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Contains item vetoes.

Nick Thomas and Jeff Grim, Research Analysts, and other LSC staff CORRECTED VERSION*

SUMMARY

Overview

- Repeals the Cannabis Control Law and combines regulations concerning the cultivation, processing, dispensing, use, and home grow of adult-use and medical marijuana into one chapter, referred to in this analysis as the Marijuana Control Law.
- Condenses the operations of the Division of Cannabis Control (DCC) and the Division of Marijuana Control (DMC) into DCC.

Product regulations

- Prohibits possession or use of marijuana that is not acquired from a licensed Ohio dispensary or cultivated at the adult-use consumer's primary residence in accordance with the Marijuana Control Law.
- Eliminates DCC's authority to approve new forms of adult-use marijuana.
- Prohibits adult-use or medical marijuana that is attractive to children or bears the likeness or characteristics of a realistic or fictional human, animal, or fruit.
- Reduces allowable tetrahydrocannabinol (THC) levels in adult-use marijuana extracts from a maximum of 90% (or more) to a maximum of 70%.
- Removes DCC's authority to eliminate THC limits for adult-use marijuana products.
- Allows DCC to increase THC limits for adult-use and medical marijuana extracts.

* This version of the analysis corrects an error in the discussion of the General Assembly's intent statement for drinkable cannabinoid products.

- Allows DCC to adopt rules establishing content limits for adult-use and medical marijuana by serving or per package.
- Prohibits a licensed dispensary from dispensing or selling more adult-use marijuana than can be legally possessed to the same adult-use consumer in the same day.
- Requires adult-use marijuana products to be packaged and labeled with certain information and warnings.
- Adds pre-rolled marijuana products as an allowable form of adult-use marijuana.
- Allows adult-use consumers to transfer up to two and one-half ounces of plant material or 15 grams of extract to another adult-use consumer if the transfer takes place at a private residence and is without remuneration.

Home grow

- Maintains existing limitations on the number of home grow plants – six per adult and 12 per residence – but applies a criminal penalty against a person who exceeds the limits by any amount of plants, as opposed to double the limits.
- Prohibits cultivating homegrown marijuana at a childcare home, halfway house, community transitional housing facility, community residential center, or a residential premises occupied pursuant to a rental agreement that prohibits home grow.
- Prohibits cultivating, growing, or possessing homegrown marijuana on behalf of another person.

Adult-use consumers

- Specifies that the possession limits do not apply to seeds, live plants, or clones being cultivated, grown, or processed in accordance with the home grow law.
- Makes changes regarding possession and transfer requirements and limitations regarding adult-use and homegrown marijuana.
- Requires edible adult-use and medical marijuana to be stored in its original packaging when not in use.
- Requires adult-use, medical, and homegrown marijuana and marijuana paraphernalia to be transported in the trunk or behind the back row of seats in a place not easily accessible to the driver.
- Prohibits the possession or use of marijuana paraphernalia that is not approved by DCC rule.
- Specifies that the smoking, combustion, and vaporization of adult-use and homegrown marijuana, and vaporization (and in public places, smoking and combustion) of medical marijuana, is prohibited in a public place, place of public employment, a private residence that is a childcare home, a halfway house, or residential premises occupied pursuant to a rental agreement that prohibits such activities.

- Applies elevated penalties to persons who smoke, combust, or vaporize marijuana in a vehicle, streetcar, trackless trolley, watercraft, or aircraft.
- Enhances the criminal and administrative penalties for persons who knowingly distribute adult-use or home grow marijuana to a person under 21 years of age.

Licensing

- Combines the adult-use and medical marijuana licenses and requires licensed cultivators, processors, dispensaries, and laboratories to work with both adult-use and medical marijuana.
- Modifies the eligibility criteria for licensure and requires DCC to rank applicants that meet those criteria using an impartial and evidence-based process according to eligibility, suitability, and ability to operate.
- Requires DCC, if it uses a lottery system to issue licenses, to assign better odds to applicants that are highly rated under the ranking process.
- Specifies that “10(B) licenses” issued under the Cannabis Control Law before March 20, 2026, are subject to all procedures, requirements, and penalties that apply to the equivalent license under the Marijuana Control Law.
- Requires DCC to merge equivalent licenses issued to the same person and used at the same location.
- Eliminates level III adult-use cultivator licenses.
- Modifies the setback requirements concerning the location or relocation of dispensaries, cultivators, processors, and laboratories in relation to churches, schools, public libraries, public parks, and public playgrounds.
- Repeals the prohibition against dispensaries providing samples of adult-use marijuana products.
- Allows DCC to prohibit advertisements that are false, targeted to minors, attractive to minors, promote excessive use, promote illegal activity, are obscene or indecent, contain depictions of marijuana use, or promote marijuana as an intoxicant.
- Requires DCC’s rules concerning advertisement of adult-use marijuana products to be no less stringent than the most stringent rules or laws regulating tobacco or alcohol advertising.
- Prohibits adult-use and medical marijuana products from being marketed using any graphic, picture, or drawing that bears any resemblance to a cartoon character or popular figure whose target audience is children or youth.
- Requires pre-approval by DCC of names, logos, signs, or materials used to advertise adult-use or medical marijuana.
- Prohibits advertisements asserting or suggesting that adult-use marijuana has any health or therapeutic benefits.

- Prohibits marijuana advertisements within 500 feet of a school, church, public library, public playground, or public park, but exempts signage on the facility of a license holder.

Cultivators, processors, and dispensaries

- Requires DCC to issue two types of cultivation licenses: a level I license that authorizes a cultivation area up to 100,000 square feet and a level II license that authorizes a cultivation area of up to 15,000 square feet.
- Allows DCC to expand the cultivation area of a license holder that was not allotted the maximum cultivation area so long as the total cultivation area does not exceed that maximum square footage.
- Modifies the permitted activities that a processor may perform to cover both adult-use and medical marijuana.
- Specifies that dispensaries can only accept government-issued identification as proof of the identity of a registered patient or caregiver or of the age of an adult-use consumer.
- Allows DCC to revoke a provisional dispensary license if the license holder does not obtain a certificate of operation within 18 months.
- Caps the number of active dispensaries at 400.
- Requires DCC to issue dispensary licenses in a way that prevents oversaturation and to refrain from issuing a license for a facility that is within one mile of another dispensary.
- Prohibits DCC from issuing a license or approving a relocation to a location or facility for which a permit to sell beer or intoxicating liquor has been issued.
- Prohibits transferring a provisional license.

