar cosmetic products, and inhalers. 772

(B) Any person may submit a petition to the division of cannabis
773
<u>marijuana</u> control requesting that an additional form or method
774
of adult use cannabis be approved. A petition shall be submitted
775
to the division of cannabis marijuana control in a manner
776
prescribed by the division of cannabis marijuana control.
777

(C) On receipt of a petition, the division of cannabis <u>marijuana</u>	778
control shall determine whether or not to approve the form or	779
method of adult use cannabis described in the petition within	780
sixty days of petition receipt.	781
(D) The division of cannabis <u>marijuana</u> control may adopt rules	782
as necessary to implement this section.	783
Sec. 3780.05. Electronic database.	784
The division of cannabis marijuana control shall establish and	785
maintain an electronic database to monitor all adult use	786
cannabis from its seed or clone source through its cultivation,	787
processing, testing, and dispensing for all adult use cannabis	788
operator operations. The division of cannabis <u>marijuana</u> control	789
may contract with a separate entity or state agency to establish	790
and maintain all or any part of the electronic database on	791
behalf of the division of cannabis <u>marijuana</u> control.	792
The electronic database shall allow for information regarding	793
adult use cannabis to be updated instantaneously. Any license	794
holder licensed under this chapter shall submit to the division	795
of cannabis marijuana control any information the division of	796
cannabis <u>marijuana</u> control determines is necessary for	797
maintaining the electronic database.	798
The division of cannabis marijuana control, and any entity under	799
contract with the division of cannabis <u>marijuana</u> control, shall	800
not make public any information reported to or collected by the	801
division of cannabis <u>marijuana</u> control under this section that	802
identifies or would tend to identify any adult use consumer.	803
Sec. 3780.06. Information provided by the department of	804
taxation.	805
(A)(1) Notwithstanding section 149.43 of the Revised Code or any	806

other public records law to the contrary or any law relating to	807
the confidentiality of tax return information, upon the request	808
of the division of cannabis <u>marijuana</u> control, the department of	809
taxation shall provide to the division of cannabis marijuana	810
control all of the following information:	811
(a) Whether an applicant for license under this chapter follows	812
the applicable tax laws of this state;	813
(b) Any past or pending violation by the applicant of those tax	814
laws, and any penalty imposed on the applicant for such a	815
violation.	816
(2) The division of cannabis marijuana control shall request the	817
information only as it pertains to an application for license	818
that the division of cannabis <u>marijuana</u> control is reviewing.	819
(3) The department of taxation may charge the division of	820
cannabis <u>marijuana</u> control a reasonable fee to cover the	821
administrative cost of providing the information.	822
(B) Information received under this section is confidential.	823
Except as otherwise permitted by other state law or federal law,	824
the division of cannabis <u>marijuana</u> control shall not make the	825
information available to any person other than the applicant for	826
licensure to whom the information applies.	827
Sec. 3780.07. Facilities.	828
(A) Except as provided in divisions (B), (C), and (D) of this	829
section, no adult use cannabis operator or adult use testing	830
laboratory shall be located within five hundred feet of the end	831
boundaries of a parcel of real estate having situated on it a	832
prohibited facility.	833
If a relocation of an adult use cannabis operator or adult use	834

testing laboratory licensed under this chapter results in the 835 adult use cannabis operator or adult use testing laboratory 836 being located within five hundred feet of the boundaries of a 837 prohibited facility, the division of cannabis marijuana control 838 shall deny the relocation and the adult use cannabis operator or 839 adult use testing laboratory may apply with the division of 840 841 cannabis marijuana control to request a relocation to a different location. 842

(B) Division (A) of this section does not apply to either of the 843 following:

(1) Current facilities and properties of adult use cannabis 845 operators if the license holder or applicant, or the owners of 846 the license holder or applicant, also have a certificate of 847 operation and is doing business at that same location; or 848

(2) Research related to adult use cannabis conducted at a state university, academic medical center, or private or public research and development organization as part of a research protocol approved by an institutional review board or equivalent entity, or any other entity as approved by the division of cannabis marijuana control.

(C) Upon a level I cultivator or level II cultivator with a 855 certificate of operation, or the same owners of the level I or 856 level II cultivator, receiving a license from the division of 857 cannabis marijuana control as a level I adult use cultivator or 858 level II adult use cultivator, the license holder may expand its 859 cultivation area and facility as authorized in this chapter 860 notwithstanding any limitation resulting from Chapter 3796. of 861 the Revised Code or Chapter 3796 of the Administrative Coderules 862 promulgated thereunder. 863

844

849

850

851

852 853

(D) Upon the division of cannabis marijuana control's receipt of 864 a request from an adult use cultivator or level III adult use 865 cultivator for expansion beyond what is authorized in this 866 chapter, the division of cannabis marijuana control shall have 867 ninety days to review and approve or deny a request for 868 expansion consistent with division of cannabis marijuana control 869 rule. 870

(E) After the review and approval from the division of cannabis 871 <u>marijuana</u> control, an adult use cultivator may relocate all or a 872 portion of the authorized cultivation area to more than one 873 cultivation facility as long as any relocation complies with 874 this chapter, the relocated facility is operated under the same 875 license, and so long as the aggregate square footage for all 876 related cultivation area and facilities does not exceed the 877 square footage limitations under the license as authorized under 878 this chapter. A level I adult use cultivator or level II adult 879 use cultivator who also has, or whose same owner also has, a 880 certification of operation, may only relocate cultivation area 881 that is above the original approved cultivation area under 882 Chapter 3796. of the Revised Code and 3796 of the Administrative-883 Coderules promulgated thereunder. 884

(F) A level III adult use cultivator's cultivation area shall
885
not exceed five thousand square feet unless authorized by the
886
division of <u>cannabis marijuana</u> control under this chapter.
887

(G) The division of cannabis marijuana control may adopt rules888as necessary to implement this section.889

Sec. 3780.08. Criminal records checks.

(A) As used in this section, criminal records check has the same891meaning as in section 109.572 of the Revised Code.892

Page 31

(B) (1) As part of the application process for a license issued 893 under this chapter, the division of cannabis marijuana control 894 shall require each of the following to complete a criminal 895 records check: 896 (a) An administrator or other person responsible for the daily 897 operation of an adult use cannabis operator or an adult use 898 testing facility seeking a license; 899 900 (b) An owner or prospective owner, officer or prospective 901 officer, or board member or prospective board member of an entity seeking the license as an adult use cannabis operator or 902 an adult use testing facility as determined by the division of 903 cannabis marijuana control; and 904 905 (c) An employee or agent of an adult use cannabis operator or an adult use testing facility required to be licensed under this 906 907 chapter. (2) If a person subject to the criminal records check 908 requirement does not present proof of having been a resident of 909 910 this state for the five-year period immediately prior to the date the criminal records check is requested or provide evidence 911 912 that within that five-year period the superintendent of the bureau of criminal identification and investigation has 913 914 requested information about the person from the federal bureau of investigation in a criminal records check, the division of 915 cannabis marijuana control shall request that the person obtain 916 through the superintendent a criminal records request from the 917 federal bureau of investigation as part of the criminal records 918 check of the person. Even if a person presents proof of having 919 been a resident of this state for the five-year period, the 920 division of cannabis marijuana control may request that the 921 person obtain information through the superintendent from the 922

federal bureau of investigation in the criminal records check. 923 (C) The division of cannabis marijuana control shall provide the 924 following to each person who is subject to the criminal records 925 check requirement: 926 (1) Information about accessing, completing, and forwarding to 927 the superintendent of the bureau of criminal identification and 928 929 investigation the form prescribed pursuant to division (C)(1) of section 109.572 of the Revised Code and the standard impression 930 sheet to obtain fingerprint impressions prescribed pursuant to 931 division (C)(2) of that section; 932 933 (2) Written notification that the person is to instruct the superintendent to submit the completed report of the criminal 934 records check directly to the division of cannabis marijuana 935 control. 936 (D) Each person who is subject to the criminal records check 937 requirement shall pay to the bureau of criminal identification 938 and investigation the fee prescribed pursuant to division (C)(3) 939 of section 109.572 of the Revised Code for the criminal records 940 check conducted of the person. 941 (E) The report of any criminal records check conducted by the 942 bureau of criminal identification and investigation in 943 accordance with section 109.572 of the Revised Code and pursuant 944 to a request made under this section is not a public record for 945 the purposes of section 149.43 of the Revised Code and shall not 946 be made available to any person other than the following: 947 (1) The person who is the subject of the criminal records check 948 or the person's representative; 949 950 (2) The staff of the division of <u>cannabis marijuana</u> control and 951 the director; and

(3) A court, hearing officer, or other necessary individual 952 involved in a case dealing with either of the following: 953 (a) A license denial resulting from the criminal records check; 954 (b) A civil or criminal action regarding the division of 955 cannabis <u>marijuana</u> control or any violation of this chapter. 956 (F) The division of cannabis marijuana control shall deny a 957 license if, after receiving the information and notification 958 required by this section, a person subject to the criminal 959 records check requirement fails to do either of the following: 960 (1) Access, complete, or forward to the superintendent of the 961 bureau of criminal identification and investigation the form 962 prescribed pursuant to division (C)(1) of section 109.572 of the 963 Revised Code or the standard impression sheet prescribed 964 pursuant to division (C)(2) of that section; 965 (2) Instruct the superintendent to submit the completed report 966 967 of the criminal records check directly to the division of cannabis marijuana control. 968 (G) The superintendent of the bureau of criminal identification 969 and investigation shall conduct a criminal record check under 970 section 109.572 of the Revised Code in a consistent manner as 971 the superintendent conducts a criminal record check as required 972 for under sections 3796.12 and 3796.13 of the Revised Code upon 973 the receipt of a request, a completed form prescribed pursuant 974 to <u>division (C)(1) of section 109.572(C)(1) <u>109.572</u> of the</u> 975 Revised Code, and a set of fingerprint impressions obtained in a 976 manner described in <u>division (C) (2) of that</u> section <u>109.572(C)</u> 977 (2) of the Revised Code. The superintendent of the bureau of 978 criminal identification and investigation shall conduct a 979 criminal records check in the manner described in division (B) 980

of section 109.572(B)109.572 of the Revised Code to determine981whether any information exists that indicates that the person982who is the subject of the request previously has been convicted983of or plead guilty to a disqualifying offense as defined in this984chapter and as clarified in rules adopted under this chapter.985

Sec. 3780.09. Location of adult use cannabis operators.

(A) Notwithstanding any contrary provision of Chapter 3796. of 987 the Revised Code or Chapter 3796 of the Administrative Coderules_ 988 promulgated thereunder, an adult use cannabis operator and an 989 adult use testing laboratory licensed under this chapter shall 990 conduct business under their the license at the same location 991 where the adult use cannabis operator or adult use testing 992 laboratory, or the same owners of the adult use cannabis 993 operator or adult use testing laboratory, also have been issued 994 a certificate of operation, unless the adult use cannabis 995 996 operator or adult use testing laboratory relocates all or a portion of their facility and business if authorized under this 997 chapter and rules adopted by the division of cannabis marijuana 998 control. 999

(B) All other applicants who do not have a certificate of
operation shall conduct business at a facility consistent with
1001
this chapter and as approved by the division of cannabis
1002
marijuana control.

Sec. 3780.10. Adult use cannabis operator and adult use testing 1004 laboratory licenses. 1005

(A) No person shall operate as an adult use cannabis operator or 1006
adult use testing laboratory without a license issued pursuant 1007
to this chapter. 1008

(B) The following licenses shall be issued by the division of 1009

Page 35

cannabis marijuana_control within nine months of the effective	1010
date of this section after December 7, 2023, if the license	1010
	1011
applicant is in compliance with section 3780.11 of the Revised	
Code and this chapter, and the license applicant <u>has</u> , or the	1013
same owners of the license applicant $_{ au}$ have, a certificate of	1014
operation or medical provisional license issued as of the	1015
effective date of this section December 7, 2023:	1016
(1) A dispensary issued a certificate of operation or medical	1017
provisional license shall be issued an adult use dispensary	1018
license under this chapter for the current location of the	1019
dispensary;	1020
(2) A level I cultivator issued a certificate of operation or	1021
medical provisional license shall be issued under this chapter	1022
three adult use dispensary licenses at locations designated in a	1023
license application, and one level I adult use cultivator	1024
license for the current location of the level I cultivation	1025
facility;	1026
(3) A level II cultivator issued a certificate of operation or	1027
medical provisional license shall be issued under this chapter	1028
one adult use dispensary license at a location designated in the	1029
license application, and one level II adult use cultivator	1030
license for the current location of the level II cultivation	1031
facility;	1032
(4) A dispensary issued a certificate of operation or medical	1033
provisional license shall be issued under this chapter one adult	1034
use dispensary license at a different location as designated in	1035
the license application if the dispensary does not have any	1036
common ownership or control with any level I adult use	1037
cultivator, level II adult use cultivator, or adult use	1038
processor license applicant or licensee;	1039
(5) A processor issued a certificate of operation or medical 1040
provisional license shall be issued under this chapter one adult 1041
use processor license for the current location of the processor; 1042
and 1043

(6) A testing laboratory issued a certificate of operation shall
be issued under this chapter one adult use testing laboratory
license for the current location of the testing laboratory.
1046

Notwithstanding anything in any contrary provision of this 1047 section, a license shall not be issued pursuant to division (B) 1048 of this section to a license applicant holding only a related 1049 medical provisional license unless the medical provisional 1050 license holder is issued a certificate of operation within two 1051 years of the effective date of this sectionafter December 7, 1052 2023.

(C) The division of <u>cannabis marijuana</u> control shall issue up to 1054 forty level III adult use cultivator licenses consistent with 1055 this chapter with preference provided to applicants who have 1056 been certified as cannabis social equity and jobs program 1057 participants under the cannabis social equity and jobs program 1058 pursuant to section 3780.19 of this chapter the Revised Code. No 1059 person may have any ownership or control in more than one level 1060 III adult use cultivator license under this chapter. No adult 1061 use cultivator or adult use processor may have any ownership or 1062 control in a level III adult use cultivator license. 1063

(D) The division of cannabis marijuana control shall issue up to 1064
fifty additional adult use dispensary licenses in conformity 1065
with this chapter with preference provided to applicants who 1066
have been certified as cannabis social equity and jobs program 1067
participants under the cannabis social equity and jobs program. 1068

(E) Following twenty-four months from the first date of issuance	1069
of an adult use operator license, the division of cannabis	1070
<u>marijuana</u> control shall review the number of adult use cannabis	1071
operator licenses on a biannual basis and may authorize	1072
additional licenses after considering all of the following:	1073
(1) The current and anticipated market growth and consumer	1074
demand, including the number of adult use consumers seeking	1075
adult use cannabis;	1076
(2) The current and projected supply of adult use cannabis	1077
produced by licensed adult use cultivators, level III adult use	1078
cultivators, and adult use processors; and-	1079
(3) The geographic distribution of adult use dispensary sites in	1080
an effort to ensure adult use customer access to adult use	1081
cannabis.	1082
(F)(1) The division of cannabis <u>marijuana</u> control shall provide	1083
a report and recommendation within ninety days of the conclusion	1084
of the requirements in division (E) of this section to the	1085
director <u>of commerce</u> for consideration.	1086
(2) The division of cannabis <u>marijuana</u> control may adopt rules	1087
as necessary to implement this division.	1088
(3) The division of cannabis <u>marijuana</u> control shall adopt a	1089
rule regarding the number of licenses a license holder may hold	1090
for each type of license consistent with this chapter. As of the	1091
effective date of this section December 7, 2023, and	1092
notwithstanding any other <u>contrary</u> provision of this chapter, no	1093
person shall be issued more than eight adult use dispensary	1094
licenses, and not more than one adult use cultivator license,	1095
and not more than one adult use processor license at any time,	1096
unless authorized by the division of cannabis <u>marijuana</u> control	1097

after an analysis supporting the licensing pursuant to rule.	1098
(G) The division of cannabis <u>marijuana</u> control may authorize	1099
additional adult use testing laboratory licenses at any time.	1100
Sec. 3780.11. Application requirements for adult use cannabis	1101
operators and adult use testing laboratories.	1102
(A) An adult use cannabis operator and adult use testing	1103
laboratory license applicant authorized to file an application	1104
may file an application for licensure with the division of	1105
cannabis marijuana control. Each application shall be submitted	1106
in accordance with rules adopted under section 3780.03 of the	1107
Revised Code and in conformity with this chapter. Initial	1108
applications shall be made available to adult use operators and	1109
adult use testing laboratory <u>laboratories</u> within six months of	1110
the effective date of this section after December 7, 2023, and	1111
license applicants shall comply with all requirements of this	1112
chapter and related rules prior to the issuance of a license.	1113
(B) The division of cannabis <u>marijuana</u> control shall issue a	1114
license to an applicant if all of the following conditions are	1115
met:	1116
(1) The report of the criminal records check conducted pursuant	1117
to section 3780.08 of the Revised Code with respect to the	1118
application demonstrates <u>both of the</u> following:	1119
(a) The criminal offenses for which an applicant will be	1120
disqualified from licensure; and	1121
(b) The criminal offenses that will not disqualify an applicant	1122
from licensure if the applicant was convicted of or pleaded	1123
guilty to the offense more than five years before the date the	1124
application for licensure is filed.	1125