Cannabis misuse prevention

- Retains and recodifies the law requiring DCC to contract with a statewide nonprofit corporation for the development and implementation of cannabis and related drug misuse prevention, education, and public awareness initiatives.

Employment with a license holder

- Eliminates the requirement that a person seeking employment with an adult-use marijuana business obtain a license from DCC.
- Requires such a person to complete the same background check required for employees of medical marijuana businesses under continuing law.
- Specifies that criminal offenses that disqualify an individual from employment with a license holder are those identified by DCC in rules.
- Requires DCC to establish standards for provisional employment of individuals who have exigent circumstances for the period in which the individual's background check is pending.

Administration (Vetoed in Part)

- Eliminates DCC authority to adopt rules that impose, among other things, requirements concerning technical standards for security and surveillance equipment, changes in ownership or control of license holders, and educating the public about marijuana.
- Specifies that rules adopted under the Cannabis Control Law before March 20, 2026, remain in effect until repealed or amended by DCC.
- Requires DCC to adopt rules prohibiting gifts, samples, or other free or discounted goods or services to induce or reward a license holder for business or referrals.
- Requires DCC by rule to establish standards and procedures for the online and mobile ordering of adult-use and medical marijuana.
- Requires DCC by rule to establish standards for the delivery of medical marijuana.
- Maintains the Medical Marijuana Law requirement that DCC adopt rules specifying which offenses disqualify an individual from qualifying for a license under the Marijuana Control Law.
- Would have required those rules to specify, at a minimum, that any felony offense disqualifies an individual from holding a license under the Marijuana Control Law (VETOED).
- Authorizes the Legislative Service Commission to renumber rules adopted under the Cannabis Control Law to account for its consolidation with the Medical Marijuana Control Law.
- Specifies that rules pending before the Common Sense Initiative or the Joint Committee on Agency Rule Review on March 20, 2026, are considered to be proposed under the Marijuana Control Law.
- Exempts DCC rules from continuing law requirements concerning reduction of regulatory restrictions on March 20, 2027.
- Allows the Ohio Investigative Unit (OIU) within the Department of Public Safety to assist DCC in enforcing the Marijuana Control Law.
- Modifies the criminal penalties imposed on persons who violate the Marijuana Control Law.

Name, image, and likeness (NIL) deals

- Expands the authority of institutions of higher education to prohibit students from entering into certain name, image, or likeness (NIL) deals to include adult-use marijuana products and license holders.

Local government authority

- Expands local government authority to prohibit or limit the number of licensed marijuana cultivators, processors, dispensaries, or testing laboratories.

Employment

- Specifies that a person who is discharged from employment for using marijuana is not eligible to serve a waiting period or be paid unemployment benefits for the duration of the person's unemployment.

Current agricultural use valuation

- Makes land used to cultivate adult-use marijuana ineligible to be valued for property tax purposes as other agricultural land pursuant to its current agricultural use value.

Local tax preemptions

- Extends local tax preemptions applicable to just medical or adult-use marijuana license holders to the other respective license holder.

Expungement of prior marijuana or hashish possession offenses

- Permits a person who, prior to March 20, 2026, was a defendant named in a dismissed complaint, indictment, or information for or was convicted of or pled guilty to an eligible marijuana or hashish possession offense to apply to the sentencing court to have the official record or record of conviction expunged.
- Provides that an eligible marijuana or hashish possession offense is a minor misdemeanor marijuana possession offense, a misdemeanor hashish possession offense, or a felony hashish possession offense involving not more than 15 grams of hashish.
- Specifies that unless indigent, the applicant must pay a filing fee of \$50, with \$30 of the fee designated to go to the state treasury (with half of that amount credited to the Attorney General Reimbursement Fund) and \$20 to go to the county general revenue fund.
- Requires the court that receives an application for expungement to set a date for a hearing within 45 to 90 days after the date of the filing of the application.
- Requires the court to notify the prosecutor of the hearing and permits the prosecutor to file an objection to the application prior to the hearing.
- Requires the court, at the hearing, to do the following:
 - Determine whether the applicant has, prior to March 20, 2026, been a defendant named in a dismissed complaint, indictment, or information for or been convicted of or pleaded guilty to an eligible marijuana or hashish possession offense;
 - If the prosecutor has filed an objection, consider the reasons against granting the application;
 - Weigh the interests of the applicant in having the official record or record of conviction expunged against the legitimate needs, if any, of the government to maintain those records.
- Requires the court to order expungement if the record meets eligibility requirements and, if the court orders the expungement, requires the court to send notice of the order to

each public office or agency that the court has reason to believe may have an official record pertaining to the case.

Appropriation

- Appropriates \$47.5 million in FY 2026 and \$49 million in FY 2027 from the Host Community Cannabis Fund to make marijuana excise tax distributions to municipal corporations and townships that have adult-use dispensaries.

Hemp

- Replaces definitions in the law governing hemp with new federally compliant hemp definitions that narrow the scope of what is considered hemp by specifying, in part, that hemp does not include any hemp-derived cannabinoid product that:
 - Exceeds 0.4 mg of total tetrahydrocannabinol (THC) per container;
 - Includes cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant (cannabis plant); and
 - Includes cannabinoids that are capable of being naturally produced by a cannabis plant and were synthesized or manufactured outside the plant.
- Requires the Superintendent of Cannabis Control, in consultation with the Director of Agriculture, to establish certain lists related to the definition of hemp, including cannabinoids known to be capable of being naturally produced by a cannabis plant.
- Requires the Superintendent to update the lists based on changes made by applicable federal agencies.
- Requires the Department of Agriculture, in consultation and in cooperation with the Department of Public Safety's Ohio Investigative Unit, to enforce the law governing hemp processing.

Regulation of drinkable cannabinoid products (DCPs) (VETOED IN PART)

- Would have created a temporary regulatory structure for the sale of DCPs (VETOED).
- Would have defined DCPs as a liquid hemp product to which all of the following criteria would have applied:
 - The product contains cannabinoids that are solely derived from hemp;
 - The product is prepackaged and intended to be consumed via ingestion;
 - The product does not contain more than 0.3% of any THC and does not include a drug;
 - The product does not contain more than 0.3% of total THC per serving; and
 - The product container does not contain more than one serving of 12 fluid ounces (VETOED).

- Would have allowed micro distilleries, small breweries, bars, or restaurants (A-1-A, A-1c, or class D liquor permit holders) to sell DCPs at retail for on-premises consumption (VETOED).
- Would have allowed grocery stores or carryout stores (class C liquor permit holders) to sell DCPs at retail for off-premises consumption (VETOED).
- Would have established several prohibitions regarding the sale of hemp products, including prohibiting:
 - Selling a DCP to a person under age 21;
 - Selling at retail in Ohio a hemp product and marketing it as marijuana; and
 - Using any terms associated with the sale at retail in Ohio of a hemp product that would cause a consumer to infer that the hemp product is marijuana (VETOED).
- Would have established other provisions governing the temporary regulation of DCPs, including requiring the Superintendent of Cannabis Control to adopt policies governing the testing of DCPs and the creation and maintenance of a list of approved THC's that may be included in DCPs (VETOED).
- Specifies that, if the federal government legalizes hemp beverages at THC limits greater than those allowable under the federal law that is set to take effect on November 12, 2026, it is the intent of the General Assembly to review the federal enactment and consider a more robust regulatory framework of these products in an effort to legalize hemp beverages for sale and consumption in Ohio beyond December 31, 2026.

Severability

- Specifies that if any portion of the requirements, or the application thereof, in the act are held by a court to be invalid, the invalidity does not affect other provisions or the application of the provisions that can be given effect without the invalid provision or application.

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DETAILED ANALYSIS

Overview

The act repeals the Cannabis Control Law, which took effect December 7, 2023, and merges regulations concerning cultivation, processing, dispensing, use, and home grow of adult-use marijuana with those concerning medical marijuana – collectively referred to in this analysis as the Marijuana Control Law.

The act also combines the operations of the Division of Marijuana Control (DMC), which oversees the cultivation, processing, and dispensing of medical marijuana, with the Division of Cannabis Control (DCC), which performs the same functions respecting adult-use marijuana. The combined Division, which remains in the Department of Commerce (COM), is called DCC. The act replaces all Revised Code references to DMC with DCC and all references to the Superintendent of Marijuana Control with the Superintendent of Cannabis Control. The change clarifies that one agency, DCC, oversees the entire Marijuana Control Law, covering both medical marijuana and adult-use marijuana.

The act also makes numerous changes concerning the form and potency of adult-use marijuana products; home grow; possession, transfer, and transportation of adult-use marijuana; smoking, combustion, and vaporization; licensing; administration and enforcement; local government authority; and taxation of marijuana products. Notable changes to the Marijuana Control Law are discussed in detail below; minor changes that simply recodify statutes or adjust cross-references are omitted.

Product regulations

Scope of legalization

The former Cannabis Control Law authorized adults who were at least 21 years of age (“adult-use consumers”) to possess and use “adult-use cannabis” which was broadly defined to

include any part of a cannabis plant.¹ The act instead legalizes only the possession and use of the following three distinct classes of marijuana:

- Medical marijuana cultivated, processed, dispensed, tested, possessed, or used for a medical purpose in accordance with the Marijuana Control Law;
- Adult-use marijuana cultivated, processed, dispensed, or tested for, or possessed or used by, an adult-use consumer in accordance with the Marijuana Control Law;
- Homegrown marijuana cultivated, grown, processed, or possessed by an adult-use consumer at the adult-use consumer's primary residence in accordance with the Marijuana Control Law.

The distinction is that, under the act, it is illegal to use or possess marijuana acquired outside the confines of the Marijuana Control Law. For example, an adult-use consumer was able to legally possess and use marijuana acquired from an out-of-state dispensary under the former Cannabis Control Law, whereas, under the act, out-of-state marijuana is contraband.²

Authorized forms of marijuana

Continuing law, changed in part by the act, authorizes all of the following forms of adult-use marijuana: seeds, live plants, clones, oils, tinctures, plant material, edibles, patches, extracts, drops, lozenges, smoking or combustible products, vaporization products, beverages, pills, capsules, suppositories, oral pouches, oral strips, oral and topical sprays, salves, lotions or similar cosmetic products, and inhalers. In addition to these forms, the act authorizes the sale of prerolled, adult-use marijuana products. However, it also eliminates the Cannabis Control Law provision enabling DCC to approve additional forms of adult-use marijuana.

The act retains the following forms of medical marijuana authorized for use: oils, tinctures, plant material, edibles, and patches. It also retains the authority of DCC to approve additional forms of medical marijuana.³

Continuing law prohibits any form of medical marijuana that is considered attractive to children according to rules adopted by DCC. The act applies this prohibition to both adult-use marijuana and medical marijuana. Furthermore, the act expressly prohibits adult-use marijuana or medical marijuana from being dispensed or sold in a form that bears the likeness or characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.⁴

THC limits

The act reduces the amount of tetrahydrocannabinol (THC) allowed in certain adult-use marijuana products. Former law required DCC to adopt rules that set THC limits for adult-use

¹ R.C. 3780.01 and 3780.36, repealed.

² R.C. 3796.01, 3796.04, 3796.22, and 3796.221.

³ R.C. 3796.06; R.C. 3780.04, repealed.

⁴ R.C. 3796.06(D).

cannabis at no less than 35% for plant material and 90% for extracts. The act specifies that the THC limits for adult-use marijuana are the same as the limits that currently apply to medical marijuana: 35% for plant material and 70% for extracts. The act repeals the authority of DCC to increase or eliminate THC limits on adult-use marijuana but enables DCC to increase the THC limits for adult-use and medical marijuana extracts. It also allows DCC to establish THC content limits for adult-use and marijuana products by content per service or per package.⁵

Limit on amount dispensed

Continuing law prohibits a licensed dispensary from dispensing or selling more than the amount of adult-use cannabis that may be legally possessed. The act specifies that this is a daily limit, as opposed to a limit for each transaction. Furthermore, the act specifies that a dispensary that knowingly violates the prohibition is guilty of trafficking marijuana.⁶ Continuing law requires any new criminal offense to be assigned a mental state, i.e., the state of mind with which a person must act to be legally responsible for the offense. The act's addition of "knowingly" ensures compliance with that requirement.⁷

Packaging and labeling

Former law prohibited a retail dispensary from accepting any adult-use cannabis product from another license holder unless the product was packaged and labeled in compliance with DCC rules. The act instead requires a licensed dispensary to ensure that the label of any package containing adult-use marijuana includes all of the following in accordance with rules adopted by DCC:

- The name and address of the processor and dispensary;
- A statement that the use of adult-use marijuana by individuals under 21 years of age is both harmful and illegal;
- The quantity, strength, kind, or form of adult-use marijuana contained in the package.⁸

Home grow

Under continuing law, adult-use consumers may cultivate, grow, and possess up to six marijuana plants, with not more than 12 plants being grown per household. Under the former Cannabis Control Law, any person who grew more than double the allowable number of plants was guilty of the illegal trafficking in drugs and the illegal manufacture of drugs.⁹ The act maintains the 12-plant limit but specifies that a person who knowingly exceeds this limit by any number of plants is guilty of illegal cultivation of marijuana.¹⁰

⁵ R.C. 3796.06(E); R.C. 3780.03(C)(20), repealed.