(2) The adult use cannabis operator applicant demonstrates that 1126 it does not have an ownership or investment interest in or 1127 compensation arrangement with any <u>either of the following:</u> 1128 (a) An adult use testing laboratory licensed under this chapter; 1129 1130 or (b) An applicant for a license to conduct adult use laboratory 1131 1132 testing. (3) The adult use cannabis operator applicant demonstrates that 1133 it does not share any corporate officers or employees with any-1134 1135 <u>either of the following:</u> (a) An adult use testing laboratory licensed under this chapter; 1136 or 1137 (b) An applicant for a license to conduct adult use laboratory 1138 testing. 1139 (4) The adult use testing laboratory applicant demonstrates that 1140 it does not have an ownership or investment interest in or 1141 compensation arrangement with any <u>either of the following</u>: 1142 (a) An adult use cannabis operator licensed under this chapter; 1143 1144 or (b) An applicant for a license to conduct adult use cannabis 1145 1146 operations. (5) The adult use testing laboratory applicant demonstrates that 1147 it does not share any corporate officers or employees with any-1148 either of the following: 1149 (a) An adult use cannabis operator licensed under this chapter; 1150 1151 or (b) An applicant for a license to conduct adult use cannabis 1152

operations.	1153
(6) The applicant demonstrates that the operations will not be	1154
located within five hundred feet of a prohibited facility	1155
consistent with this chapter unless the prohibited facility was	1155
	1150
located within five hundred feet after the applicant filed the	
application with the division of cannabis <u>marijuana</u> control, or	1158
after the applicant, or the applicant owners, was operating	1159
under Chapter 3796. of the Revised Code at the same location, or	1160
unless otherwise authorized in this chapter.	1161
(7) The information provided to the division of cannabis-	1162
marijuana control pursuant to section 3780.06 of the Revised	1163
Code demonstrates that the applicant is in compliance with the	1164
applicable tax laws of this state.	1165
(8) The applicant meets all other license eligibility conditions	1166
established in rules adopted under section 3780.03 of the	1167
Revised Code.	1168
(9) The applicant is not employed by a regulatory body of a	1169
governmental unit of this state and in that capacity has	1170
significant influence or control, as determined by the division	1171
of cannabis marijuana control, over the ability of the applicant	1172
to conduct business in this state.	1173
(C) A license expires according to the renewal schedule	1174
established in rules adopted under section 3780.03 of the	1175
Revised Code and may be renewed in accordance with the	1176
procedures established in those rules. A license shall be	1170
-	
automatically renewed by the division of cannabis marijuana	1178
control unless good cause is otherwise shown.	1179
Sec. 3780.17. Licensure of individuals.	1180
(A) The division of cannabis marijuana control may issue a	1181

license to an individual applicant required to be licensed 1182 related to an adult use cannabis operator or adult use testing 1183 laboratory after it has determined that the applicant is 1184 eligible for a license under rules adopted by the division of 1185 cannabis <u>marijuana</u> control and after the applicant has paid any 1186 applicable fees. 1187 (B) To be eligible for a license, an applicant shall be at least 1188 twenty-one years of age. 1189 1190 (C) Each application for a license shall be on a form prescribed by the division of cannabis marijuana control and shall contain 1191 all information required by the division of cannabis marijuana 1192 control. 1193 (D) Each applicant shall submit with each application, on a form 1194 provided by the division of *cannabis marijuana* control, two sets 1195 of the applicant's fingerprints and a photograph as required by 1196 rule consistent with this chapter. The division of cannabis-1197 marijuana control shall charge each applicant an application fee 1198 to cover all actual regulatory costs generated by each licensee 1199 and all background checks. 1200 (E) A license issued under this section is portable and may be 1201 used at any adult use cannabis operator or adult use testing 1202 1203 laboratory as long as such licensee is registered with the division of cannabis marijuana control for each location where 1204 the licensee works or is employed. 1205 Sec. 3780.19. Cannabis social equity and jobs program. 1206

(A) As used in this section, "cannabis social equity and jobs 1207
program participant" means a person certified as a participant 1208
in the cannabis social equity <u>and jobs program by the department</u> 1209
of development <u>a county under this section of the Revised Code</u>. 1210

(B) The department of development shall establish a business 1211 assistance program known as the cannabis social equity and jobs 1212 program funded by the cannabis social equity and jobs fund, and 1213 in which each county shall participate. The department shall 1214 adopt rules in accordance with Chapter 119. of the Revised Code 1215 to administer the program including the following: 1216 (1) Establish procedures by which a person may apply to a county 1217 for certification under the cannabis social equity and jobs 1218 program; 1219 (2) Establish a system of certifying under which counties shall 1220 <u>certify</u> cannabis social equity and <u>job jobs</u> program applicants 1221 1222 based on a requirement that the business owner or owners show both social and economic disadvantage based on the following, as 1223 determined to be sufficient by the county in accordance with 1224 rules adopted by the department of development: 1225 (a) Wealth of the business seeking certification as well as the 1226 personal wealth of the owner or owners of the business-; 1227 (b) Social disadvantage based on any <u>either</u> of the following: 1228 (i) The business owner or owners demonstrate membership in a 1229 racial minority group or show personal disadvantage due to 1230 color, ethnic origin, gender, physical disability, or long-term 1231 residence in an area of high unemployment; 1232 (ii) The owner or owners, or their spouse, child, or parent, 1233 have been arrested for, convicted of, or adjudicated delinquent 1234 for a marijuana related offense as determined by rule by the 1235 department of development prior to the effective date of this 1236 section. 1237 (c) Economic disadvantage based on economic and business size 1238 thresholds and eligibility criteria designed to stimulate 1239

economic development through license awards to businesses 1240 located in qualified census tracts. 1241 (3) Establish standards a county shall follow to determine when 1242 a cannabis social equity and jobs program participant no longer 1243 qualifies for cannabis social equity and jobs program 1244 certification: 1245 (4) Develop a process for evaluating and adjusting goals 1246 established by this section to determine what adjustments are 1247 1248 necessary to achieve participation goals established by the 1249 department of development; 1250 (5) Implement an outreach program to educate potential participants about the cannabis social equity and jobs program; 1251 1252 (6) Implement a system of self-reporting by cannabis social equity and jobs program participants on compliance, as well as 1253 an on-site inspection process to validate the qualifications of 1254 a cannabis social equity and jobs program; 1255 (7) Establish a process for when there is a transfer of a 1256 license from a certified cannabis social equity and jobs program 1257 participant to a person or entity that does not qualify as a 1258 participant to the cannabis social equity and jobs program, 1259 which process shall not undermine the policy goals of the 1260 1261 program; (8) Provide grants to counties to be used by counties to provide 1262 financial assistance, loans, grants, and technical assistance to 1263 persons certified by the department county under the cannabis 1264 social equity and jobs program pursuant to rules adopted under 1265 this section. A county also may use grant money received under 1266 this section for any other purpose that involves community 1267 engagement, economic development, or social programming. 1268 Notwithstanding any other law to the contrary, the cannabis 1269 social equity and jobs program fund is not subject to budgetary 1270 sweeps, administrative charge-backs, or any other fiscal or 1271 budgetary maneuver that would in any way transfer any amounts 1272 from the cannabis social equity and jobs program fund into any 1273 other fund of the state; 1274

(9) Encourage employment practices, in which an adult use1275cannabis operator can demonstrate a plan of action to inform,1276hire, and educate minorities, women, veterans, and persons with1277disabilities τ ; engage in fair labor practices τ ; and provide1278worker protections;1279

(10) Study and fund judicial and criminal justice reform
including bail, parole, sentencing reform, expungement and
sealing of records, legal aid, and community policing related to
marijuana;

(11) Study and propose policy reforms to address the social and
1284
economic impacts of the enforcement of marijuana laws and to
track and prevent underage use of marijuana;
1286

(12) Fund direct investment in disproportionately impacted
communities to enhance education, entrepreneurism, legal aid,
youth development, violence prevention, and the arts related to
the program; and

(13) Utilize the cannabis social equity and jobs fund
exclusively for the purposes of this section and for the
implementation of this section.

(C) For certified cannabis social equity and job program
participants, the division of cannabis marijuana control shall
waive at least fifty percent per cent of any license or
application fees associated with a license holder's application
1294

Page 46

or license.

(D) Any business or personal financial information, or trade 1299 secrets submitted by a cannabis social equity and jobs program 1300 applicant to the department of development or to a county 1301 pursuant to this section are not public records for purposes of 1302 section 149.43 of the Revised Code, unless the division of 1303 cannabis marijuana control or , department of development, or 1304 county is required to present the financial information or trade 1305 secrets at a public hearing or public proceeding regarding the 1306 applicant's eligibility to participate in the program in which 1307 case the agency division, department, or county shall only 1308 disclose any only required information. 1309

(E) Any license or other preference to persons certified under
the cannabis social equity and jobs program under this section
shall be based on substantiated evidence that the preference is
needed to address the goals of cannabis social equity and job
1313
jobs program under this chapter.

(F) The department of development shall create a cannabis social 1315 equity and jobs program advisory group promulgated through rule 1316 in accordance with Chapter 119. of the Revised Code. The 1317 advisory group may develop and submit to the department of 1318 development on any recommendations related to the cannabis 1319 social equity and jobs program under sections 3780.18 and 1320 3780.19 of the Revised Code. 1321

(G) Each board of county commissioners shall fulfill the duties1322required under this section or shall designate a department,1323board, commission, or agency that the board of county1324commissioners oversees to fulfill the duties required under this1325section.1326

Sec. 3780.20. Operations.	1327
(A) Adult use cannabis operators and adult use testing	1328
laboratories shall adopt operating procedures and comply with	1329
operation requirements required by rules under section 3780.03	1330
of the Revised Code, which include , but are not limited to, the	1331
following as applicable:	1332
(1) Quality assurance;	1333
(2) Package and labeling;	1334
(3) Waste disposal;	1335
(4) Inventory control and storage;	1336
(5) Monitoring, surveillance, and security requirements;	1337
(6) Laboratory testing;	1338
(7) Records and reporting requirements;	1339
(8) Hours of operation and procedures when location is closed;	1340
(9) Receipt of adult use cannabis;	1341
(10) Dispensing errors reporting and review;	1342
(11) Destruction and disposal of adult cannabis;	1343
(12) Recall procedures; and	1344
(13) Transportation of adult use cannabis.	1345
(B) No adult use cannabis operator may sell or dispense adult	1346
use cannabis without remuneration unless authorized under rule	1347
pursuant to <u>section</u> 3780.03 of this chapter the Revised Code.	1348
(C) The division of cannabis <u>marijuana</u> control may adopt other	1349
operation rules as necessary consistent with this chapter.	1350

Page 48

Sec. 3780.21. Advertising. 1351 (A) The division of cannabis marijuana control may adopt rules 1352 regulating advertisements of license holders to prevent 1353 advertisements that are false, misleading, targeted to minors, 1354 promote excessive use, or that promote illegal activity. These 1355 standards shall be at least as stringent as those that apply to 1356 tobacco and alcohol advertisements under state and federal law. 1357 (B) Rules adopted by the division of cannabis marijuana control 1358 pursuant to section (A) of this chapter section shall not 1359 require preapproval and shall not overly burden the legitimate 1360 1361 commercial speech of adult use cannabis operators incommunicating with adult use consumers. Notwithstanding, the 1362 division of cannabis control may adopt narrowly tailored time 1363 and place restrictions preventing ensure that any advertising is 1364 not attractive to, or otherwise targeted to minorstoward 1365 children or youth. 1366 (C) The division of cannabis <u>marijuana</u> control at any time may 1367 conduct an audit of license holder's published advertisements to 1368 ensure it complies with section (A) of this chapter section and 1369 the rules adopted pursuant to this chapter. 1370 (D) The division of cannabis marijuana control may require a 1371 license holder to stop using an advertisement if the division of 1372 cannabis marijuana control finds the license holder violated 1373 1374 rules adopted pursuant to division (A) of this section. Sec. 3780.22. Tax levied on adult use consumers. 1375 (A) For the purpose of supporting social equity issues, 1376 providing funds to support jobs and economic development, 1377 providing funding for host communities who have adult use 1378 dispensaries in their jurisdiction to support these communities, 1379

funding education and treatment for individuals with cannabis1380and other addiction issues, and defraying the costs of1381regulation and administering the tax, there shall be an adult1382use tax on the sale of adult use cannabis by adult use1383dispensaries to adult use consumers in accordance with this1384chapter.1385

(B) The rate of the adult use tax shall be ten per cent. The
adult use tax applies and is collectable when the sale is made,
regardless of the time when the price is paid, or when the adult
use cannabis is delivered.

(C) The adult use tax is in addition to the tax levied or 1390
collected under Chapter 5739. of the Revised Code on adult use 1391
cannabis sales by adult use dispensaries to adult use consumers. 1392

(D) The tax authorized under division (A) of this section shall 1393 be collected consistent with Chapter 5739. of the Revised Code, 1394 but the tax commissioner shall adopt rules the commissioner 1395 deems necessary to administer the adult use tax including the 1396 licensure, filing, collection, distribution, refund, assessment, 1397 bad debt, liability of unpaid taxes, recordkeeping, and any 1398 penalty related to the adult use tax consistent with this 1399 1400 chapter.

Sec. 3780.23. Funds created.

(A) For the purpose of receiving and distributing, and
1402
accounting for, revenue received from the adult use tax levied
by section 3780.22 of the Revised Code, the following funds are
1404
created in the state treasury:
1405

(1) The adult use tax fund;

(2) The cannabis social equity and jobs fund;

1401

1406

commissioner fund.

fund as follows:

(3) The host community cannabis fund; 1408 (4) The substance abuse and addiction fund; and 1409 (5) The division of cannabis marijuana control and tax 1410 1411 (B) All monies collected from the tax levied under this chapter 1412 shall be deposited into the adult use tax fund. 1413 1414 (C) Unless otherwise authorized under this chapter or rule, the director of budget and management shall transfer amounts to each 1415 1416 (1) Thirty-six per cent to the cannabis social equity and jobs 1417 fund to be used to implement the requirements of section 3780.19 1418 of the Revised Code; 1419 (2) Thirty-six per cent to the host community cannabis fund for 1420 the benefit of municipal corporations or townships that have 1421

adult use dispensaries, and the municipal corporations or 1422 townships may use such funds for any approved purpose. 1423 Distributions to municipal corporations or townships shall be 1424 based on the percentage of adult use tax attributable to each 1425 municipal corporation or township+. 1426

(3) Twenty-five-Twelve and one-half per cent to the substance-1427 abuse and addiction 9-8-8 fund established under section 5119.84 1428 of the Revised Code to support the efforts of the department of 1429 mental health and addiction services to alleviate substance and 1430 opiate abuse and related research in the state under section 1431 3780.30 of the Revised Codeto oversee and administer the 9-8-8 1432 suicide prevention and mental health crisis hotline system; and 1433 (4) Ten per cent to the substance abuse and addiction fund to 1434

support the efforts of county sheriffs to provide mental health 1435

and addiction services in county jails under section 3780.30 of	1436
the Revised Code;	1437
(5) Two and one-half per cent to the substance abuse and	1438
addiction fund to support the efforts of the department of	1439
mental health and addiction services to develop the state's	1440
mental health workforce under section 3780.30 of the Revised	1441
Code;	1442
<u>(6)</u> Three per cent to the division of cannabis <u>marijuana</u> control	1443
and tax commissioner fund to support the operations of the	1444
division of cannabis <u>marijuana</u> control and to defray the cost of	1445
the department of taxation for administering the tax levied	1446
under section 3780.22 of the Revised Code.	1447
Payments under of this section shall be made by the end of the	1448
month following the end of each quarterly period. The tax	1449
commissioner shall make the data available to the director of	1450
the office of budget and management for this purpose and the	1451

director of budget and management shall transfer amounts to the 1452 funds in this section as required. The tax commission may serve 1453 as agent of the municipal corporations or townships only for the 1454 purposes of division (C)(2) of this section as promulgated by 1455 rule. 1456

Sec. 3780.25. Local authority regarding adult use cannabis operators.

(A) The legislative authority of a municipal corporation may 1459 adopt an ordinance, or a board of township trustees may adopt a 1460 resolution, by majority vote to prohibit, or limit the number 1461 of, adult use cannabis operators permitted under this chapter 1462 within the municipal corporation or within the unincorporated 1463 territory of the township, respectively. 1464

(B) Notwithstanding division (A) - above of this section: 1465 (1) Existing cultivators, processors, or dispensaries who have a 1466 certificate of operation may shall not be prohibited or limited 1467 by a municipal corporation or township from operating under 1468 Chapter 3796. of the Revised Code and Chapter 3796of the 1469 Administrative Code by a municipal corporation or township rules 1470 promulgated thereunder unless there is a revocation of the 1471 1472 certificate of operation; (2) Adult use cultivators, adult use processors, and adult use 1473 dispensaries that are co-located on the same parcel or 1474 contiguous parcels with an adult use cultivator and an adult use 1475 processor, who are applicants or license holders under this 1476 chapter, and whose owners also have a certificate of operation 1477 at the same location as the effective date of this section-1478 December 7, 2023, may shall not be prohibited or limited by any 1479 municipal corporation or township from operating as an adult use 1480 cultivator, adult use processor, or an adult use dispensary co-1481 located with an adult use cultivator and an adult use processor 1482 under this chapter because of the significant capital investment 1483 1484 in the facilities; and (3) Dispensaries, or the owners of dispensaries, who have a 1485

certificate of operation, and who are not co-located on the same 1486 parcel or contiguous parcels with a cultivator or processor that 1487 has a certificate of operation, as of the effective date of this 1488 section December 7, 2023, shall also be authorized to operate as 1489 an adult use dispensary without any municipal or township 1490 prohibitions upon receiving a license from the division of 1491 cannabis marijuana control, unless a majority of the members of 1492 the legislative authority of a municipal corporation 1493 affirmatively pass an ordinance, or a majority of township 1494

trustees in a township affirmatively pass a resolution, after 1495 the license is issued and within one hundred and twenty days 1496 from license issuance, prohibiting the operation of the adult 1497 use dispensary within the municipal corporation or within the 1498 unincorporated territory of the township, respectively. 1499

(C) If a majority of the members of the legislative authority of 1500 a municipal corporation pass an ordinance, or a majority of 1501 township trustees in a township pass a resolution, prohibiting 1502 the adult use dispensary pursuant to division (B)(3) of this 1503 section, then the adult use dispensary license holder shall 1504 cease operations within sixty days, unless the adult use 1505 dispensary license holder files with the board of elections 1506 within the sixty day timeframe sixty-day time frame a petition 1507 prescribed by the secretary of state, and signed by the lessor 1508 of one hundred qualified electors or five per cent of the 1509 qualified electors of the municipal corporation or township, 1510 requesting that the issue, of whether the adult use dispensary 1511 shall remain open as long as the adult use dispensary is 1512 licensed pursuant to this chapter 3780of the Revised Code by the 1513 division of cannabis marijuana control and the municipal 1514 corporation or township is eliqible to receive host community 1515 cannabis funding, be placed on the next general election ballot, 1516 which election shall not occur less than ninety days from 1517 petition filing. If the required signatures and form of petition 1518 is verified by the board of election, the issue shall be placed 1519 on the <u>ballot for the next</u> general election which is ninety days 1520 or greater away from the petition filing, and notwithstanding 1521 any provision of this chapter, the adult use dispensary license 1522 holder may continue to operate until the issue is decided at the 1523 next authorized general election. A board of elections may 1524 discontinue verifying signatures when the number of verified 1525

signatures on a petition equals the minimum number of qualified 1526 signatures. The secretary of state shall adopt rules in 1527 accordance with <u>Chapter 119.</u> of the Revised Code for the proper 1528 administration and implementation of divisions (C) and (D) of 1529 this section. 1530 (D) The form of the ballot to be used at the election provided 1531 for in division (C) of this section shall be as follows: 1532 "Shall the following adult use dispensary, (here 1533 insert name of adult use dispensary), whose owners also have had 1534 a licensed medical marijuana dispensary at _____ (here 1535 insert address) since _____ (here insert the date of opening), 1536 remain open as long as the adult use dispensary is licensed 1537 pursuant to Chapter 3780. of the Revised Code by the Division of 1538 Cannabis Marijuana Control under the Department of Commerce, and 1539 the (here insert name of municipal corporation or 1540 township) is eligible to receive host community cannabis 1541 funding? 1542 Yes for For the Issue 1543 1544 No for Against the Issue" 1545 (E) If a majority of the voters at the general election vote yes 1546 for the issue, then the adult use dispensary may operate within 1547 the municipal corporation or township and the municipal 1548 corporation or township shall receive related host community 1549 cannabis funding as authorized under section 3780.23 of the 1550 Revised Code. 1551 (F) If a majority of the voters at the general election vote $\frac{1}{1000}$ 1552 for against the issue, then: 1553

(1) The dispensary with a certificate of operation at that 1554 location may continue to operate at its current address, or the 1555 dispensary may request to relocate the dispensary within ninety 1556 days of election certification consistent with the requirements 1557 of Chapter 3796._of the Revised Code, and related rules, which 1558 relocation request shall be approved regardless of the 1559 dispensary districts established by the board of pharmacy-1560 division of marijuana control as long as the relocation request 1561 meets all other applicable requirements of Chapter 3796. of the 1562 Revised Code and related rules; and 1563 (2) The adult use dispensary <u>must shall</u> close within ninety days 1564 of election certification unless the adult use dispensary 1565 1566 applies to the division of cannabis marijuana control for a request to relocate within ninety days of <u>after</u> the election 1567 certification, and then in which case the adult use dispensary 1568 may continue to operate until the request to relocate is 1569 approved by the division of cannabis marijuana control. The 1570 division of cannabis marijuana control shall review and approve 1571 a request to relocate timely once the request to relocate 1572 application is in compliance with this chapter and related 1573 1574 rules. (G) A legislative authority of a municipal corporation or a 1575 board of township trustees is prohibited from doing any of the 1576 following: 1577 (1) Adopting an ordinance or resolution limiting research 1578 related to marijuana conducted at a state university, academic 1579 medical center, or private research and development organization 1580

as part of a research protocol approved by an institutional review board or equivalent entity;

(2) Levying any tax, fee, or charge on adult use cannabis 1583

Page 55

1581

operators, their owners or their property which is not generally 1584 charged on other businesses in the municipal corporation or 1585 township; 1586 (3) Prohibiting or limiting home grow otherwise authorized under 1587 this chapter; and 1588 (4) Prohibiting or restricting an activity that is authorized by 1589 1590 this chapter. Sec. 3780.26. Enforcement authority of the division of cannabis-1591 marijuana control and the Ohio investigative unit. 1592 (A) The division of cannabis marijuana control and the Ohio 1593 investigative unit shall enforce, or cause to be enforced, all-1594 sections of this chapter and the rules adopted thereunder. If 1595 the division of cannabis marijuana control or the unit has 1596 information that any provision of this chapter or that any rule 1597 adopted thereunder has been violated, it may investigate the 1598 matter and take any reasonable action as it considers 1599 1600 appropriate. (B) The division of cannabis marijuana control may do any of the 1601 following for any reason specified in rules adopted under 1602 section 3780.03 of the Revised Code: 1603 (1) Suspend, suspend without prior hearing upon finding clear 1604 and convincing evidence that continued distribution of adult use 1605 cannabis presents a danger of immediate and serious harm to 1606 others, revoke, restrict, or refuse to renew a license it issued 1607 under this chapter; 1608 (2) Refuse to issue a license unless a license is required in 1609 accordance with this chapter; 1610 (3) Inspect or cause the Ohio investigative unit to inspect the 1611 premises of an adult use cannabis operator or an adult use 1612 testing laboratory without prior notice; or-1613 (4) Impose on a provisional license holder or license holder a 1614 civil penalty in an amount to be determined by the division of 1615 cannabis marijuana control through rule to be paid into the 1616 division of cannabis marijuana control and tax commissioner 1617 fund. 1618 (C) If the division of cannabis marijuana control suspends, 1619 revokes, or refuses to renew any license issued under this 1620 chapter or determines that there is clear and convincing 1621 evidence of a danger of immediate and serious harm to any 1622 individual, the division of cannabis marijuana control may place 1623 under seal all adult use cannabis owned by or in the possession, 1624 custody, or control of the affected license holder. Except as 1625 provided in this section, the division of cannabis marijuana 1626 control shall not dispose of the adult use cannabis sealed under 1627 this section until the license holder exhausts all of the 1628 license holder's appeal rights under Chapter 119. of the Revised 1629 Code. The court involved in such an appeal may order the 1630 division of cannabis marijuana control, during the pendency of 1631 the appeal, to sell cannabis that is perishable. The division of 1632 cannabis marijuana control shall deposit the proceeds of the 1633 sale with the court. 1634 (D) The division of cannabis marijuana control's and the Ohio 1635 investigative unit's enforcement actions under this section 1636 shall be taken in accordance with Chapter 119. of the Revised 1637 Code. 1638 (E) Nothing in this chapter shall be construed to require the 1639 division of cannabis <u>marijuana</u> control <u>or the Ohio investigative</u> 1640 unit to enforce minor violations of this chapter if the division 1641 of <u>cannabis marijuana</u> control <u>or the unit</u> determines that the 1642 public interest is adequately served by a notice or warning to 1643 the alleged offender. 1644

Sec. 3780.28. Enforcement of chapter.

(A) If the division of <u>cannabis marijuana</u> control fails to adopt 1646 rules necessary to initially implement this chapter within nine 1647 months of the effective date of this chapter after December 7, 1648 2023, or fails to begin accepting license applications within 1649 six months of the effective date of this chapter after December 1650 7, 2023, as provided in section 3780.11 of the Revised Code, any 1651 citizen of the state of Ohio may commence an action in the court 1652 of common pleas of Franklin county, Ohio to compel the division 1653 of cannabis marijuana control to perform the actions mandated 1654 under this chapter. 1655

(B) If the division of cannabis marijuana control fails to issue
a license to an adult use cannabis operator, or send a notice of
denial to an applicant, within three months after receiving a
complete adult use cannabis operator application pursuant to
section 3780.11 of the Revised Code, the applicant may:

(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action in the court of common pleas of Franklin
(1) Commence an action pleas o

(2) Unless the division of <u>cannabis marijuana</u> control <u>can</u>
1664
<u>demonstrate demonstrates</u> in writing that operating presents a
1665
danger of immediate and serious harm to others, operate under a
1666
temporary license, which shall be issued by the division of
1667
<u>cannabis marijuana</u> control, and in compliance with this chapter,
1668
until the division of <u>cannabis marijuana</u> control issues or
1669
denies the license. If this occurs, the adult use cannabis

operator license applicant may only operate if the applicant:	1671
(a) Is also operating at the application location under a	1672
corresponding certificate of operation issued under Chapter	1673
3796 <u>.</u> of the Revised Code and Chapter 3796 of the Administrative	1674
Coderules adopted thereunder; and	1675
(b) Complies with this chapter and any rules adopted by the	1676
division of cannabis <u>marijuana</u> control under this chapter.	1677
(C) Nothing in this section shall be construed to authorize the	1678
operation of an adult use cannabis operator or a medical	1679
marijuana cultivator, processor, or dispensary whose license,	1680
certificate of operation, or application has been suspended,	1681
revoked, or denied, including a suspension, revocation, or	1682
denial due to a determination by the division of cannabis	1683
<u>marijuana</u> control that the applicant or operator has violated	1684
this chapter or committed a disqualifying offense.	1685
chis chapter of committee a disquarifying offense.	1005
Sec. 3780.29. Home Grow.	1685
Sec. 3780.29. Home Grow.	1686
Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and	1686 1687
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised</pre>	1686 1687 1688
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are</pre>	1686 1687 1688 1689
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are lawful:</pre>	1686 1687 1688 1689 1690
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are lawful: (1) Cultivating, growing, and possessing not more than six</pre>	1686 1687 1688 1689 1690 1691
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are lawful: (1) Cultivating, growing, and possessing not more than six cannabis plants at the individual's primary residence, if all</pre>	1686 1687 1688 1689 1690 1691 1692
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are lawful: (1) Cultivating, growing, and possessing not more than six cannabis plants at the individual's primary residence, if all- both of the following apply:</pre>	1686 1687 1688 1689 1690 1691 1692 1693
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are lawful: (1) Cultivating, growing, and possessing not more than six cannabis plants at the individual's primary residence, if all- both of the following apply: (a) Not more than twelve cannabis plants are cultivated or grown</pre>	1686 1687 1688 1689 1690 1691 1692 1693 1694
<pre>Sec. 3780.29. Home Grow. (A) Except as otherwise provided in this chapter, and notwithstanding any other contrary provision of the Revised Code, all of the following acts by an adult use consumer are lawful: (1) Cultivating, growing, and possessing not more than six cannabis plants at the individual's primary residence, if all both_of the following apply: (a) Not more than twelve cannabis plants are cultivated or grown at a single residence where two or more individuals who are at</pre>	1686 1687 1688 1689 1690 1691 1692 1693 1694 1695

enclosed area in or on the grounds of the residence that 1699 prevents access by individuals less than twenty-one years of 1700 age, and which is not visible by normal unaided vision from a 1701 1702 public space. (2) Processing by manual or mechanical means adult use cannabis 1703 cultivated or grown in accordance with this section; or 1704 1705 (3) Transferring up to six cannabis plants to an adult useconsumer as long as the transfer is without remuneration and not-1706 1707 advertised or promoted to the public. (B) An adult use consumer may store at their primary residence 1708 adult use cannabis that was purchased from an adult use 1709 dispensary licensed under this chapter or produced in compliance 1710 with this section. 1711 (C) This section does not authorize an individual to: 1712 (1) Cultivate, grow, or process adult use cannabis except at the 1713 individual's primary residence; 1714 (2) Permit individuals less than twenty-one years of age to use, 1715 cultivate, process, transfer, or transport adult use cannabis; 1716 (3) Process adult use cannabis by hydrocarbon-based extraction; 1717 or 1718 (4) Sell, or profit from, adult use cannabis except as 1719 specifically authorized in this chapter; 1720 (5) Cultivate, grow, or process adult use cannabis on behalf of, 1721 or give, sell, or otherwise transfer adult use cannabis to, 1722 another individual. 1723 (D) A landlord may prohibit conduct otherwise authorized under 1724 division (A) of this section so long as such prohibition is 1725 included in the applicable lease agreement.

(E) The division of cannabis marijuana control shall adopt rules 1727 setting forth a schedule of civil penalties that may be applied 1728 for violations of this section. 1729 (F) If an individual cultivates or grows double the maximum 1730 number of cannabis plants permitted under division (A) of this 1731 section or gives, sells, or transfers cannabis plants to any 1732 personin violation of division (A) (3) of this section, division 1733 (F) of section 3780.99 of the Revised Code shall applyapplies. 1734 Sec. 3780.30. Cannabis addiction services; toll-free telephone 1735 1736 numbers. (A) The division of cannabis marijuana control shall enter into 1737 an agreement with the department of mental health and addiction 1738 services under which the department shall provide a program for 1739 cannabis addiction services to be implemented on behalf of the 1740 division of cannabis marijuana control, which includes best 1741 practices for education and treatment for individuals with 1742 addiction issues related to cannabis or other controlled 1743 substances, including opioids. 1744 (B) The department of mental health and addiction services shall 1745

establish, operate, and publicize an in-state, toll-free 1746 telephone number Ohio residents may call to obtain basic 1747 information about addiction services available to consumer 1748 consumers, and options for an addicted consumer to obtain help. 1749 The telephone number shall be staffed twenty-four hours per day, 1750 seven days a week in order to respond to inquiries and provide 1751 that information. The costs of establishing, operating, and 1752 publicizing the telephone number shall be paid for with money in 1753 the substance abuse and addiction fund. 1754

(C) The director of mental health and addiction services shall	1755
administer the substance abuse and addiction fund. The director	1756
shall use the money in the fund for the purposes of this section	1757
and to support addiction services or other services that relate	1758
to addiction and substance abuse, and research that relates to	1759
addiction and substance abuse. Treatment and prevention services	1760
supported by money in the fund under this section shall be	1761
services that are certified by the department of mental health-	1762
and addiction services do both of the following:	1763
(1) Award grants to support the efforts of county sheriffs to	1764
provide mental health and addiction services in county jails;	1765
(2) Award grants to support efforts to develop the state's	1766
mental health workforce.	1767
(D) The director <u>of mental health and addiction services shall</u>	1768
prepare an annual report describing the use of the fund for	1769
these purposes. The director shall submit the report to the	1770
director of the department of commerce, the speaker and minority	1771
leader of the house of representatives, the president and	1772
minority leader of the senate, and the governor.	1773
(E) License holders shall provide informational resources for	1774
patrons related to cannabis addiction issues and services.	1775
(F) License holders shall provide training for their employees	1776
regarding the cannabis addiction services resources for patrons	1777
related to this section.	1778
Sec. 3780.31. Confidentiality.	1779
(A) The following information submitted, collected, or gathered	1780
under this chapter is confidential and not subject to disclosure	1781
by any state agency or political subdivision as a public record	1782
under section 149.43 of the Revised Code:	1783