⁶ R.C. 3796.20(C)(2) and 3796.99(F).

⁷ R.C. 2901.20, not in the act.

⁸ R.C. 3796.20(C)(3); R.C. 3780.15(B)(2), repealed.

⁹ R.C. 3780.29(F) and 3780.99(F), repealed.

¹⁰ R.C. 3796.04(A)(1) and (C) and 3796.99(E).

Former law authorized adult-use consumers to transfer up to six plants to other adult-use consumers so long as the transfer was made without advertisement or remuneration. The act authorizes the transfer of adult-use and homegrown marijuana as specified below under **“Possession.”** Note that the possession limits exclude any seeds, live plants, or clones being cultivated, grown, or possessed under the home grow law.¹¹ Accordingly, it appears that adult-use consumers may transfer an unlimited number of plants to other adult-use consumers, so long as the requirements for transfer of adult-use and homegrown marijuana are met.

Continuing law, changed in part by the bill, requires home grow to take place at the adult-use consumer’s “primary residence,” i.e., the residence of an individual in which the individual’s habitation is fixed and to which, whenever the person is absent, the person has the intention of returning.¹² The act applies the same requirement but does not define “primary residence.” It also prohibits home grow at any of the following:

- A primary residence that is a childcare home or that is occupied pursuant to a rental agreement that prohibits home grow;
- A halfway house, community transitional housing facility, community residential center, or other similar facility licensed by the Division of Parole and Community Services (DPCS);
- A residential premises occupied pursuant to a rental agreement that prohibits home grow activities.

Cultivation, growth, or possession of homegrown marijuana on behalf of another person is explicitly prohibited by the act.¹³

Adult-use consumers

Possession

Former law allowed adult-use consumers to possess up to 2.5 ounces (70.87 grams) of marijuana in any form other than extract and up to 15 grams of adult-use extract. The act is similar but applies the possession limits to plant material (up to 2.5 ounces) and extracts (15 grams). Furthermore, the act specifies that the possession limit for plant material does not apply to seeds, live plants, or clones being cultivated, grown, or processed in accordance with home grow law.

As described above, under **“Scope of legalization,”** the possession limits for adult-use consumers under the former Cannabis Control Law applied to “cannabis,” which included any marijuana, regardless of how it was acquired. The act allows adult-use consumers to possess only “homegrown marijuana” and “adult-use marijuana.” That limits legal possession of marijuana to marijuana acquired from a licensed dispensary or grown legally under the home

¹¹ R.C. 3796.221; R.C. 3780.29(A)(3), repealed.

¹² R.C. 3780.01(A)(33) and 3780.29, repealed.

¹³ R.C. 3796.04(A)(1)(d) and (B)(5).

grow law. Marijuana acquired elsewhere, like an out-of-state dispensary, cannot be legally possessed under the act.¹⁴

Transfer

Under former law, adult-use consumers were authorized to transfer cannabis to another adult-use consumer in amounts not exceeding the possession limits, so long as the transfer was made without advertisement or remuneration. Transferring adult-use cannabis in amounts greater than the possession limits was considered the illegal trafficking of drugs.¹⁵

The act allows the transfer of adult-use and homegrown marijuana, but not medical marijuana, to another adult-use consumer if all of the following conditions are met:

- The transfer is made without remuneration;
- The amount transferred to the same adult-use consumer in the same day does not exceed two and one-half ounces of plant material (excluding seeds, live plants, or clones) or 15 grams of extract;
- The transfer occurs at privately owned real property that is used primarily for residential or agricultural purposes, including any dwellings, facilities, improvements, and appurtenances on such real property.¹⁶

Under the act, any person other than a license holder who knowingly transfers marijuana outside the confines of the requirements described above is guilty of trafficking in marijuana.¹⁷

Transportation

The act prohibits any person from knowingly transporting marijuana other than adult-use marijuana, homegrown marijuana, or medical marijuana in a motor vehicle.

How to transport adult-use and medical marijuana

The act prohibits any person from knowingly transporting medical marijuana or adult-use marijuana in a motor vehicle unless one of the following applies:

- The adult-use marijuana or medical marijuana is in the original, unopened packaging in which it was dispensed or sold;
- If previously opened, the adult-use marijuana or medical marijuana is stored in the trunk of the motor vehicle or, if the motor vehicle does not have a trunk, behind the last upright seat of the motor vehicle or in an area not normally occupied by the driver or passengers and not easily accessible by the driver.

¹⁴ R.C. 3796.221; R.C. 3780.36(B), repealed.

¹⁵ R.C. 3780.36(B)(2) and 3780.99(G), repealed.

¹⁶ R.C. 3796.221(C).

¹⁷ R.C. 3796.99(F).

How to transport homegrown marijuana

Further, the act prohibits knowingly transporting homegrown marijuana in a motor vehicle unless the homegrown marijuana is stored in the trunk of the motor vehicle or, if the motor vehicle does not have a trunk, behind the last upright seat of the motor vehicle or in an area not normally occupied by the driver or passengers and not easily accessible by the driver.

How to transport marijuana paraphernalia

Finally, the act prohibits knowingly transporting marijuana paraphernalia in a motor vehicle unless one of the following applies:

- The marijuana paraphernalia is in the original, unopened packaging in which it was dispensed or sold;
- If previously opened, the marijuana paraphernalia is stored in the trunk of the motor vehicle or, if the motor vehicle does not have a trunk, behind the last upright seat of the motor vehicle or in an area not normally occupied by the driver or passengers and not easily accessible by the driver.