(1) Social security numbers, passport numbers, or federal tax	1784
identification numbers;	1785
(2) Home addresses and telephone numbers;	1786
(3) Birth certificates;	1787
(4) Driver's license numbers;	1788
(5) Dates of birth;	1789
(6) Places of birth;	1790
(7) The personal financial information and records, including	1791
tax returns and information, and records of criminal	1792
proceedings;	1793
(8) Any information concerning a victim of domestic violence,	1794
sexual assault, or stalking;	1795
(9) Electronic mail addresses;	1796
(10) Internet Protocol protocol addresses or similar addresses;	1797
(11) Any trade secret, and patents, or exclusive licenses;	1798
(12) Client records and adult use consumer identifying	1799
information; and	1800
(13) Security information, including risk prevention plans,	1801
detection and countermeasures, location of vaults or other money	1802
and/or cannabis storage areas, emergency management plans,	1803
security and surveillance plans, equipment and usage protocols,	1804
and theft and fraud prevention plans and countermeasures.	1805
(B) Notwithstanding any other law, upon written request, the	1806
division of cannabis <u>marijuana</u> control shall provide the	1807
following information, except as provided in this chapter:	1808
(1) The amount of tax paid to the state by any license holder;	1809

and 1810 (2) A copy of a letter providing the reasons for the denial of 1811 an applicant's license, but with confidential information 1812 redacted. 1813 (C) An individual who holds, held, or has applied for a license 1814 under this chapter may waive the confidentiality requirements of 1815 division (A) of this section. 1816 1817 (D) Confidential information received by the division of cannabis marijuana control or the Ohio investigative unit from 1818 another jurisdiction relating to an individual who holds, held, 1819 or has applied for a license under this chapter is confidential 1820 and not subject to disclosure as a public record under section 1821 149.43 of the Revised Code. 1822 (E) After giving reasonable notice to the applicant, the current 1823 or former provisional license holder, or the current or former 1824 license holder, the division of cannabis marijuana control or 1825 the Ohio investigative unit may share any information gathered 1826 pursuant to this chapter with, or disclose the information to, 1827 the inspector general, any appropriate prosecuting authority, 1828 1829 any law enforcement agency, or any other appropriate governmental or licensing agency, but the agency that receives 1830 the information shall comply with the same requirements 1831 regarding confidentiality required under Ohio law. 1832 (F) The division of cannabis marijuana control, the Ohio 1833 investigative unit, and any entity under contract with the 1834 division of cannabis controlor unit, shall not make public any 1835 information reported to or collected by the division of cannabis 1836 control-under this chapter that identifies or would tend to 1837 identify any adult use consumer, or tend to show any adult use 1838 consumer's purchase history. 1839 Sec. 3780.32. Venue for court actions. 1840 (A) Any action asserting that this chapter, any portion of this 1841 chapter, or any rule adopted thereunder, violates any provision 1842 of the Ohio Constitution or federal law shall be brought in the 1843 court of common pleas of Franklin county within ninety days 1844 after the effective date of the enactment of this chapter-1845 December 7, 2023, or within ninety days after the effective date 1846 of any rule adopted pursuant to this chapter, as applicable. 1847 (B) Any claim asserting that any action taken by the division of 1848 cannabis <u>marijuana</u> control under this chapter violates any 1849 provision of the Ohio Constitution or any provision of the 1850 Revised Code shall be brought in the court of common pleas of 1851 Franklin county within ninety days after the action is taken. 1852 (C) Divisions (A) and (B) of this section do not apply to any 1853 claim within the original jurisdiction of the Supreme Court of 1854 Ohio or any court of appeals under Article IV of the Ohio 1855 Constitution. 1856 (D) The court of common pleas of Franklin county shall give any 1857 claim filed under <u>division</u> (A) or (B) of this section priority 1858 over all other civil cases before the court, irrespective of 1859 position on the court's calendar, and shall make a determination 1860 on the claim expeditiously. A court of appeals shall give any 1861 appeal from a final order issued in a case brought under 1862 divisions division (A) or (B) of this section priority over all 1863 other civil cases before the court, irrespective of position on 1864 the court's calendar, and shall make a determination on the 1865 appeal expeditiously. 1866

Sec. 3780.33. Liabilities and immunities.

Page 65

(A) The holder of a license, as defined in section 4776.01 of 1868 the Revised Code, or other license, certification, or 1869 registration issued by any professional board in the state of 1870 Ohio, or pursuant to section 2923.125 of the Revised Code, are 1871 not subject to disciplinary action solely for engaging in 1872 professional or occupational activities related to adult use 1873 1874 cannabis in accordance with this chapter, for owning or providing professional assistance to prospective or licensed 1875 adult use operators, adult use testing laboratories or to other 1876 individuals for activity in accordance with this chapter, or for 1877 obtaining, possessing, transporting, or using adult use cannabis 1878 in accordance with this chapter. 1879 (B) Unless there is clear and convincing evidence that a child 1880 is unsafe, the use, possession, or administration of adult use 1881 cannabis in accordance with this chapter shall not be the sole 1882 or primary basis for any of the following: 1883 (1) An adjudication under section 2151.28 of the Revised Code 1884 determining that a child is an abused, neglected, or dependent 1885 child; 1886 (2) An allocation of parental rights and responsibilities under 1887 section 3109.04 of the Revised Code; or 1888 (3) A parenting time order under section 3109.051 or 3109.12 of 1889 the Revised Code. 1890 (C) Notwithstanding any conflicting provision of the Revised 1891 Code, the use or possession of adult use cannabis in accordance 1892 with this chapter shall not be used as a reason for 1893 disqualifying an individual from medical care or from including 1894 an individual on a transplant waiting list. 1895 (D) Notwithstanding any conflicting provision of the Revised 1896

Code, the use, possession, administration, cultivation,1897processing, testing, dispensing, transporting, sale, delivery,1898or transferring of adult use cannabis in accordance with this1899chapter shall not be used as the sole or primary reason for1900taking action under any criminal or civil statute.1901

(E) Notwithstanding any conflicting provision of the Revised 1902 Code, when an adult use consumer engages in activities related 1903 to adult use cannabis in compliance with this chapter, such 1904 activities alone do not constitute sufficient basis for 1905 conducting a field sobriety test on the individual or for 1906 suspending the individual's driver's license. To conduct any 1907 field sobriety test, a law enforcement officer must have an 1908 independent, factual basis giving reasonable suspicion that the 1909 individual is operating a vehicle under the influence of adult 1910 use cannabis or with a prohibited concentration of marijuana in 1911 the person's whole blood, blood serum, plasma, breath, or urine. 1912

(F) Notwithstanding any conflicting provision of the Revised
1913
Code, an individual's status as an adult use consumer shall not
1914
be used as the sole or primary basis for rejecting the
1915
individual as a tenant unless the rejection is required by
1916
federal law. Notwithstanding this division, a landlord may
1917
prohibit the consumption of cannabis by combustion so long as
1918
such prohibition is included in the applicable lease agreement.

(G) Notwithstanding any conflicting provision of the Revised
1920
Code, the use or possession of adult use cannabis in accordance
1921
with this chapter shall not be used as a reason for
1922
disqualifying an individual from a public benefit program
administered by any state or local authority, or for otherwise
1924
denying an individual a public benefit administered by the state
1925
or any locality.

(H) This chapter does not do any of the following: 1927 (1) Permit the use, possession, cultivation, processing, 1928 dispensing, or transportation of adult use cannabis other than 1929 as authorized by this chapter; 1930 (2) Permit the cultivation, processing, and dispensing of adult 1931 use cannabis by any person unless licensed as an adult use 1932 1933 cannabis operator by the division of cannabis marijuana control except as authorized under this chapter; 1934 (3) Permit the use, cultivation, dispensing, or processing of 1935 adult use cannabis on federal, state, or locally owned land 1936 located in the state of Ohio; 1937 (4) Require any public place to accommodate an individual's use 1938 of adult use cannabis; 1939 (5) Prohibit any public place from accommodating an individual's 1940 use of adult use cannabis; or 1941 (6) Restrict research related to cannabis at a state university, 1942 academic medical center, or private research and development 1943 1944 organization as part of a research protocol approved by an institutional review board or equivalent entity. 1945 (I) It is the public policy of the state of Ohio that contracts 1946 related to adult use cannabis operators and adult use cannabis 1947 testing laboratories are enforceable. 1948 Sec. 3780.34. Financial institutions. 1949 (A) As used in this section: 1950 (1) "Financial institution" means any of the following: 1951 (a) Any bank, trust company, savings and loan association, 1952 savings bank, or credit union or any affiliate, agent, or 1953

employee of a bank, trust company, savings and loan association, 1954 savings bank, or credit union; 1955 (b) Any money transmitter licensed under sections 1315.01 to 1956 1315.18 of the Revised Code or any affiliate, agent, or employee 1957 of such a licensee. 1958 (2) "Financial services" means services that a financial 1959 institution is authorized to provide under Title XI, sections 1960 1315.01 to 1315.18, or Chapter 1733. of the Revised Code, as 1961 applicable, including electronic payments to the extent not in 1962 conflict with other state law or federal law. 1963 (B) A financial institution that provides financial services to 1964 any adult use cannabis operator, or testing laboratory licensed 1965 under this chapter shall be exempt from any criminal law of the 1966 state of Ohio an element of which may be proven by 1967 substantiating that a financial institution provides financial 1968 services to an individual or entity who cultivates, possesses, 1969 delivers, processes, or dispenses cannabis or cannabis derived 1970 products, including section 2925.05 of the Revised Code and 1971 sections 2923.01 and 2923.03 of the Revised Code as those 1972 sections apply to violations of Chapter 2925. of the Revised 1973 Code, if the adult use consumer, adult use cannabis operator or 1974 adult use testing laboratory is in compliance with this chapter 1975 and the applicable tax laws of the state of Ohio. 1976 (C) (1) Notwithstanding section 149.43 of the Revised Code or any 1977

other public records law to the contrary, upon the request of a1978financial institution providing services to an adult use1979cannabis operator or adult use testing laboratory, the division1980of cannabis marijuana control shall provide to the financial1981institution all of the following information:1982

(a) Whether an individual or entity with whom the financial 1983 institution is seeking to do business is an adult use cannabis 1984 operator or adult use testing laboratory licensed under this 1985 1986 chapter; (b) The name of any other business or individual affiliated with 1987 the individual or entity; 1988 (c) An unredacted copy of the application for a license under 1989 this chapter, and any supporting documentation, that was 1990 1991 submitted by the individual or entity; (d) If applicable, information relating to sales and volume of 1992 1993 product sold by the individual or entity, except where prohibited by this chapter; 1994 (e) Whether the individual or entity follows this chapter; and 1995 (f) Any past or pending violation by the individual or entity of 1996 this chapter, and any penalty imposed on the individual or 1997 entity for such a violation. 1998 (2) The division of cannabis marijuana control may charge a 1999 financial institution a reasonable fee to cover the 2000 administrative cost of providing the information. 2001 (D) Information received by a financial institution under 2002 2003 division (C) of this section is confidential. Except as 2004 otherwise licensed by other state law or federal law, a financial institution shall not make the information available 2005 to any individual other than the customer to whom the 2006 information applies and any trustee, conservator, guardian, 2007 personal representative, or agent of that customer. 2008 Sec. 3780.35. Rights of employer. 2009

(A) Nothing in this chapter does any of the following:

Page 70

in compliance with this chapter;

(2) Prohibits an employer from refusing to hire, discharging,
2014
disciplining, or otherwise taking an adverse employment action
2015
against an individual with respect to hire, tenure, terms,
2016
conditions, or privileges of employment because of that
2017
individual's use, possession, or distribution of cannabis
2018
otherwise in compliance with this chapter;

(3) Prohibits an employer from establishing and enforcing a drug
2020
testing policy, drug-free workplace policy, or zero-tolerance
2021
drug policy;
2022

(4) Interferes with any federal restrictions on employment,
 including the regulations adopted by the United States
 2024
 Department_department_of Transportation_transportation_in Title
 2025
 49 of the Code of Federal Regulations, as amended;
 2026

(5) Permits an individual to commence a cause of action against
2027
an employer for refusing to hire, discharging, disciplining,
2028
discriminating, retaliating, or otherwise taking an adverse
2029
employment action against an individual with respect to hire,
2030
tenure, terms, conditions, or privileges of employment related
2031
to the individual's use of cannabis; or

(6) Affects the authority of the administrator of workers'
2033
compensation to grant rebates or discounts on premium rates to
2034
employers that participate in a drug-free workplace program
2035
established in accordance with rules adopted by the
2036
administrator under Chapter 4123. of the Revised Code.
2037

(B) <u>An individual A person who is discharged from employment</u> 2038
 because of that <u>individual's person's</u> use of <u>cannabis marijuana</u> 2039

2011

2012

shall be considered to have been discharged for just cause for	2040
purposes of division (D) of section 4141.29 of the Revised Code	2041
and shall be ineligible to serve a waiting period or to be paid	2042
benefits for the duration of the individual's unemployment as	2043
<u>described in division (D)(2) of that section</u> if the individual's	2044
<u>person's use of cannabis <u>marijuana</u> was in violation of an </u>	2045
employer's drug-free workplace policy, zero-tolerance policy, or	2046
other formal program or policy regulating the use of	2047
cannabismarijuana.	2048
Sec. 3780.36. Limitations on conduct by individuals.	2049
(A) Except as otherwise provided in this chapter and	2050
notwithstanding any conflicting provision of the Revised Code,	2051
an adult use consumer, may do the following:	2052
(1) Use adult use cannabis;	2053
(2) Possess, transfer without remuneration to another adult	2054
consumer, or transport adult use cannabis, subject to division	2055
(B) of this section; and	2056
(3) Purchase adult use cannabis from an adult use dispensary per	2057
day in amounts that do not exceed the possession limits set	2058
forth in division (B)(1) of this section.	2059
(B) Except as otherwise provided in chapter <u>Chapter 3</u>796<u>.</u> of the	2060
Revised Code:	2061
(1) The amount of cannabis that may be possessed by an adult use	2062
consumer shall not exceed:	2062
obligation share not endeda.	2000
(a) Two and one-half ounces of adult use cannabis in any form	2064
except adult use extract; and	2065
(b) Fifteen grams of adult use cannabis in the form of adult use	2066
extract.	2067
(2) The amount of <u>No</u> person shall sell, give away, or otherwise	2068
---	------
transfer adult use cannabis that may be transferred by an adult	2069
use consumer without remuneration and not advertised or promoted	2070
to the public shall not exceed:	2071
(a) Two and one-half ounces of adult use cannabis in any form-	2072
except adult use extract; and	2073
(b) Fifteen grams of adult use cannabis in the form of adult use	2074
extractto any other person except as expressly authorized	2075
pursuant to a license or registration issued by the division of	2076
marijuana control under this chapter or Chapter 3796. of the	2077
Revised Code.	2078
(3) The amount of cannabis that may be transported by an adult	2079
use consumer shall not exceed:	2080
(a) Two and one-half ounces of adult use cannabis in any form	2081
except adult use extract; and	2082
(b) Fifteen grams of adult use cannabis in the form of adult use	2083
extract.	2084
(C) Except as otherwise provided in this chapter, an adult use	2085
consumer shall not be subject to arrest, criminal prosecution,	2086
or civil penalty for engaging in any of the activities	2087
authorized under this chapter, including:	2088
(1) Obtaining, using, possessing, or transporting adult use	2089
cannabis;	2090
(2) Performing conduct authorized under section 3780.29 of the	2091
Revised Code;	2092
(3) Acquiring, possessing, using, purchasing, manufacturing,	2093
selling, or transporting paraphernalia; and	2094

(4) Assisting another adult use consumer, or allowing property	2095
to be used, in any of the acts authorized by this chapter.	2096
(D)(1) An individual is prohibited from operating a vehicle,	2097
motor vehicle, streetcar, trackless trolley, bike, watercraft,	2098
or aircraft while using adult use cannabis or while under the	2099
influence of adult use cannabis and is subject to section	2100
4511.19 of the Revised Code for any violation of this division.	2101
(2) An individual is prohibited from smoking, vaporizing, or	2102
using any other combustible adult use cannabis product while in	2103
a vehicle, motor vehicle, streetcar, trackless trolley, bike,	2104
watercraft, or aircraft and is subject to section 4511.19 of the	2105
Revised Code for any violation of this division.	2106
(3) An individual is prohibited from smoking, vaporizing, or	2107
using any other combustible adult use cannabis product in any	2108
public place or place of employment where smoking is prohibited	2109
under Chapter 3794. of the Revised Code.	2110
(E) Except as otherwise provided in this chapter, no individual	2111
under twenty-one years of age shall knowingly show or give false	2112
information concerning the individual's name, age, or other	2113
identification for the purpose of purchasing adult use cannabis	2114
from an adult use dispensary licensed under this chapter.	2115
(F) Nothing in this chapter is intended to permit the transfer	2116
or sale of adult use cannabis, with or without remuneration, to	2117
an individual under twenty-one years of age, or to allow an	2118
individual under twenty-one years of age to purchase, possess,	2119
use, process, transport, or cultivate cannabis except where	2120
authorized by Chapter 3796. of the Revised Code.	2121
(G) It is unlawful for any parent or guardian to knowingly	2122
permit their residence, any other private property under their	2123

control, or any vehicle, conveyance, or watercraft under their 2124 control to be used by an invitee of the parent's child or the 2125 guardian's ward, if the invitee is under twenty-one years of 2126 age, in a manner that constitutes a violation of this chapter. 2127 (1) A parent or guardian is deemed to have knowingly permitted 2128 their residence, any other private property under their control, 2129 or any vehicle, conveyance, or watercraft under their control to 2130 be used in violation of this chapter if they knowingly authorize 2131 or permit consumption of cannabis by underage invitees. 2132 (2) Where the residence or other property has an owner and a 2133 tenant or lessee, the trier of fact may infer that the residence 2134 or other property is occupied only by the tenant or lessee. 2135 Sec. 3796.02. There is hereby established a division of 2136 marijuana control in the department of commerce under the 2137 supervision and direction of the superintendent of marijuana 2138 control as established under section 121.04 of the Revised Code. 2139 The medical marijuana control program is hereby established in 2140 the division of marijuana control. The division shall provide 2141 for the licensure of medical marijuana cultivators, processors, 2142 2143 retail dispensaries, and laboratories that test medical marijuana. The division shall also provide for the registration 2144 of patients and their caregivers. The division shall administer 2145 the medical marijuana control program. 2146

Sec. 5119.10. (A) The director of mental health and 2147 addiction services is the chief executive and appointing 2148 authority of the department of mental health and addiction 2149 services. The director may organize the department for its 2150 efficient operation, including creating divisions or offices as 2151 necessary. The director may establish procedures for the 2152 governance of the department, conduct of its employees and 2153

officers, performance of its business, and custody, use, and 2154 preservation of departmental records, papers, books, documents, 2155 and property. Whenever the Revised Code imposes a duty upon or 2156 requires an action of the department or any of its institutions, 2157 the director or the director's designee shall perform the action 2158 or duty in the name of the department, except that the medical 2159 director appointed pursuant to section 5119.11 of the Revised 2160 Code shall be responsible for decisions relating to medical 2161 diagnosis, treatment, rehabilitation, quality assurance, and the 2162 clinical aspects of the following: licensure of hospitals and 2163 residential facilities, research, community addiction and mental 2164 health plans, and certification and delivery of addiction 2165 services and mental health services. 2166

(B) The director shall:

(1) Adopt rules for the proper execution of the powers and 2168 duties of the department with respect to the institutions under 2169 its control, and require the performance of additional duties by 2170 the officers of the institutions as necessary to fully meet the 2171 requirements, intents, and purposes of this chapter. In case of 2172 an apparent conflict between the powers conferred upon any 2173 managing officer and those conferred by such sections upon the 2174 department, the presumption shall be conclusive in favor of the 2175 department. 2176

(2) Adopt rules for the nonpartisan management of the
2177
institutions under the department's control. An officer or
employee of the department or any officer or employee of any
2179
institution under its control who, by solicitation or otherwise,
2180
exerts influence directly or indirectly to induce any other
2181
officer or employee of the department or any of its institutions
2182
to adopt the exerting officer's or employee's political views or

2167

to favor any particular person, issue, or candidate for office2184shall be removed from the exerting officer's or employee's2185office or position, by the department in case of an officer or2186employee, and by the governor in case of the director.2187

(3) Appoint such employees, including the medical
director, as are necessary for the efficient conduct of the
department, and prescribe their titles and duties;
2190

(4) Prescribe the forms of affidavits, applications, 2191 medical certificates, orders of hospitalization and release, and 2192 all other forms, reports, and records that are required in the 2193 hospitalization or admission and release of all persons to the 2194 institutions under the control of the department, or are 2195 otherwise required under this chapter or Chapter 5122. of the 2196 Revised Code; 2197

(5) Exercise the powers and perform the duties relating to
2198
addiction and mental health facilities, addiction services,
2199
mental health services, <u>9-8-8 suicide and crisis response, and</u>
2200
recovery supports that are assigned to the director under this
2201
chapter and Chapter 340. of the Revised Code;
2202

(6) Develop and implement clinical evaluation and 2203monitoring of services that are operated by the department; 2204

(7) Adopt rules establishing standards for the performance 2205 of evaluations by a forensic center or other psychiatric program 2206 or facility of the mental condition of defendants ordered by the 2207 court under section 2919.271, or 2945.371 of the Revised Code, 2208 and for the treatment of defendants who have been found 2209 incompetent to stand trial and ordered by the court under 2210 section 2945.38, 2945.39, 2945.401, or 2945.402 of the Revised 2211 Code to receive treatment in facilities; 2212

(8) On behalf of the department, have the authority and 2213 responsibility for entering into contracts and other agreements 2214 with providers, agencies, institutions, and other entities, both 2215 public and private, as necessary for the department to carry out 2216 its duties under this chapter and Chapters 340., 2919., 2945., 2217 and 5122. of the Revised Code. Chapter 125. of the Revised Code 2218 does not apply to contracts the director enters into under this 2219 section for addiction services, mental health services, or 2220 recovery supports provided to individuals who have an addiction 2221 or mental illness by providers, agencies, institutions, and 2222 other entities not owned or operated by the department. 2223

(9) Adopt rules in accordance with Chapter 119. of the
Revised Code specifying the supplemental services that may be
2225
provided through a trust authorized by section 5815.28 of the
Revised Code;

(10) Adopt rules in accordance with Chapter 119. of the 2228 Revised Code establishing standards for the maintenance and 2229 distribution to a beneficiary of assets of a trust authorized by 2230 section 5815.28 of the Revised Code. 2231

(C) The director may contract with hospitals licensed by 2232 the department under section 5119.33 of the Revised Code for the 2233 care and treatment of patients with mental illnesses, or with 2234 persons, organizations, or agencies for the custody, evaluation, 2235 supervision, care, or treatment of persons with mental illnesses 2236 receiving services elsewhere than within the enclosure of a 2237 hospital operated under section 5119.14 of the Revised Code. 2238

Sec. 5119.81. As used in sections 5119.81 to 5119.85 of	2239
the Revised Code:	2240
(A) "9-8-8 administrator" means the administrator of the	2241

9-8-8 suicide prevention and mental health crisis hotline 2242 system, as established in section 5119.82 of the Revised Code. 2243 (B) "9-8-8 suicide prevention and mental health crisis 2244 hotline" or "9-8-8 hotline" means the 9-8-8 universal telephone 2245 number in the United States, as established under 47 U.S.C. 2246 251(e), for the purpose of the national suicide prevention and 2247 mental health crisis hotline system. 2248 Sec. 5119.82. There is hereby established a 9-8-8 2249 2250 administrator within the department of mental health and addiction services to oversee the administration of the 9-8-8 2251 suicide prevention and mental health crisis hotline system 2252 2253 statewide. Sec. 5119.83. (A) Not later than one year after the 2254 effective date of this section and annually thereafter, the 9-8-2255 8 administrator shall compile an annual report regarding the 2256 2257 operation of the 9-8-8 national suicide prevention and mental health crisis hotline in this state. 2258 (B) Each annual report shall, at a minimum, specify all of 2259 the following: 2260 (1) The total number of 9-8-8 call centers in this state 2261 to which calls, texts, and chats are routed when individuals 2262 contact the 9-8-8 national suicide prevention and mental health 2263 2264 crisis hotline; (2) The total number of telephone calls, texts, and chats 2265 received by each 9-8-8 call center; 2266 (3) The rate at which in-state calls are answered by the 2267 9-8-8 call centers; 2268 (4) The average time taken by 9-8-8 call centers to answer 2269 calls. 2270 (C) The 9-8-8 administrator shall submit the report to 2271 both of the following: 2272 (1) The general assembly, in accordance with section 2273 101.68 of the Revised Code; 2274 (2) The governor. 2275 Sec. 5119.84. (A) There is hereby created in the state 2276 treasury the 9-8-8 fund. The fund shall consist of all money 2277 from the following sources: 2278 (1) Appropriations made by the general assembly; 2279 (2) Money awarded to the state by donation, gift, or 2280 bequest, and other money received for purposes of this section; 2281 (3) Revenue from the adult use tax transferred to the fund 2282 under section 3780.23 of the Revised Code; 2283 (4) Interest or other earnings on the fund. 2284 (B) Money in the 9-8-8 fund is not subject to transfer to 2285 any other fund. 2286 (C) Any money remaining in the fund, including interest 2287 thereon, at the end of each fiscal year shall not revert to the 2288 general revenue fund but shall remain in the fund. 2289 (D) The treasurer of state shall disburse money from the 2290 9-8-8 fund only upon the request of, or consultation with, the 2291 director of mental health and addiction services. 2292 Sec. 5119.85. (A) As used in this section, "telephone 2293 company" has the same meaning as in section 128.01 of the 2294 2295 Revised Code.

(B) Except for willful or wanton misconduct, a telephone	2296
company and any other installer, maintainer, or provider,	2297
through the sale or otherwise, of customer premises equipment,	2298
or service used for or with the 9-8-8 hotline, and their	2299
respective officers, directors, employees, agents, suppliers,	2300
corporate parents, and affiliates are not liable in damages in a	2301
civil action for injuries, death or loss to persons or property	2302
incurred by any person resulting from such an entity's or its	2303
officers', directors', employees', agents', or suppliers'	2304
participation in or acts or omissions in connection with	2305
participating in or developing, maintaining, or operating the 9-	2306
<u>8-8 hotline.</u>	2307
Sec. 5120.81. (A) The director of rehabilitation and	2308
correction shall use money in the adult use cannabis local jail	2309
fund to annually award grants under this section for the	2310
construction and renovation of county jails. To determine which	2311
projects will receive funding, the director shall rank each	2312
county based on its financial need with a percentile ranking	2313
using the following funding formula, as calculated by the tax	2314
<u>commissioner:</u>	2315
(1) The commissioner shall determine the total value of	2316
all property in the county listed and assessed for taxation on	2317
the tax list as reported by the commissioner in the preceding	2318
tax year, and list each county in order of total value,	2319
ascending, so that the county with the lowest value is number	2320
one on the list, which shall be called its property tax ranking.	2321
(2) The commissioner shall rank each county based on the	2322
estimate of the gross amount of taxable retail sales sourced to	2323
the county as reported by the commissioner for the preceding	2324
calendar year, computed by dividing the total amount of tax	2325

revenue received by the county during that period from taxes	2326
levied under sections 5739.021, 5739.026, 5741.021, and 5741.023	2327
of the Revised Code by the aggregate tax rate levied by the	2328
county under sections 5739.021 and 5739.026 of the Revised Code	2329
on the last day of the preceding calendar year, and list each	2330
county in order of total value, ascending, so that the county	2331
with the lowest value is number one on the list, except that any	2332
county that does not currently levy taxes under section 5739.021	2333
or 5739.026 of the Revised Code shall be ranked at number	2334
eighty-eight on the list. This ranking shall be called its sales	2335
tax ranking.	2336
	0007
(3) The commissioner shall then, for each county, add the	2337
property tax ranking to the sales tax ranking, and shall order	2338
the counties according to the sum of the two rankings, the	2339
county with the lowest sum being number one on the list, to	2340
determine the county's final ranking. The percentile ranking	2341
shall be determined by taking the county's final ranking,	2342
dividing it by eighty-eight, and multiplying it by one hundred.	2343
If the final ranking is the same for two or more counties,	2344
the county with the lowest population shall receive the lowest	2345
final ranking. The final ranking for the counties shall be	2346
numbers one through eighty-eight, the lowest ranking county	2347
being number one, and the highest number eighty-eight.	2348
(B) Upon receiving the final ranking under division (A)(3)	2349
of this section, the director of rehabilitation and correction	2350
shall select a number of counties among the lowest ranking	2351
counties and invite the selected counties to apply for	2352
assistance. Two or more counties may jointly apply for	2353
assistance as long as at least one of the counties was invited	2354
to apply.	2355
	2000

The director shall adopt guidelines to accept and review	2356
applications and designate projects. The guidelines shall	2357
require the county or counties to justify the need for the	2358
project and to comply with timelines for the submission of	2359
documentation pertaining to the project and project location.	2360
(C) Upon the application of a county invited to apply_	2361
under division (B) of this section, the director of	2362
rehabilitation and correction shall proceed with a needs	2363
assessment under this division, pursuant to which the director	2364
shall make a determination of all of the following:	2365
Sharr make a determination of all of the fortowing.	2303
(1) The need of the county for additional jail facilities,	2366
or for renovations or improvements to existing jail facilities,	2367
based on whether and to what extent existing facilities comply_	2368
with the standards in section 5120.10 of the Revised Code,	2369
including the age and condition of the jail facilities;	2370
(2) The number of jail facilities to be included in a	2371
	23/1
project;	2371
project;	2372
<u>project;</u> (3) The estimated annual, monthly, or daily cost of	2372 2373
<u>(3) The estimated annual, monthly, or daily cost of</u> <u>operating the facility once it is operational, as reported and</u>	2372 2373 2374
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor;</pre>	2372 2373 2374 2375
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing,</pre>	2372 2373 2374 2375 2376
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility;</pre>	2372 2373 2374 2375 2376 2377
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; (5) Whether the county has recently received a grant from</pre>	2372 2373 2374 2375 2376 2377 2378
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; (5) Whether the county has recently received a grant from the state to construct or renovate jail facilities. (D) The director, following the completion of a needs</pre>	2372 2373 2374 2375 2376 2377 2378 2379
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; (5) Whether the county has recently received a grant from the state to construct or renovate jail facilities. (D) The director, following the completion of a needs assessment under division (C) of this section, shall make a</pre>	2372 2373 2374 2375 2376 2377 2378 2379 2380
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; (5) Whether the county has recently received a grant from the state to construct or renovate jail facilities. (D) The director, following the completion of a needs assessment under division (C) of this section, shall make a determination in favor of constructing, acquiring,</pre>	2372 2373 2374 2375 2376 2377 2378 2379 2380 2381
<pre>project; (3) The estimated annual, monthly, or daily cost of operating the facility once it is operational, as reported and certified by the county auditor; (4) The estimated basic project cost of constructing, acquiring, reconstructing, or making additions to each facility; (5) Whether the county has recently received a grant from the state to construct or renovate jail facilities. (D) The director, following the completion of a needs assessment under division (C) of this section, shall make a</pre>	2372 2373 2374 2375 2376 2377 2378 2379 2380 2381 2382

and renovation standards described in divisions (D) and (E) of	2385
section 5120.10 of the Revised Code, and that it keeps with the	2386
needs of the county or counties as determined by the needs	2387
assessment. Exceptions shall be authorized only in those areas	2388
where topography, sparsity of population, and other factors make	2389
larger jail facilities impracticable.	2390
Except as otherwise provided in this section, the portion	2391
of the basic project cost supplied by the state for each	2392
approved county shall be the difference between one hundred per	2393
cent, and a per cent equal to one per cent of the basic project	2394
costs times the percentile in which the county ranks according	2395
to the percentile ranking under this section, for the fiscal	2396
year preceding the fiscal year in which the director approved	2397
the county's or counties' project.	2398
At no time shall the state's portion of the basic project	2399
cost be less than twenty-five per cent of the total basic	2400
project cost. If a county's portion of the basic project cost is	2401
calculated to be greater than seventy-five per cent of the total	2402
basic project cost, the county's portion shall be seventy-five	2403
per cent of the basic project cost. In the case of a multicounty	2404
jail facility, if the sum of two or more counties' portions of	2405
the total basic project cost are calculated to be greater than	2406
seventy-five per cent of the total basic project cost, the	2407
counties' portions shall be determined pro rata, so that the sum	2408
of their portions shall be equal to seventy-five per cent of the	2409
total basic project cost.	2410
Sec. 5502.13. The department of public safety shall	2411
maintain an investigative unit in order to conduct	2412
investigations and other enforcement activity authorized by	2413
Chapters <u>3780.,</u> 4301., 4303., 5101., 5107., and 5108. and	2414

 sections 2903.12, 2903.13, 2903.14, 2907.09, 2913.46, 2917.11,
 2415

 2921.13, 2921.31, 2921.32, 2921.33, 2923.12, 2923.121, 2925.11,
 2416

 2925.13, 2927.02, and 4507.30 of the Revised Code. The director
 2417

 of public safety shall appoint the employees of the unit who are
 2418

 necessary, designate the activities to be performed by those
 2419

 employees, and prescribe their titles and duties.
 2420

Sec. 5703.052. (A) There is hereby created in the state 2421 treasury the tax refund fund, from which refunds shall be paid 2422 for amounts illegally or erroneously assessed or collected, or 2423 2424 for any other reason overpaid, with respect to taxes levied by Chapter 4301., 4305., 5726., 5728., 5729., 5731., 5733., 5735., 2425 5736., 5739., 5741., 5743., 5747., 5748., 5749., 5751., or 2426 5753., or 5755. and sections 3737.71, 3905.35, 3905.36, 4303.33, 2427 5707.03, 5725.18, 5727.28, 5727.38, 5727.81, and 5727.811 of the 2428 Revised Code. Refunds for fees levied under sections 3734.90 to 2429 3734.9014 of the Revised Code, wireless 9-1-1 charges imposed 2430 under section 128.40 of the Revised Code, next generation 9-1-1 2431 access fees imposed under sections 128.41 and 128.42 of the 2432 Revised Code, or any penalties assessed with respect to such 2433 fees or charges, that are illegally or erroneously assessed or 2434 collected, or for any other reason overpaid, also shall be paid 2435 from the fund. Refunds for amounts illegally or erroneously 2436 assessed or collected by the tax commissioner, or for any other 2437 reason overpaid, that are due under section 1509.50 of the 2438 Revised Code shall be paid from the fund. Refunds for amounts 2439 illegally or erroneously assessed or collected by the 2440 commissioner, or for any other reason overpaid to the 2441 commissioner, under sections 718.80 to 718.95 of the Revised 2442 Code shall be paid from the fund. However, refunds for amounts 2443 illegally or erroneously assessed or collected by the 2444 commissioner, or for any other reason overpaid to the 2445 commissioner, with respect to taxes levied under section24465739.101 of the Revised Code shall not be paid from the tax2447refund fund, but shall be paid as provided in section 5739.1042448of the Revised Code.2449

(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 2459 charge, next generation 9-1-1 access fee, or other amount that 2460 is not levied by the state or that was illegally or erroneously 2461 distributed to a taxing jurisdiction, the tax commissioner shall 2462 recover the amount of that refund from the next distribution of 2463 that tax, fee, wireless 9-1-1 charge, next generation 9-1-1 2464 access fee, or other amount that otherwise would be made to the 2465 taxing jurisdiction. If the amount to be recovered would exceed 2466 twenty-five per cent of the next distribution of that tax, fee, 2467 wireless 9-1-1 charge, next generation 9-1-1 access fee, or 2468 other amount, the commissioner may spread the recovery over more 2469 than one future distribution, taking into account the amount to 2470 be recovered and the amount of the anticipated future 2471 distributions. In no event may the commissioner spread the 2472 recovery over a period to exceed thirty-six months. 2473