Punishment

A violation of any of the act's transportation requirements regarding adult-use marijuana, homegrown marijuana, or medical marijuana is a minor misdemeanor. A violation of the marijuana paraphernalia transportation requirements is guilty of illegal use or possession of marijuana drug paraphernalia, also a minor misdemeanor.¹⁸

Storage

The act requires adult-use consumers, medical marijuana patients, or medical marijuana caregivers to store edible medical and adult-use marijuana products in their original packaging at all times when not actively being used.¹⁹

Paraphernalia and accessories

The former Cannabis Control Law allowed adult-use consumers to possess and use any marijuana "paraphernalia," which was defined as equipment, products, or materials used in planting propagating, cultivating, growing, harvesting, 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 human body.²⁰

The act repeals that definition and instead requires DCC to adopt rules specifying which marijuana paraphernalia and accessories may be used in the administration of adult-use

¹⁸ R.C. 3796.062 and 3796.99(I) and (J); R.C. 2925.141, not in the act.

¹⁹ R.C. 3796.06(H).

²⁰ R.C. 3780.01(A)(31), repealed.

marijuana and homegrown marijuana. The same rule-based requirement applies to medical marijuana under continuing law.²¹

Smoking, combustion, and vaporization

Generally

Under continuing law, smoking or combustion of adult-use marijuana is subject to the same limitations that apply to smoking cigarettes, i.e., it is prohibited in public places and places of employment.²² Smoking and combustion of medical marijuana is prohibited altogether.²³ Furthermore, former law imposed a criminal penalty for using adult-use cannabis in “public areas.”²⁴

The act repeals the general prohibition on public use, but specifies that smoking, combustion, and vaporization of adult-use and homegrown marijuana, and vaporization of medical marijuana, is prohibited anywhere other than privately owned real property that is used primarily for residential or agricultural purposes, including any dwellings, facilities, improvements, and appurtenances on such real property. Furthermore, the smoking, combustion, or vaporization of adult-use or homegrown marijuana, and vaporization of medical marijuana, is prohibited in any of the following:

- A private residence that is a child care home;
- A public place, place of employment, halfway house, community transitional housing facility, community residential center, or other similar facility licensed by the Division of Parole and Community Services (however, smoking and combustion of medical marijuana is also prohibited in a public place);
- A residential premises where smoking, combustion, or vaporization is prohibited according to a lease agreement.

A violation of either of the first two smoking, combustion, and vaporization provisions is a minor misdemeanor, but there is no criminal penalty for the third.²⁵

In vehicles

Continuing law explicitly prohibits an individual from operating a vehicle, motor vehicle, streetcar, trackless trolley, bike, watercraft, or aircraft while using adult-use marijuana or while under its influence. A person who operates or has physical control over a vehicle, streetcar,

²¹ R.C. 3796.03(B)(10).

²² R.C. Chapter 3794, not in the act.

²³ 3796.06(C)(1).

²⁴ R.C. 3780.99(B), repealed.

²⁵ R.C. 3796.06(C), 3796.24(H)(5), and 3796.99(B).

trackless trolley, watercraft, or aircraft while under the influence of marijuana is subject to the relevant OVI laws.²⁶

Under former law, a passenger smoking, combusting, or vaporizing adult-use cannabis in one of the above-listed vehicles or crafts was guilty of a minor misdemeanor. The act instead provides that such a passenger is guilty of a misdemeanor of the third degree if the operator is operating or has physical control over the vehicle or craft.²⁷

Underage use and false identification

False identification

Former law prohibited using a false identification to acquire or use adult-use marijuana. Violators of the prohibition were subject to the following penalties:

- First offense – fined between \$250 and \$1,000 and jailed for up to six months;
- Second offense – fined between \$500 and \$1,000 and jailed for up to six months. Also subject to a Class 7 driving suspension (a period of less than a year) or community service, at the discretion of the court;
- Third offense and any subsequent offense – fined between \$500 and \$1,000 and jailed for up to six months. Also subject to a Class 6 driving suspension (between three months and two years), driving suspension until the offender turns 21, or community service, at the discretion of the court.²⁸

The act maintains the same penalties but specifies that the financial sanctions are in lieu of any other financial sanctions or penalties that may apply to the violation. Continuing law, unchanged by the act, specifies default financial sanctions for misdemeanors. Without the clarification, an offender might be subject to two sets of financial sanctions.²⁹

Distribution to underage persons

Former law made knowingly selling cannabis to a person under 21 years of age a misdemeanor of the first degree, but only for employees or agents of licensed dispensaries – there was no criminal penalty for persons who were not employees or agents of a licensed dispensary.³⁰ Under the act, any person that knowingly transfers adult-use or home grow marijuana to a person under 21 years of age is guilty of a first degree misdemeanor for a first offense and a fifth degree felony for all subsequent offenses.³¹

Under the former Cannabis Control Law, DCC was permitted to suspend or revoke a cultivator, processor, or dispensary license for violations, including dispensing marijuana to an

²⁶ R.C. 3796.99(A)(1).

²⁷ R.C. 3796.06(C)(2) and 3796.99(A)(2).

²⁸ R.C. 3780.99(C), repealed.

²⁹ R.C. 3796.06(G) and 3796.99(G).

³⁰ R.C. 3780.99(E), repealed.

³¹ R.C. 3796.06(F) and 3796.99(C).

underage person.³² The act instead requires DCC to immediately revoke the license of any person who is found guilty or pleaded guilty or no contest to distributing marijuana to an underage person.³³

Parents or guardians

Former law prohibited parents or guardians from knowingly permitting their residence or private property to be used by underage persons to use marijuana. The act repeals this prohibition and the corresponding penalties.³⁴

Adverse actions against adult-use consumers

Former law prohibited the following adverse actions against an adult-use consumer based solely on the consumer's use of adult-use marijuana or activities within the Cannabis Control Law:

- A state licensing board taking a disciplinary action against a professional license holder;
- A court issuing an adjudication that a child is abused or neglected, an allocation of parental rights and responsibilities, or a parenting time order, unless there is clear and convincing evidence that the child is unsafe;
- Disqualifying a person from medical care, including with respect to a transplant waiting list;
- Taking action under any criminal or civil statute;
- Subjecting a person to a field sobriety test absent reasonable suspicion that the individual is under the influence;
- Rejecting a person as a tenant, unless required by federal law;
- Disqualifying an individual from a public benefit program.³⁵

The act revokes all of these protections save the one that protects an individual from being disqualified from a public benefit program for the use or possession of adult-use marijuana. The act further applies the public benefits protection to the use or possession of medical marijuana and homegrown marijuana. However, the act exempts from that protection unemployment benefits generally, including the continuing law disqualification for being discharged for using marijuana in violation of an employer's formal program or policy regulating marijuana use.³⁶

The act expands the express authority for landlords to prohibit consumption of marijuana in a residential premises by combustion to include consumption of marijuana by smoking and

³² R.C. 3780.26, repealed.