Sec. 5703.053. As used in this section, "postal service"2474means the United States postal service.2475

Page 86

2450

2451

2452

2453

2454

2455

2456

2457

2458

An application to the tax commissioner for a tax refund 2476 under section 4307.05, 4307.07, 718.91, 5726.30, 5727.28, 2477 5727.91, 5728.061, 5735.122, 5735.13, 5735.14, 5735.141, 2478 5735.142, 5736.08, 5739.07, 5741.10, 5743.05, 5743.53, 5745.11, 2479 5749.08, or 5751.08, or 5755.07 of the Revised Code or division 2480 (B) of section 5703.05 of the Revised Code, or a fee refunded 2481 under section 3734.905 of the Revised Code, that is received 2482 after the last day for filing under such section shall be 2483 considered to have been filed in a timely manner if: 2484

(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 2495 postmark date was affixed to the cover in which the application 2496 is enclosed or the date of the postmark so affixed is not 2497 legible, and the application is received within seven days of 2498 the last day for making the application. 2499

Sec. 5703.19. (A) To carry out the purposes of the laws 2500 that the tax commissioner is required to administer, the 2501 commissioner or any person employed by the commissioner for that 2502 purpose, upon demand, may inspect books, accounts, records, and 2503 memoranda of any person or public utility subject to those laws, 2504 and may examine under oath any officer, agent, or employee of 2505

that person or public utility. Any person other than the2506commissioner who makes a demand pursuant to this section shall2507produce the person's authority to make the inspection.2508

(B) If a person or public utility receives at least ten 2509 days' written notice of a demand made under division (A) of this 2510 section and refuses to comply with that demand, a penalty of 2511 five hundred dollars shall be imposed upon the person or public 2512 utility for each day the person or public utility refuses to 2513 comply with the demand. Penalties imposed under this division 2514 may be assessed and collected in the same manner as assessments 2515 made under Chapter 3769., 4305., 5727., 5728., 5733., 5735., 2516 5736., 5739., 5743., 5745., 5747., 5749., 5751., or 5753., or 2517 5755., or under sections 718.90 $_{\tau}$ or 3734.90 to 3734.9014 $_{\tau}$ of the 2518 Revised Code. 2519

Sec. 5703.263. (A) (1) "Tax return preparer" means any 2520 person other than an accountant or an attorney that operates a 2521 business that prepares, or directly or indirectly employs 2522 2523 another person to prepare, for a taxpayer a tax return or application for refund in exchange for compensation or 2524 2525 remuneration from the taxpayer or the taxpayer's related member. The preparation of a substantial portion of a tax return or 2526 application for refund shall be considered to be the same as the 2527 preparation of the return or application for refund. "Tax return 2528 preparer" does not include an individual who performs only one 2529 or more of the following activities: 2530

(a) Furnishes typing, reproducing, or other mechanical2531assistance;2532

(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
2535

that employer; 2536 (c) Prepares as a fiduciary an application for refund or a 2537 return; 2538 (d) Prepares an application for refund or a return for a 2539 2540 taxpayer in response to a notice of deficiency issued to the taxpayer or the taxpayer's related member, or in response to a 2541 waiver of restriction after the commencement of an audit of the 2542 2543 taxpayer or the taxpayer's related member. (2) "Related member" has the same meaning as in section 2544 5733.042 of the Revised Code. 2545 2546 (3) "Accountant" means any of the following: (a) An individual who holds both a CPA certificate and an 2547 Ohio permit or Ohio registration issued by the accountancy board 2548 under section 4701.10 of the Revised Code; 2549 (b) An individual who holds a foreign certificate; 2550 (c) An individual who is employed by a public accounting 2551 firm with respect to any return prepared under the supervision 2552 of an individual described in division (A)(3)(a) or (b) of this 2553 section, regardless of whether the public accounting firm is 2554 required to register with the accountancy board under section 2555 4701.04 of the Revised Code. 2556 (4) "CPA certificate" and "foreign certificate" have the 2557 same meanings as in section 4701.01 of the Revised Code. 2558 (5) "Attorney" means an individual who has been admitted 2559 to the bar by order of the supreme court in compliance with its 2560 prescribed and published rules, is permitted to practice as an 2561 attorney and counselor at law in this state under Chapter 4705. 2562 of the Revised Code, and is not currently suspended or removed 2563

from such practice under that chapter.	2564
(6) A tax return preparer engages in "prohibited conduct"	2565
if the preparer does any of the following:	2566
(a) Prepares any return or application for refund that	2567
includes an understatement of a taxpayer's tax liability due to	2568
an unreasonable position or due to willful or reckless conduct.	2569
For the purposes of this division, "unreasonable position" and	2570
"willful or reckless conduct" have the meanings as used in	2571
section 6694 of the Internal Revenue Code.	2572
(b) When required under any provision of Title LVII of the	2573
Revised Code, the preparer fails to do any of the following:	2574
(i) Provide copies of a return or application for refund;	2575
(ii) Provide the preparer's signature or federal preparer	2576
tax identification number on a return or application for refund;	2577
(iii) Retain copies of the preparer's records;	2578
(iv) Provide any information or documents requested by the	2579
tax commissioner;	2580
(v) Act diligently in determining a taxpayer's eligibility	2581
for tax credits, deductions, or exemptions.	2582
(c) Negotiates a check or other negotiable instrument	2583
issued to a taxpayer by the department of taxation without the	2584
permission of the taxpayer;	2585
(d) Engages in any conduct subject to criminal penalties	2586
under Title LVII of the Revised Code;	2587
(e) Misrepresents the preparer's eligibility to file	2588
returns or applications for refund on behalf of taxpayers, or	2589
otherwise misrepresents the preparer's experience or education;	2590

(f) Guarantees the payment of any tax refund or theallowance of any tax credit, deduction, or exemption;2592

(g) Engages in any other fraudulent or deceptive conduct
 (b) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c) Engages in any other fraudulent or deceptive conduct
 (c)

(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.
2598

(B) When a tax return preparer engages in prohibited 2599conduct, the commissioner, may do either or both of the 2600following: 2601

(1) If the commissioner has previously warned the tax
2602
return preparer in writing of the consequences of continuing to
2603
engage in prohibited conduct, impose a penalty not exceeding one
2604
hundred dollars per instance of prohibited conduct;
2605

(2) Regardless of whether the commissioner has previously
(2) Regardless of whether t

(a) If the court finds that injunctive relief is
 2612
 appropriate to prevent the recurrence of the prohibited conduct,
 2613
 the court shall issue an injunction against the preparer
 2614
 enjoining the preparer from engaging in such conduct.
 2615

(b) If the court finds that the preparer has continually
 2616
 or repeatedly engaged in prohibited conduct, and that enjoining
 2617
 the preparer solely from engaging in such conduct would not be
 2618
 sufficient to prevent the preparer's interference with the

proper administration of any provision of Title LVII of the2620Revised Code, the court may issue an injunction against the2621preparer enjoining the preparer from acting as a tax return2622preparer in this state.2623

If a tax return preparer has been enjoined from preparing2624tax returns or applications for refunds by a federal court or by2625another state court in the five years preceding the date on2626which an injunction is requested under this section, that prior2627injunction shall be sufficient to establish a prima facie case2628for the issuance of an injunction under division (B)(2) of this2629section.2630

(C) The commissioner may require a tax return preparer to 2631 include the preparer's name and federal preparer tax 2632 identification number when filing any return or application for 2633 refund. If a tax return preparer fails to include this 2634 information when required to do so by the commissioner, or if 2635 the information provided is false, inaccurate, or incomplete, 2636 the commissioner may impose a penalty of fifty dollars for each 2637 such failure, provided that the maximum penalty imposed on a 2638 preparer under this division in a calendar year shall not exceed 2639 twenty-five thousand dollars. 2640

(D) The penalties imposed under divisions (B)(1) and (C) 2641 of this section may be assessed and collected in the same manner 2642 as assessments made under Chapter 3769., 4305., 5727., 5728., 2643 5733., 5735., 5736., 5739., 5743., 5745., 5747., 5749., 5751., 2644 or-5753., or 5755. section 718.90, or sections 3734.90 to 2645 3734.9014 of the Revised Code. The commissioner may abate all or 2646 a portion of any penalty imposed under this section upon the 2647 showing of good cause by the tax return preparer. 2648

Sec. 5703.50. As used in sections 5703.50 to 5703.53 of 2649

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 5733., 5736., 5739., 2653 5741., 5747., and 5751., and 5755. of the Revised Code, and the 2654 tax administered under sections 718.80 to 718.95 of the Revised 2655 Code. 2656 (B) "Taxpayer" means a person subject to or potentially 2657 subject to a tax including an employer required to deduct and 2658 withhold any amount under section 5747.06 of the Revised Code. 2659 (C) "Audit" means the examination of a taxpayer or the 2660 inspection of the books, records, memoranda, or accounts of a 2661 taxpayer for the purpose of determining liability for a tax. 2662 (D) "Assessment" means a notice of underpayment or 2663 nonpayment of a tax issued pursuant to section 718.90, 5711.26, 2664 5711.32, 5733.11, 5736.09, 5739.13, 5741.11, 5741.13, 5747.13, 2665 or 5751.09, or 5755.08 of the Revised Code. 2666

(E) "County auditor" means the auditor of the county in 2667 which the tangible personal property subject to a tax is 2668 located. 2669

Sec. 5703.70. (A) On the filing of an application for 2670 refund under section 718.91, 3734.905, 4307.05, 4307.07, 2671 5726.30, 5727.28, 5727.91, 5728.061, 5733.12, 5735.122, 5735.13, 2672 5735.14, 5735.141, 5735.142, 5735.18, 5736.08, 5739.07, 2673 5739.071, 5739.104, 5741.10, 5743.05, 5743.53, 5747.11, 5749.08, 2674 5751.08, or 5753.06, or 5755.07 of the Revised Code, or an 2675 application for compensation under section 5739.061 of the 2676 Revised Code, if the tax commissioner determines that the amount 2677 of the refund or compensation to which the applicant is entitled 2678

2650

2651

2652

is less than the amount claimed in the application, the 2679 commissioner shall give the applicant written notice by ordinary 2680 mail of the amount. The notice shall be sent to the address 2681 shown on the application unless the applicant notifies the 2682 commissioner of a different address. The applicant shall have 2683 sixty days from the date the commissioner mails the notice to 2684 provide additional information to the commissioner or request a 2685 hearing, or both. 2686

(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 2692 prescribed by division (A) of this section, the tax commissioner 2693 shall assign a time and place for the hearing and notify the 2694 applicant of such time and place, but the commissioner may 2695 continue the hearing from time to time, as necessary. After the 2696 hearing, the commissioner may make such adjustments to the 2697 refund or compensation as the commissioner finds proper, and 2698 shall issue a final determination thereon. 2699

(2) If the applicant does not request a hearing, but 2700 provides additional information, within the time prescribed by 2701 division (A) of this section, the commissioner shall review the 2702 information, make such adjustments to the refund or compensation 2703 as the commissioner finds proper, and issue a final 2704 determination thereon. The commissioner may review such 2705 information and make such adjustments as many times as the 2706 commissioner finds proper before the issuance of a final 2707 determination. 2708

H. B. No. 354 As Introduced

(3) If the applicant requests a hearing and provides 2709 additional information within the time prescribed by division 2710 (A) of this section, the commissioner may review the information 2711 and make such adjustments to the refund or compensation as the 2712 commissioner finds proper. The commissioner may review such 2713 information and make such adjustments as many times as the 2714 commissioner finds proper before the issuance of a final 2715 determination. 2716

The commissioner shall assign a time and place for the 2717 hearing and notify the applicant of such time and place, but the 2718 commissioner may continue the hearing from time to time, as 2719 necessary. After the hearing, the commissioner may make any 2720 additional adjustments to the refund or compensation as the 2721 commissioner finds proper and shall issue a final determination 2722 thereon. 2723

(4) The commissioner shall serve a copy of the final
2724
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
2727
to appeal under section 5717.02 of the Revised Code.

(D) The tax commissioner shall certify to the director of 2729 budget and management and treasurer of state for payment from 2730 the tax refund fund created by section 5703.052 of the Revised 2731 Code, the amount of the refund to be refunded under division (B) 2732 or (C) of this section. The commissioner also shall certify to 2733 the director and treasurer of state for payment from the general 2734 revenue fund the amount of compensation to be paid under 2735 division (B) or (C) of this section. 2736

Sec. 5703.77. (A) As used in this section: 2737

H. B. No. 354 As Introduced

(1) "Taxpayer" means a person subject to or previously
2738
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
2740
and remit a tax or fee on behalf of another person.

(2) "Tax or fee" means a tax or fee administered by the2742tax commissioner.

(3) "Credit account balance" means the amount that a
2744
taxpayer remits to the state in excess of the amount required to
2745
be remitted, after accounting for factors applicable to the
2746
taxpayer such as accelerated payments, estimated payments, tax
2747
credits, and tax credit balances that may be carried forward.
2748

(4) "Tax debt" means an unpaid tax or fee or any unpaid 2749penalty, interest, or additional charge on such a tax or fee due 2750the state. 2751

(B) As soon as practicable, but not later than sixty days 2752 before the expiration of the period of time during which a 2753 taxpayer may file a refund application for a tax or fee, the tax 2754 commissioner shall review the taxpayer's accounts for the tax or 2755 fee and notify the taxpayer of any credit account balance for 2756 which the commissioner is required to issue a refund if the 2757 taxpayer were to file a refund application for that balance, 2758 regardless of whether the taxpayer files a refund application or 2759 amended return with respect to that tax or fee. The notice shall 2760 be made using contact information for the taxpayer on file with 2761 the commissioner. 2762

(C) Notwithstanding sections 128.47, 718.91, 3734.905, 2763
4307.05, 5726.30, 5727.28, 5727.42, 5727.91, 5728.061, 5735.122, 2764
5736.08, 5739.07, 5739.104, 5741.10, 5743.05, 5743.53, 5747.11, 2765
5749.08, 5751.08, 5753.06, 5755.07, and any other section of the 2766

Revised Code governing refunds, the commissioner may apply the 2767 amount of any credit account balance for which the commissioner 2768 is required to issue a refund if the taxpayer were to file a 2769 refund application for that balance as a credit against the 2770 taxpayer's liability for the tax or fee in the taxpayer's next 2771 reporting period for that tax or fee or issue a refund of that 2772 credit account balance to the taxpayer, subject to division (D) 2773 of this section. 2774

(D) Before issuing a refund to a taxpayer under division 2775 2776 (C) of this section, the tax commissioner shall withhold from 2777 that refund the amount of any of the taxpayer's tax debt certified to the attorney general under section 131.02 of the 2778 Revised Code and the amount of the taxpayer's liability, if any, 2779 for a tax debt. The commissioner shall apply any amount withheld 2780 first in satisfaction of the amount of the taxpayer's certified 2781 tax debt and then in satisfaction of the taxpayer's liability. 2782 If the credit account balance originates from the tax 2783 administered under sections 718.80 to 718.95 of the Revised 2784 Code, it may be applied only against the taxpayer's certified 2785 tax debt or tax liability due under those sections. 2786

(E) The tax commissioner may adopt rules to administer2787this section.

 Sec. 5713.30. As used in sections 5713.31 to 5713.37 and
 2789

 5715.01 of the Revised Code:
 2790

(A) "Land devoted exclusively to agricultural use" means: 2791

(1) Tracts, lots, or parcels of land totaling not less
2792
than ten acres to which, during the three calendar years prior
2793
to the year in which application is filed under section 5713.31
2794
of the Revised Code, and through the last day of May of such
2795

Page 98

2796

year, one or more of the following apply:

(a) The tracts, lots, or parcels of land were devoted 2797 exclusively to commercial animal or poultry husbandry, 2798 aquaculture, algaculture meaning the farming of algae, 2799 apiculture, the cultivation of hemp by a person issued a hemp 2800 cultivation license under section 928.02 of the Revised Code, 2801 the production for a commercial purpose of timber, field crops, 2802 tobacco, fruits, vegetables, nursery stock, ornamental trees, 2803 sod, or flowers, or the growth of timber for a noncommercial 2804 purpose, if the land on which the timber is grown is contiguous 2805 to or part of a parcel of land under common ownership that is 2806 otherwise devoted exclusively to agricultural use. 2807

(b) The tracts, lots, or parcels of land were devoted 2808 exclusively to biodiesel production, biomass energy production, 2809 electric or heat energy production, or biologically derived 2810 methane gas production if the land on which the production 2811 facility is located is contiguous to or part of a parcel of land 2812 under common ownership or leasehold that is otherwise devoted 2813 exclusively to agricultural use, provided that (i) at least 2814 fifty per cent of the feedstock used in the production is 2815 agricultural feedstock, (ii) at least twenty per cent of the 2816 agricultural feedstock used in the production is derived from 2817 parcels of land under common ownership or leasehold, and (iii) 2818 none of the feedstock used in the production consists of human 2819 waste. As used in this division, "agricultural feedstock" means 2820 manure and food waste, and "human waste" includes sludge as 2821 defined in section 6111.01 of the Revised Code. 2822

(c) The tracts, lots, or parcels of land were devoted to
and qualified for payments or other compensation under a land
2824
retirement or conservation program under an agreement with an
2825

agency of the federal government.