³³ R.C. 3796.06(F) and 3796.99(C)(2).

³⁴ R.C. 3780.36(G) and 3780.99(I), repealed.

³⁵ R.C. 3780.33(A) to (G), repealed.

³⁶ R.C. 3796.24(E) and (G), by reference to R.C. 3796.28.

vaporization and to include common areas. It also expressly enables landlords to prohibit the cultivation of homegrown marijuana.³⁷

Licensing

Under former law, licenses to cultivate, process, dispense, or test adult-use cannabis were distinct from licenses to cultivate, process, dispense, or test medical marijuana. The adult-use licenses had their own separate application and renewal procedures, eligibility criteria, fees, and process requirements. An operator could, in theory, have chosen to work with only adult-use cannabis or only medical marijuana. However, in practice, all current license holders are either “dual-use” – meaning that they cultivate, process, dispense, or test both medical marijuana and adult-use marijuana – or “medical only.”

As of February 18, 2026, DCC has issued the following licenses:

DMC licenses	
License category	Permitted activities
37 cultivators	23 level I dual-use cultivators
	14 level II dual-use cultivators
46 processors	46 dual-use processors
281 dispensaries	199 operational dual-use dispensaries
	11 medical provisional dispensaries
	71 10(B) provisional dispensaries
8 testing laboratories	6 dual-use testing laboratories
	2 medical only provisional laboratories

There are 467,085 registered medical marijuana patients and 42,438 registered caregivers in Ohio.³⁸

Combine licenses

The act combines the adult-use and medical marijuana licenses and requires license holders to work with both medical marijuana and adult-use marijuana.³⁹

³⁷ R.C. 3796.24(F).

³⁸ [DCC Update: By the Numbers, February 18, 2026](#), which may be accessed by conducting a keyword search on DCC’s website: com.ohio.gov/divisions-and-programs/cannabis-control/.

³⁹ R.C. 3796.18(A)(2), 3796.19(A)(2), 3796.20(A)(2), and 3796.21.

Evaluation and ranking of applicants

Former law required DMC or DCC, as applicable, to issue an adult-use or medical marijuana license to an applicant if all conditions for licensure were met. The act eliminates that requirement and instead prohibits DCC from issuing a license to an applicant that does not meet all eligibility requirements. DCC must evaluate and prioritize applicants for licensure according to eligibility, suitability, and ability to operate.⁴⁰

Eligibility criteria (VETOED IN PART)

The table below describes the similarities and differences between the eligibility criteria that applied to medical and adult-use license applicants under former law and those that apply to all license applicants under the act.

License eligibility criteria		
Medical licenses (Former law)	Adult-use licenses (Former law)	Marijuana licenses (Under the act)
Required criminal records check confirming that the applicant had not been convicted of or pleaded guilty to any disqualifying offenses identified by administrative rule <i>(R.C. 3796.09(B)(1), 3796.10(B)(1), and 3796.03(B)(2)(b))</i> .	Required records check confirming that the applicant had not been convicted of or pleaded guilty to any disqualifying offenses within five years of the date the application was submitted <i>(R.C. 3780.11(B)(1))</i> . Defined “disqualifying offense” as: <ul style="list-style-type: none"> ▪ Any felony or first degree misdemeanor violation of the Drug Offenses Law, the Controlled Substances Law, or the Pharmacists and Dangerous Drugs Law; ▪ Any felony theft offense; ▪ Any criminal violation of the Pure Food and Drug Law; 	Similar to the medical licenses, allowing DCC to adopt rules specifying those offenses that disqualify an applicant from licensure under the Marijuana Control Law <i>(R.C. 3796.03(B)(2)(b) and 3796.09(C)(1))</i> .

⁴⁰ R.C. 3796.09 and 3796.10; R.C. 3780.11, repealed.

License eligibility criteria		
Medical licenses (Former law)	Adult-use licenses (Former law)	Marijuana licenses (Under the act)
	<ul style="list-style-type: none"> ▪ A crime of moral turpitude; ▪ A violation of any substantially similar former law to those described above. ▪ “Disqualifying offense” did not include a misdemeanor related to marijuana possession, trafficking, illegal cultivation, illegal use or possession of drug paraphernalia, or other marijuana-related crimes (<i>R.C. 3780.01(A)(17)</i>). 	
No provision.	No provision.	Would have required rules to specify, at minimum, that any felony is a disqualifying offense (VETOED) (<i>R.C. 3796.03(B)(2)(b)</i>).
Required an applicant to demonstrate they did not have an ownership or investment interest in, or a compensation arrangement with, a licensed, or an applicant for a license as, a testing laboratory (<i>R.C. 3796.09(B)(2) and 3796.10(B)(2)</i>).	Same as the medical licenses (<i>R.C. 3780.11(B)(2)</i>).	Similar to the medical licenses, but further specifies that none of the applicant’s current or prospective owners, officers, board members, administrators, employees, agents, or affiliates who may significantly influence or control the applicant’s activities may have an ownership or investment interest in, or a compensation agreement with, a licensed, or an applicant for a license as, a testing laboratory (<i>R.C. 3796.09(C)(2) and 3796.10(C)(2)</i>).
Required applicant to demonstrate they did not share corporate officers or employees with a licensed,	Same as the medical licenses (<i>R.C. 3780.11(B)(3)</i>).	Similar to the medical licenses, but further specifies that none of the applicant’s current or prospective owners, officers, board members,