(2) Tracts, lots, or parcels of land totaling less than 2827 ten acres that, during the three calendar years prior to the 2828 year in which application is filed under section 5713.31 of the 2829 Revised Code and through the last day of May of such year, were 2830 devoted exclusively to commercial animal or poultry husbandry, 2831 2832 aquaculture, algaculture meaning the farming of algae, apiculture, the cultivation of hemp by a person issued a hemp 2833 cultivation license under section 928.02 of the Revised Code, 2834 the production for a commercial purpose of field crops, tobacco, 2835 fruits, vegetables, timber, nursery stock, ornamental trees, 2836 sod, or flowers where such activities produced an average yearly 2837 gross income of at least twenty-five hundred dollars during such 2838 three-year period or where there is evidence of an anticipated 2839 gross income of such amount from such activities during the tax 2840 2841 year in which application is made, or were devoted to and qualified for payments or other compensation under a land 2842 retirement or conservation program under an agreement with an 2843 agency of the federal government; 2844

(3) Tracts, lots, or parcels of land, or portions thereof 2845 that, during the previous three consecutive calendar years have 2846 been designated as land devoted exclusively to agricultural use, 2847 but such land has been lying idle or fallow for up to one year 2848 and no action has occurred to such land that is either 2849 inconsistent with the return of it to agricultural production or 2850 converts the land devoted exclusively to agricultural use as 2851 defined in this section. Such land shall remain designated as 2852 land devoted exclusively to agricultural use provided that 2853 beyond one year, but less than three years, the landowner proves 2854 good cause as determined by the board of revision. 2855

2826

H. B. No. 354 As Introduced

(4) Tracts, lots, or parcels of land, or portions thereof 2856 that, during the previous three consecutive calendar years have 2857 been designated as land devoted exclusively to agricultural use, 2858 but such land has been lying idle or fallow because of dredged 2859 material being stored or deposited on such land pursuant to a 2860 contract between the land's owner and the department of natural 2861 2862 resources or the United States army corps of engineers and no action has occurred to the land that is either inconsistent with 2863 the return of it to agricultural production or converts the land 2864 devoted exclusively to agricultural use. Such land shall remain 2865 designated as land devoted exclusively to agricultural use until 2866 the last year in which dredged material is stored or deposited 2867 on the land pursuant to such a contract, but not to exceed five 2868 2869 vears.

"Land devoted exclusively to agricultural use" includes 2870 tracts, lots, or parcels of land or portions thereof that are 2871 used for conservation practices, provided that the tracts, lots, 2872 or parcels of land or portions thereof comprise twenty-five per 2873 cent or less of the total of the tracts, lots, or parcels of 2874 land that satisfy the criteria established in division (A)(1), 2875 (2), (3), or (4) of this section together with the tracts, lots, 2876 or parcels of land or portions thereof that are used for 2877 conservation practices. 2878

Notwithstanding any other provision of law to the2879contrary, the existence of agritourism on a tract, lot, or2880parcel of land that otherwise meets the definition of "land2881devoted exclusively to agricultural use" as defined in this2882division does not disqualify that tract, lot, or parcel from2883valuation under sections 5713.30 to 5713.37 and 5715.01 of the2884Revised Code.2885

A tract, lot, or parcel of land taxed under sections	2886
5713.22 to 5713.26 of the Revised Code is not land devoted	2887
exclusively to agricultural use.	2888
A tract, lot, parcel, or portion thereof on which medical	2889
marijuana, as defined by section 3796.01 of the Revised Code, <u>or</u>	2890
adult use cannabis, as defined in section 3780.01 of the Revised	2891
Code, is cultivated or processed is not land devoted exclusively	2892
to agricultural use.	2893
(B) "Conversion of land devoted exclusively to	2894
agricultural use" means any of the following:	2895
(1) The failure of the owner of land devoted exclusively	2896
to agricultural use during the next preceding calendar year to	2897
file a renewal application under section 5713.31 of the Revised	2898
Code without good cause as determined by the board of revision;	2899
(2) The failure of the new owner of such land to file an	2900
initial application under that section without good cause as	2901
determined by the board of revision;	2902
(3) The failure of such land or portion thereof to qualify	2903
as land devoted exclusively to agricultural use for the current	2904
calendar year as requested by an application filed under such	2905
section;	2906
(4) The failure of the owner of the land described in	2907
division (A)(3) or (4) of this section to act on such land in a	2908
manner that is consistent with the return of the land to	2909
agricultural production after three years.	2910
The construction or installation of an energy facility, as	2911
defined in section 5727.01 of the Revised Code, on a portion of	2912
a tract, lot, or parcel of land devoted exclusively to	2913
agricultural use shall not cause the remaining portion of the	2914

tract, lot, or parcel to be regarded as a conversion of land 2915
devoted exclusively to agricultural use if the remaining portion 2916
of the tract, lot, or parcel continues to be devoted exclusively 2917
to agricultural use. 2918

(C) "Tax savings" means the difference between the dollar 2919 amount of real property taxes levied in any year on land valued 2920 and assessed in accordance with its current agricultural use 2921 value and the dollar amount of real property taxes that would 2922 have been levied upon such land if it had been valued and 2923 assessed for such year in accordance with Section 2 of Article 2924 XII, Ohio Constitution. 2925

(D) "Owner" includes, but is not limited to, any person
 2926
 owning a fee simple, fee tail, or life estate or a buyer on a
 2927
 land installment contract.
 2928

(E) "Conservation practices" are practices used to abate
2929
soil erosion as required in the management of the farming
2930
operation, and include, but are not limited to, the
2931
installation, construction, development, planting, or use of
2932
grass waterways, terraces, diversions, filter strips, field
2933
borders, windbreaks, riparian buffers, wetlands, ponds, and
2934
cover crops for that purpose.

(F) "Wetlands" has the same meaning as in section 6111.02 2936of the Revised Code. 2937

(G) "Biodiesel" means a mono-alkyl ester combustible
liquid fuel that is derived from vegetable oils or animal fats
or any combination of those reagents and that meets the American
society for testing and materials specification D6751-03a for
biodiesel fuel (B100) blend stock distillate fuels.

(H) "Biologically derived methane gas" means gas from the 2943

anaerobic digestion of organic materials, including animal waste	2944
and agricultural crops and residues.	2945
(I) "Biomass energy" means energy that is produced from	2946
organic material derived from plants or animals and available on	2947
a renewable basis, including, but not limited to, agricultural	2948
crops, tree crops, crop by-products, and residues.	2949
	2010
(J) "Electric or heat energy" means electric or heat	2950
energy generated from manure, cornstalks, soybean waste, or	2951
other agricultural feedstocks.	2952
(K) "Dredged material" means material that is excavated or	2953
dredged from waters of this state. "Dredged material" does not	2954
include material resulting from normal farming, silviculture,	2955
and ranching activities, such as plowing, cultivating, seeding,	2956
and harvesting, for production of food, fiber, and forest	2957
products.	2958
(T) Wannitzuniam William the same meaning of in section	
(L) "Agritourism" has the same meaning as in section	2959
901.80 of the Revised Code.	2960
Sec. 5755.01. As used in this chapter:	2961
(A) "Adult use cannabis receipts" means the total amount	2962
received by an adult use cultivator, without deduction for the	2963
cost of goods sold, taxes paid, or other expenses incurred, from	2964
the sale or other disposition of adult use cannabis to any other	2965
person as authorized under Chapter 3780. of the Revised Code.	2966
(B) "Calendar quarter" means a three-month period ending	2967
on the thirty-first day of March, the thirtieth day of June, the	2968
thirtieth day of September, or the thirty-first day of December.	2969
III III III IIII IIII IIII IIII	
(C) "Tax period" means the calendar quarter on the basis	2970
of which a taxpayer is required to pay the tax imposed under	2971

this chapter. 2972 (D) "Agent" and "received" have the same meanings as in 2973 section 5751.01 of the Revised Code. 2974 (E) "Adult use cannabis" has the same meaning as in 2975 section 3780.01 of the Revised Code. 2976 (F) "Sale" includes exchange, barter, gift, offer for 2977 sale, and distribution, and includes transactions in interstate 2978 or foreign commerce. 2979 2980 (G) "Taxpayer" means any person liable for the tax imposed by this chapter. 2981 (H) "Adult use cultivator" means a level I adult use 2982 cultivator, a level II adult use cultivator, or a level III 2983 adult use cultivator, as those terms are defined in section 2984 3780.01 of the Revised Code. 2985 Sec. 5755.02. (A) For the purpose of funding the county 2986 jail construction and renovation, law enforcement training, 2987 county sheriffs in which certain marijuana facilities are 2988 located, and victim assistance programs, the following tax is 2989 hereby levied: 2990 On each adult use cultivator, an excise tax of ten per 2991 cent of an adult use cultivator's adult use cannabis receipts 2992 for the tax period. 2993 (B) The tax imposed by this section is in addition to any 2994 other taxes or fees imposed under the Revised Code. The tax is 2995 part of the price for purposes of sales and use taxes levied 2996 under Chapters 5739. and 5741. of the Revised Code. 2997

Sec. 5755.03. (A) Not later than thirty days after first2998receiving adult use cannabis receipts, an adult use cultivator2999

shall register with the tax commissioner by submitting all of	3000
the following:	3001
(1) A copy of the license or licenses and certificate or	3002
certificates, as applicable, issued to the registrant under	3003
Chapter 3780. of the Revised Code;	3004
(2) The registrant's federal employer identification	3005
number or social security number or equivalent, as applicable;	3006
(3) All other information that the commissioner requires	3007
to administer and enforce this chapter.	3008
(B) If an adult use cultivator that is required to	3009
register with the commissioner does not do so within the time	3010
prescribed by division (A) of this section, an additional fee is	3011
imposed in the amount of one hundred dollars per month or part	3012
thereof that the fee is outstanding, not to exceed one thousand	3013
dollars. The commissioner may abate the additional fee for good	3014
cause. The fee may be assessed in the same manner as the tax	3015
imposed under this chapter.	3016
(C) Proceeds from the fees imposed under division (B) of	3017
this section shall be credited to the adult use cannabis	3018
receipts fund created in section 5755.13 of the Revised Code.	3019
(D) An adult use cultivator that is registered with the	3020
commissioner under division (A) of this section shall notify the	3021
commissioner if any of the following occur with respect to a	3022
license or certificate issued to the registrant under Chapter	3023
3780. of the Revised Code:	3024
(1) The license or certificate expires or is revoked;	3025
(2) A change to the activities in which the taxpayer is	3026
permitted to engage;	3027

(3) A change in the locations or facilities in which the 3028 taxpayer is permitted to engage in such activities. 3029 Sec. 5755.04. Not later than the tenth day of the second 3030 month after the end of each calendar quarter, every taxpayer 3031 shall file with the tax commissioner a return for the preceding 3032 calendar quarter showing any information the commissioner finds 3033 necessary for the proper administration of this chapter, 3034 together with remittance of the tax due. 3035 Sec. 5755.05. (A) Any taxpayer that fails to file a return 3036 or pay the full amount of the tax due within the period 3037 prescribed under section 5755.04 of the Revised Code shall pay a 3038 penalty in an amount not exceeding the greater of fifty dollars 3039 or ten per cent of the tax required to be paid for the tax 3040 period. 3041 (B) (1) If any additional tax is found to be due, the tax 3042 commissioner may impose an additional penalty of up to fifteen 3043 per cent of the additional tax found to be due. 3044 3045 (2) Any delinquent payments made after a taxpayer is notified of an audit or a tax discrepancy by the commissioner 3046 are subject to the penalty imposed by division (B)(1) of this 3047 section. If an assessment is issued under section 5755.08 of the 3048 Revised Code in connection with such delinquent payments, the 3049 payments shall be credited to the assessment. 3050 (C) If the commissioner notifies a taxpayer required to 3051 register under section 5755.03 of the Revised Code of such 3052 requirement and of the requirement to remit the tax due under 3053 this chapter, and the taxpayer fails to so register and remit 3054 the tax within sixty days after the notice, the commissioner may 3055 impose an additional penalty of up to thirty-five per cent of 3056

the tax due. The penalty imposed under this division is in	3057
addition to any other penalties imposed under this section.	3058
(D) The commissioner may collect any penalty or interest	3059
imposed by this section in the same manner as the tax imposed	3060
under this chapter. Penalties and interest so collected shall be	3061
considered as revenue arising from the tax imposed under this	3062
<u>chapter.</u>	3063
(E) The commissioner may abate all or a portion of any	3064
penalties imposed under this section and may adopt rules	3065
governing such abatements.	3066
(F) If any tax due is not timely paid within the period	3067
prescribed under section 5755.04 of the Revised Code, the	3068
taxpayer shall pay interest, calculated at the rate per annum	3069
prescribed by section 5703.47 of the Revised Code, from the date	3070
the tax payment was due to the date of payment or to the date an	3071
assessment was issued, whichever occurs first.	3072
(G) The commissioner may impose a penalty of up to ten per	3073
cent for any additional tax that is due from a taxpayer that	3074
reports incorrect information.	3075
Sec. 5755.06. (A) Any taxpayer required to file returns	3076
under section 5755.04 of the Revised Code shall remit each tax	3077
payment, and, if required by the tax commissioner, file the tax	3078
return or the annual report, electronically. The commissioner	3079
may require taxpayers to use the Ohio business gateway as	3080
defined in section 718.01 of the Revised Code to file returns	3081
and remit the taxes, or may provide another means for taxpayers	3082
to file and remit the taxes electronically.	3083
(B) A taxpayer required to remit taxes or file returns	3084
electronically under division (A) of this section may apply to	3085

the commissioner, on a form prescribed by the commissioner, to 3086 be excused from that requirement. The commissioner may excuse a 3087 taxpayer from the requirements of this section for good cause. 3088 (C) (1) If a taxpayer required to remit tax or file a 3089 return electronically under division (A) of this section fails 3090 to do so, the commissioner may impose a penalty not to exceed 3091 the following: 3092 (a) For either of the first two tax periods the taxpayer 3093 so fails, the greater of twenty-five dollars or five per cent of 3094 the amount of the payment that was required to be remitted; 3095 (b) For the third and any subsequent tax periods the 3096 taxpayer so fails, the greater of fifty dollars or ten per cent 3097 of the amount of the payment that was required to be remitted. 3098 (2) The penalty imposed under division (C)(1) of this 3099 section is in addition to any other penalty imposed under this 3100 chapter and shall be considered as revenue arising from the tax 3101 imposed under this chapter. A penalty may be collected by 3102 assessment in the manner prescribed by section 5755.08 of the 3103 Revised Code. The commissioner may abate all or a portion of 3104 3105 such a penalty. (D) The commissioner may adopt rules necessary to 3106 administer this section. 3107 Sec. 5755.07. (A) An application for refund to the 3108 taxpayer of any amount imposed under this chapter that is 3109 overpaid, paid illegally or erroneously, or paid on any illegal_ 3110 or erroneous assessment shall be filed by the taxpayer with the 3111 tax commissioner, on a form prescribed by the commissioner, 3112 within four years after the date of the illegal or erroneous 3113 payment of the amount, or within any additional period allowed 3114
under division (F) of section 5755.08 of the Revised Code. The 3115 applicant shall provide the amount of the requested refund along 3116 with the claimed reasons for, and documentation to support, the 3117 issuance of a refund. 3118 (B) On the filing of the refund application, the 3119 commissioner shall determine the amount of refund to which the 3120 applicant is entitled. If the amount is not less than that 3121 claimed, the commissioner shall certify the amount to the 3122 director of budget and management and treasurer of state for 3123 payment from the tax refund fund created under section 5703.052 3124 of the Revised Code. If the amount is less than that claimed, 3125 the commissioner shall proceed in accordance with section 3126 5703.70 of the Revised Code. 3127 (C) Interest on a refund applied for under this section, 3128 computed at the rate provided for in section 5703.47 of the 3129 Revised Code, shall be allowed from the later of the date the 3130 tax was paid or when the tax payment was due. 3131 (D) Except as provided in section 5755.071 of the Revised 3132 Code, the commissioner may, with the consent of the taxpayer, 3133 provide for the crediting, against tax due for any tax period, 3134 of the amount of any refund due to the taxpayer under this 3135 section for a preceding tax period. 3136 Sec. 5755.071. As used in this section, "debt to this 3137 state" means unpaid taxes due the state, unpaid workers' 3138 compensation premiums due under section 4123.35 of the Revised 3139 Code, unpaid unemployment compensation contributions due under 3140 section 4141.25 of the Revised Code, unpaid unemployment 3141 compensation payment in lieu of contribution under section 3142 4141.241 of the Revised Code, unpaid fees payable to the state 3143 or to the clerk of courts pursuant to section 4505.06 of the 3144