License eligibility criteria		
Medical licenses (Former law)	Adult-use licenses (Former law)	Marijuana licenses (Under the act)
or an applicant for a license as, a testing laboratory (<i>R.C. 3796.09(B)(3) and 3796.10(B)(3)</i>).		administrators, employees, agents, or affiliates who may significantly influence or control the applicant's activities may share any corporate officers or employees with a licensed, or an applicant for a license as, a testing laboratory (<i>R.C. 3796.09(C)(3) and 3796.10(C)(3)</i>).
Prohibited applicant's facility from being located within 500 feet of a school, church, public library, public playground, or public park (<i>R.C. 3796.09(B)(4) and 3796.10(B)(4)</i>).	Similar to the medical licenses but included an exception for existing medical license holders (<i>R.C. 3780.11(B)(6)</i>).	Same as the medical licenses (<i>R.C. 3796.09(C)(4) and 3796.10(C)(4)</i>).
Required an applicant to demonstrate the applicant was in compliance with all applicable state tax laws (<i>R.C. 3796.09(B)(5) and 3796.10(B)(5)</i>).	Same as the medical licenses (<i>R.C. 3780.11(B)(7)</i>).	Same as the medical licenses (<i>R.C. 3796.09(C)(5) and 3796.10(C)(6)</i>).
No provision.	No provision.	Requires applicants to demonstrate sufficient liquid capital and ability to meet financial responsibility requirements (<i>R.C. 3796.09(C)(6) and 3796.10(C)(7)</i>).
No provision.	No provision.	Requires applicants to demonstrate that the proposed facility is not located in a municipal corporation or township that prohibits marijuana operators (<i>R.C. 3796.09(C)(7) and 3796.10(C)(8)</i>).
No provision.	No provision.	Requires that any application not include false, misleading, or deceptive information and does not omit material information

License eligibility criteria		
Medical licenses (Former law)	Adult-use licenses (Former law)	Marijuana licenses (Under the act)
		<i>(R.C. 3796.09(C)(8) and 3796.10(C)(9)).</i>
No provision.	No provision.	Requires applicants to pay all fees required by DCC <i>(R.C. 3796.09(C)(9) and 3796.10(C)(10)).</i>
No provision.	No provision.	Requires applicants for a dispensary license to demonstrate that the proposed facility is not located within one mile of another licensed dispensary and has not been issued a permit to sell beer or intoxicating liquor <i>(R.C. 3796.10(C)(5)).</i>
No provision.	Required applicants for a testing laboratory license to demonstrate that they did not have an ownership or investment interest in, a compensation agreement with, or share corporate officers or employees with, another adult-use license holder <i>(R.C. 3780.11(B)(4) and (5)).</i>	No provision.
No provision.	Required applicants to demonstrate that they were not employed by a regulatory body of a governmental unit that had significant influence or control over the ability of the applicant to conduct business in Ohio <i>(R.C. 3780.11(B)(9)).</i>	No provision.
Required applicants to demonstrate compliance with all eligibility requirements prescribed by administrative rule <i>(R.C. 3796.09(B)(6) and 3796.10(B)(6)).</i>	Same as the medical licenses <i>(R.C. 3780.11(B)(8)).</i>	Same as the medical licenses <i>(R.C. 3796.09(C)(10) and 3796.10(C)(11)).</i>

Ranking process

Should the number of applicants exceed the number of available licenses, the act requires DCC to use an “impartial and evidenced based process” to rank applicants. The ranking process must take into account all of the following:

- The applicant’s plans for business, operations, security, finances, environment, generating jobs, and economic development;
- The applicant’s principal place of business; the proposed location of the applicant’s facility;
- The applicant’s employment practices;
- The applicant’s plans to hire and educate Ohio residents, veterans, disabled persons, women, or minorities;
- The criminal records of all persons subject to the act’s records check requirement;
- The civil and administrative history of the applicant;
- Other criteria specified by law or administrative rule.⁴¹

Lottery

The act allows DCC to use a lottery system to issue licenses but specifies certain procedural conditions for that system. DCC must rank applicants into the following categories: (1) highly exceeds, (2) exceeds, (3) meets, and (4) does not meet. The number of applicants in each of the first three categories must be roughly equal, to the extent possible under the impartial, evidence-based process described above.

In conducting the lottery, DCC must give applicants in the “exceeds” category double the odds of being selected as compared to applicants in the “meets” category. Similarly, applicants in the “highly exceeds” category must receive double the odds of applicants in the “exceeds” category. Applicants in the “does not meet” category are ineligible for licensure.⁴²

Renewal applications

The act specifies that applications for renewal are not subject to the eligibility, ranking, or lottery requirements. Furthermore, it prohibits DCC from denying a renewal application based solely on the location of the applicant’s existing facility in proximity to other license holders.⁴³

⁴¹ R.C. 3796.09(D) and 3796.10(D).

⁴² R.C. 3796.09(E) and 3796.10(E).

⁴³ R.C. 3796.09(G) and 3796.10(G).

10(B) licenses

Background

Former law guaranteed licenses under the Cannabis Control Law for certain medical marijuana license holders (“10(B) licenses”). Specifically, DCC was required to issue the following licenses:

- For medical marijuana retail dispensaries, one adult-use dispensary license for the same location and, unless the applicant had common ownership or control with an adult-use cultivator or processor, one adult-use dispensary license for a different location;
- For level I medical marijuana cultivators, three adult-use dispensary licenses at locations specified in the application and one level I adult-use cultivator license for the same location as the medical cultivation facility;
- For level II medical marijuana cultivators, one adult-use dispensary license at a location specified in the application and one adult-use cultivator license for the same location as the medical cultivation facility;
- For medical marijuana processors, one adult-use processor license for the same location as the medical processor facility;
- For medical marijuana testing laboratories, one adult-use laboratory license for the same location as the medical marijuana testing laboratory.

Provisional license holders that did not receive a full certificate of operation by December 7, 2025, did not receive these guaranteed licenses.⁴⁴

Merge with medical licenses

The act repeals the authority for DCC to issue 10(B) licenses but it preserves the validity of licenses issued before the act’s March 20, 2026, effective date. All 10(B) licenses issued before March 20, 2026, must be treated the same as the equivalent license under the Marijuana Control Law. The table below addresses “equivalent licenses” for the purposes of the act.

Equivalent Licenses	
10(B) License	Marijuana Control Law
Adult-use cultivator	Level I or level II cultivator license
Adult-use processor	Processor
Adult-use dispensary	Retail dispensary
Adult-use testing laboratory	Laboratory

⁴⁴ R.C. 3780.10, repealed.