Revised Code, incorrect payments for medicaid services under the 3145 medicaid program, or any unpaid charge, penalty, or interest 3146 arising from any of the foregoing. 3147 If a taxpayer entitled to a refund under section 5755.07 3148 of the Revised Code owes any debt to this state, the amount 3149 refundable may be applied in satisfaction of the debt. If the 3150 amount refundable is less than the amount of the debt, it may be 3151 applied in partial satisfaction of the debt. If the amount 3152 refundable is greater than the amount of the debt, the amount 3153 remaining after satisfaction of the debt shall be refunded. This 3154 section applies only to debts that have become final. For the 3155 purposes of this section, a debt becomes final when, under the 3156 applicable law, any time provided for petition for reassessment, 3157 request for reconsideration, or other appeal of the legality or 3158 validity of the amount giving rise to the debt expires without 3159 an appeal having been filed in the manner provided by law. 3160 Sec. 5755.08. (A) The tax commissioner may make an 3161 assessment, based on any information in the commissioner's 3162 possession, against any person that fails to file a return or 3163 pay tax as required under section 5755.04 of the Revised Code. 3164 The commissioner shall give the person assessed written notice 3165 of the assessment as provided in section 5703.37 of the Revised 3166 Code. With the notice, the commissioner shall provide 3167 instructions on the manner in which to petition for reassessment 3168 and request a hearing with respect to the petition. 3169 (B) Unless the person assessed, within sixty days after 3170 service of the notice of assessment, files with the 3171 commissioner, either personally or by certified mail, a written 3172

petition signed by the person or the person's authorized agent3173having knowledge of the facts, the assessment becomes final, and3174

the amount of the assessment is due and payable from the person	3175						
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 patition for reasonant has been properly filed	3180						
If a petition for reassessment has been properly filed,	3181						
the commissioner shall proceed under section 5703.60 of the							
Revised Code.	3182						
(C)(1) After an assessment becomes final, if any portion	3183						
of the assessment, including accrued interest, remains unpaid, a	3184						
certified copy of the commissioner's entry making the assessment	3185						
final may be filed in the office of the clerk of the court of	3186						
common pleas in the county in which the person resides or has	3187						
its principal place of business in this state, or in the office	3188						
of the clerk of the court of common pleas of Franklin county.	3189						
(2) Immediately upon the filing of the entry, the clerk	3190						
shall enter judgment for the state against the person assessed	3191						
in the amount shown on the entry. The judgment may be filed by	3192						
the clerk in a loose-leaf book entitled "special judgments for	3193						
the adult use cannabis receipts tax" and shall have the same	3194						
effect as other judgments. Execution shall issue upon the	3195						
judgment at the request of the commissioner, and all laws	3196						
applicable to sales on execution shall apply to sales made under	3197						
the judgment.	3198						
(3) If the assessment is not paid in its entirety within	3199						
(3) IT the assessment is not para in its chericity within							
sixty days after the day the assessment was issued the portion							
sixty days after the day the assessment was issued, the portion	3200						
of the assessment consisting of tax due shall bear interest at	3200 3201						
of the assessment consisting of tax due shall bear interest at the rate per annum prescribed by section 5703.47 of the Revised	3200 3201 3202						
of the assessment consisting of tax due shall bear interest at	3200 3201						

comes first. If the unpaid portion of the assessment is32certified to the attorney general for collection, the entire32unpaid portion of the assessment shall bear interest at the rate32per annum prescribed by section 5703.47 of the Revised Code from32the date of certification until the date it is paid in its32entirety. Interest shall be paid in the same manner as the tax32imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	205 206 207 208 209 210 211 212 213 214					
certified to the attorney general for collection, the entire32unpaid portion of the assessment shall bear interest at the rate32per annum prescribed by section 5703.47 of the Revised Code from32the date of certification until the date it is paid in its32entirety. Interest shall be paid in the same manner as the tax32imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	207 208 209 210 211 212 213					
unpaid portion of the assessment shall bear interest at the rate32per annum prescribed by section 5703.47 of the Revised Code from32the date of certification until the date it is paid in its32entirety. Interest shall be paid in the same manner as the tax32imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	208 209 210 211 212 213					
per annum prescribed by section 5703.47 of the Revised Code from32the date of certification until the date it is paid in its32entirety. Interest shall be paid in the same manner as the tax32imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	209 210 211 212 213					
the date of certification until the date it is paid in its32entirety. Interest shall be paid in the same manner as the tax32imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	210 211 212 213					
entirety. Interest shall be paid in the same manner as the tax32imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	211 212 213					
imposed by this chapter and may be collected by the issuance of32an assessment under this section.32(D) If the commissioner believes that collection of the32tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	212 213					
an assessment under this section. 32 (D) If the commissioner believes that collection of the 32 tax imposed by this chapter will be jeopardized unless 32 proceedings to collect or secure collection of the tax is 32 instituted without delay, the commissioner may issue a jeopardy 32 assessment against the person liable for the tax. Immediately 32 upon the issuance of the jeopardy assessment, the commissioner 32 shall file an entry with the clerk of the court of common pleas 32 in the manner prescribed by division (C) of this section. Notice 32	213					
(D) If the commissioner believes that collection of the32tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32						
tax imposed by this chapter will be jeopardized unless32proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	214					
proceedings to collect or secure collection of the tax is32instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32						
instituted without delay, the commissioner may issue a jeopardy32assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	215					
assessment against the person liable for the tax. Immediately32upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	216					
upon the issuance of the jeopardy assessment, the commissioner32shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	217					
shall file an entry with the clerk of the court of common pleas32in the manner prescribed by division (C) of this section. Notice32	218					
in the manner prescribed by division (C) of this section. Notice 32	219					
	220					
of the jeopardy assessment shall be served on the person 32	221					
	222					
assessed or the person's authorized agent in the manner provided 32	223					
in section 5703.37 of the Revised Code within five days of the 32	224					
filing of the entry with the clerk. The total amount assessed is 32	225					
immediately due and payable unless the person assessed files a 32	226					
petition for reassessment in accordance with division (B) of 32	227					
this section and provides security in a form satisfactory to the 32	228					
commissioner and in an amount sufficient to satisfy the unpaid 32	229					
balance of the assessment. Full or partial payment of the 32	230					
assessment does not prejudice the commissioner's consideration 32	231					
of the petition for reassessment. 32	232					
(E) The commissioner shall immediately forward to the 32	233					
treasurer of state all amounts the commissioner receives under 32	234					
this section, and such amounts shall be considered as revenue						

Page 113

arising from the tax imposed under this chapter.								
(F) Except as otherwise provided in this division, no	3237							
assessment shall be made or issued against a taxpayer for the								
tax imposed under this chapter more than four years after the	3239							
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	3241							
return for the tax period was filed, whichever is later. The	3242							
time limit may be extended if both the taxpayer and the	3243							
commissioner consent in writing to the extension or enter into	3244							
an agreement waiving or extending the time limit. Any such	3245							
extension shall extend the four-year time limit in division (A)	3246							
of section 5755.07 of the Revised Code for the same period of	3247							
time. Nothing in this division bars an assessment against a	3248							
taxpayer that fails to file a return required under section	3249							
5755.04 of the Revised Code or that files a fraudulent return.	3250							
(G) If the commissioner possesses information that	3251							
indicates that the amount of tax a taxpayer is required to pay	3252							
under division (A) of section 5755.02 of the Revised Code	3253							
exceeds the amount the taxpayer paid, the commissioner may audit	3254							
a sample of the taxpayer's adult use cannabis receipts over a	3255							
representative period of time to ascertain the amount of tax	3256							
due, and may issue an assessment based on the audit. The	3257							
commissioner shall make a good faith effort to reach agreement	3258							
with the taxpayer in selecting a representative sample. The	3259							
commissioner may apply a sampling method only if the	3260							
commissioner has prescribed the method by rule.	3261							
(H) If the whereabouts of a person subject to this chapter_	3262							
is not known to the tax commissioner, the commissioner shall	3263							
follow the procedures under section 5703.37 of the Revised Code.	3264							

Sec. 5755.09. If any person liable for the tax imposed 3265

under this chapter sells the trade or business, disposes in any	3266						
manner other than in the regular course of business at least	3267						
seventy-five per cent of assets of the trade or business, or	3268						
quits the trade or business, any tax owed by such person shall	3269						
become due and payable immediately, and the person shall pay the	3270						
tax due under this chapter, including any applicable penalties	3271						
and interest, within forty-five days after the date of selling	3272						
or quitting the trade or business. The person's successor shall	3273						
withhold a sufficient amount of the purchase money to cover the	3274						
amount due and unpaid until the former owner produces a receipt	3275						
from the tax commissioner showing that the amounts are paid or a	3276						
certificate indicating that no tax is due. If a purchaser fails	3277						
to withhold purchase money, that person is personally liable, up	3278						
to the purchase money amount, for such amounts that are unpaid	3279						
during the operation of the business by the former owner.							
The commissioner may adopt rules recording the issuence of	3281						
The commissioner may adopt rules regarding the issuance of	3281						
certificates under this section, including the waiver of the							
<u>need for a certificate if certain criteria are met.</u>	3283						
Sec. 5755.10. If any person subject to this chapter fails	3284						
to report or pay the tax as required under section 5755.04 of	3285						
the Revised Code, or fails to pay any penalty imposed under this	3286						
chapter within ninety days after the time prescribed for payment	3287						
of the penalty, the attorney general, on the request of the tax	3288						
commissioner, shall commence an action in quo warranto in the	3289						
court of appeals of the county in which the person resides or	3290						
has its principal place of business to forfeit and annul the	3291						
person's licenses or certificates issued under Chapter 3780. of	3292						
the Revised Code. If the court finds that the person is in	3293						
default for the amount claimed, it shall render judgment	3294						
revoking the person's registration and shall otherwise proceed	3295						
as provided in Chapter 2733. of the Revised Code.	3296						

Sec. 5755.11. (A) The tax commissioner may prescribe	3297						
requirements for the keeping of records and other pertinent	3298						
documents, the filing of copies of federal income tax returns	3299						
and determinations, and computations reconciling federal income	3300						
tax returns with the returns and reports required by section	3301						
5755.04 of the Revised Code. The commissioner may require any	3302						
person, by rule or notice served on that person, to keep those	3303						
records that the commissioner considers necessary to show	3304						
whether, and the extent to which, a person is subject to this							
<u>chapter.</u>	3306						
(B) Each taxpayer shall maintain complete and accurate	3307						
records of all sales and other dispositions of adult use	3308						
cannabis, and shall procure and retain all invoices, bills of	3309						
lading, and other documents relating to the sales and other	3310						
dispositions of adult use cannabis. No person shall make a false	3311						
entry upon any invoice or record upon which an entry is required	3312						
by this section and no person shall present any false entry for	3313						
the inspection of the commissioner with the intent to evade the							
tax levied under this chapter.							
(C) The records described in divisions (A) and (B) of this	3316						
section and other documents shall be open during business hours	3317						
to the inspection of the commissioner, and shall be preserved	3318						
for a period of four years, unless the commissioner, in writing,	3319						
consents to their destruction within that period, or by order	3320						
requires that they be kept for a longer period. If such records	3321						
are normally kept by the person electronically, the person shall	3322						
provide such records to the commissioner electronically at the	3323						
commissioner's request.	3324						
(D) Any information acquired by the commissioner under_	3325						
(2, my information adjuited by the commissioner under	5525						

this chapter is confidential as provided for in section 5703.21

3326

of the Revised Code, except that the commissioner shall make	3327							
public an electronic list of all actively registered persons								
required to remit the tax under this chapter, including legal								
names, trade names, addresses, and account numbers. In addition,								
the list shall include all persons that canceled their	3331							
registration at any time during the preceding four calendar	3332							
years, including the effective date of the cancellation.								
Sec. 5755.12. (A) No person shall prepare for shipment,	3334							
<u>ship, transport, deliver, prepare for distribution, or</u>	3335							
distribute adult use cannabis, or otherwise engage or	3336							
participate in the business of distributing adult use cannabis,	3337							
with the intent to avoid payment of the tax levied by this								
chapter.	3339							
	2240							
(B) The tax commissioner or an agent of the commissioner	3340							
may enter and inspect the facilities and records of a person	3341							
selling adult use cannabis. Such entrance and inspection	3342							
requires a properly issued search warrant if conducted outside	3343							
the normal business hours of the person, but does not require a	3344							
search warrant if conducted during the normal business hours of	3345							
the person. No person shall prevent or hinder the commissioner	3346							
or an agent of the commissioner from carrying out the authority	3347							
granted under this division.								
	2240							
(C) Whenever the commissioner discovers adult use	3349							
cannabis, the receipts from which are subject to the tax levied	3350							
by this chapter upon which the tax has not been paid or the	3351							
commissioner has reason to believe the tax is being avoided, the	3352							
commissioner may seize and take possession of the cannabis,	3353							
which, upon seizure, shall be forfeited to the state. Within a	3354							
reasonable time after seizure, the commissioner may sell the								
forfeited cannabis. From the proceeds of this sale, the								

commissioner shall pay the costs incurred in the seizure and	3357
sale, and any proceeds remaining after the sale shall be	3358
considered as revenue arising from the tax. The seizure and sale	3359
shall not relieve any person from the fine or imprisonment	3360
provided for a violation of this chapter. The commissioner shall	3361
make the sale where it is most convenient and economical, but	3362
may order the destruction of forfeited cannabis if the quantity	3363
or quality is not sufficient to warrant its sale.	3364
Sec. 5755.13. (A) As used in this section, "cultivation or	3365
processing facility" means either a cultivation facility, as	3366
defined in section 3780.01 of the Revised Code, or the physical	3367
location approved for operation under a license issued pursuant	3368
to section 3780.14 of the Revised Code.	3369
(B) The following funds are created in the state treasury:	3370
(1) The adult use cannabis receipts fund;	3371
(2) The adult use cannabis local jail fund, which the	3372
director of rehabilitation and correction shall use to provide	3373
grants to support the construction and renovation of county	3374
jails pursuant to section 5120.81 of the Revised Code;	3375
(3) The adult use cannabis county sheriff fund, which the	3376
director of budget and management shall distribute quarterly to	3377
counties that include at least one cultivation or processing	3378
facility, allocated in proportion to the population of each	3379
county that includes at least one cultivation or processing	3380
facility during the preceding tax period. Money received by a	3381
county from this fund shall be used exclusively by the county	3382
sheriff for any lawful expense of the sheriff.	3383
(4) The adult use cannabis law enforcement training fund,	3384
which the attorney general shall use to support the training of	3385

peace officers and troopers that is required under sections 3386 109.802 and 109.803 of the Revised Code; 3387 (5) The adult use cannabis crime victims assistance fund, 3388 which shall be used by the attorney general to provide financial 3389 assistance to victim assistance programs that operate in the 3390 state pursuant to section 109.92 of the Revised Code. 3391 (C) All amounts collected from the tax levied under this 3392 chapter shall be deposited into the adult use cannabis receipts 3393 fund. Investment earnings of adult use cannabis receipts fund 3394 shall be credited to that fund. 3395 From the marijuana receipts fund, the director of budget 3396 and management shall transfer as needed to the tax refund fund 3397 amounts equal to the refunds certified by the tax commissioner 3398 under section 5755.07 of the Revised Code. 3399 (D) After making any transfers required under division (C) 3400 of this section, the director of budget and management shall 3401 transfer amounts remaining in the marijuana receipts fund as 3402 f<u>ollows:</u> 3403 (1) Thirty-six per cent to the adult use cannabis local 3404 jail fund; 3405 (2) Thirty-six per cent to the adult use cannabis county 3406 sheriff fund; 3407 (3) Twenty-three per cent to the adult use cannabis law 3408 enforcement training fund; 3409 (4) Five per cent to the adult use cannabis crime victims 3410 assistance fund. 3411 Sec. 5755.99. (A) Whoever knowingly files a fraudulent 3412 refund claim under section 5755.07 of the Revised Code shall be 3413

<u>days, or both.</u>

fined the greater of one thousand dollars or the amount of the 3414 fraudulent refund requested, or imprisoned not more than sixty 3415 3416 (B) Except as otherwise provided in this section, whoever 3417 knowingly violates any section of this chapter or any rule 3418 adopted by the tax commissioner under this chapter shall be 3419 fined not more than five hundred dollars, or imprisoned not more 3420 than thirty days, or both. 3421 (C) The penalties provided in this section are in addition 3422

to any penalties imposed by the tax commissioner under this 3423 3424 chapter.

Section 2. That existing sections 131.02, 715.013, 3425 3780.01, 3780.03, 3780.04, 3780.05, 3780.06, 3780.07, 3780.08, 3426 3780.09, 3780.10, 3780.11, 3780.17, 3780.19, 3780.20, 3780.21, 3427 3780.22, 3780.23, 3780.25, 3780.26, 3780.28, 3780.29, 3780.30, 3428 3780.31, 3780.32, 3780.33, 3780.34, 3780.35, 3780.36, 3796.02, 3429 5119.10, 5502.13, 5703.052, 5703.053, 5703.19, 5703.263, 3430 5703.50, 5703.70, 5703.77, and 5713.30 of the Revised Code are 3431 3432 hereby repealed.

Section 3. That section 3780.27 of the Revised Code is 3433 hereby repealed. 3434

Section 4. GENERAL REVENUE FUND TRANSFER TO ADULT USE 3435 CANNABIS LAW ENFORCEMENT TRAINING FUND 3436

On June 1, 2024, or as soon as possible thereafter, the 3437 Attorney General shall certify the anticipated amount of the 3438 unexpended, unencumbered balance of appropriation item 055509, 3439 Law Enforcement Training remaining for fiscal year 2024 to the 3440 Director of Budget and Management. The Director of Budget and 3441 Management shall transfer cash in that amount from the General 3442

Reven	ue Fund	to	the Adu	lt Use	Canna	abis	Law	Enforcement	Training	3443
Fund	created	in	section	5755.3	13 of	the	Revi	lsed Code.		3444