The holder of a 10(B) license is subject to all procedures, requirements, and penalties that apply to the holder of the equivalent, non-10(B) license. If a 10(B) license issued before March 20, 2026, is held by the same person and used at the same location as an equivalent license, DCC is required to merge the licenses and treat them as the same license for all purposes, including expiration and renewal.⁴⁵

Other adult-use licenses

The act eliminates DCC's authority to issue up to 50 additional adult-use dispensary licenses, and up to 40 level III adult-use cultivator licenses. Under the former Cannabis Control Law, level III cultivators were authorized to develop a cultivation area of up to 5,000 square feet, or more if an expansion was approved by DCC. No level III adult-use cultivator licenses have been issued as of February 3, 2026.⁴⁶

Disqualifying offenses (VETOED IN PART)

Under the Cannabis Control Law, a "disqualifying offense" was any of the following:

- Any felony or first degree misdemeanor violation of the Drug Offenses Law, the Controlled Substances Law, or the Pharmacists and Dangerous Drugs Law;
- Any felony theft offense;
- Any criminal violation of the Pure Food and Drug Law;
- A crime of moral turpitude;
- A violation of any substantially similar former law similar to those listed above.

"Disqualifying offense" did not include a misdemeanor related to marijuana possession, trafficking, illegal cultivation, illegal use or possession of drug paraphernalia, or other marijuana-related crimes. The act operates in a manner similar to the former Medical Marijuana Law, allowing DCC to identify the offenses that disqualify an applicant for licensure by rule. The act would have required the rules to specify that, at minimum, any felony qualifies as a disqualifying offense. This provision was vetoed, allowing DCC to specify what felonies qualify as disqualifying offenses.⁴⁷

Setback requirements

Continuing law prohibits a cultivator, processor, dispensary, or laboratory from commencing operations at a facility located within 500 feet of a church, public library, public playground, public park, or school. Under the former Medical Marijuana Law, if a medical license holder relocation would place it within 500 feet of such a location, DMC was required to revoke the license. However, the former Cannabis Control Law allowed relocation of an adult-use facility

⁴⁵ R.C. 3796.33.

⁴⁶ R.C. 3780.10 and 3780.07(F), repealed.

⁴⁷ R.C.3796.03(B)(2)(b); R.C. 3780.01(A)(17), repealed.

within 500 feet of a church, public library, public playground, public park, or school under certain limited circumstances:

- If the license holder had a certificate of operation and was doing business under a different license at that same location (for example, if a licensed dispensary seeks to relocate to the same location at which it processes marijuana);
- Research related to adult-use cannabis at a state university, academic medical center, or private or public research and development organization;
- An expansion of a cultivation area allowed under the Cannabis Control Law.

Under the act, if a requested relocation of any marijuana facility would result in the facility being located within 500 feet of a church, public library, public playground, public park, or school, DCC is required to deny the request. However, the act specifies that DCC is not required to revoke the license of an existing marijuana operator, or require that operator to relocate, if a church, public library, public playground, public park, or school is established on, or relocates to, a parcel within 500 feet of that operational marijuana facility.⁴⁸

Samples

The act repeals the prohibition against dispensing adult-use marijuana without remuneration (the illegal dispensing of drug samples) and the related penalty.⁴⁹

Advertising

Former Cannabis Control Law authorized DCC to adopt reasonable standards that prevent advertisements for adult-use marijuana that are false, targeted towards minors, promote excessive use, or promote illegal activity.⁵⁰ The act expands DCC's rulemaking authority to medical marijuana advertisements. Furthermore, it allows DCC to prohibit advertisements that are attractive to minors, obscene or indecent, contain depictions of marijuana use, or promote marijuana as an intoxicant.⁵¹ Any rules adopted by DCC concerning adult-use marijuana advertising must be no less stringent than the most stringent rules that apply to tobacco or alcohol advertising.⁵²

Under the act, neither adult-use nor medical marijuana may be marketed using any graphic, picture, or drawing that bears any resemblance to a cartoon character or popular figure whose target audience is children or youth.⁵³ Additionally, no person may place or maintain, or cause to be placed or maintained, an advertisement for marijuana within 500 feet of the boundaries of a parcel of real estate having situated on it a school, church, public library, public

⁴⁸ R.C. 3796.30; R.C. 3780.01(A)(33) and 3780.07, repealed.

⁴⁹ R.C. 2925.36, not in the act; R.C. 3780.20(B) and 3780.99(H), both repealed.

⁵⁰ R.C. 3780.21(A), repealed.

⁵¹ R.C. 3796.32(A).

⁵² R.C. 3796.32(B).

⁵³ R.C. 3796.32(D).

playground, or public park. This prohibition, however, does not apply to signage on the facility of a license holder.⁵⁴ With regard to the advertisement of adult-use marijuana, the act prohibits any assertion or suggestion that adult-use marijuana has health or therapeutic benefits.⁵⁵

Former law prohibited rules that required preapproval of adult-use marijuana advertisements or that overly burdened the legitimate commercial speech of license holders. The act repeals that prohibition and instead institutes a preapproval process. The act requires all names, logos, signs, or materials used to market adult-use or medical marijuana to be submitted to DCC for approval before their use. DCC must approve or disapprove such submissions within 21 business days or the name, logo, sign, or material is deemed to be approved.⁵⁶

The act maintains the Cannabis Control Law's authorization for DCC, at any time, to conduct an audit of an applicant's or license holder's published advertisements to ensure compliance with advertising laws.⁵⁷ If DCC determines that a person has violated the advertising laws or corresponding rules, DCC may require the person to stop using the advertisement or proceed with any enforcement action DCC deems "necessary and proper" as outlined in the act's requirements and associated rules.⁵⁸

Cultivators

Cultivation area

Under the former Cannabis Control Law, there were three types of adult-use cultivator licenses:

- Level I – may cultivate up to 100,000 square feet;
- Level II – may cultivate up to 15,000 square feet;
- Level III – may cultivate up to 5,000 square feet.

All adult-use cultivators were authorized to request an increase in cultivation area from DCC.⁵⁹

The former Medical Marijuana Law license "types" and cultivation area limitations for medical marijuana cultivators were prescribed by administrative rule and calculated per license with the possibility of square foot expansion.⁶⁰

The act eliminates the Level III adult-use cultivator license, but applies the square footage limitations for Level I and Level II adult-use cannabis cultivators to all cultivators. With the approval of DCC, a licensed cultivator may request and receive one or more expansions to the

⁵⁴ R.C. 3796.32(F).

⁵⁵ R.C. 3796.32(E).

⁵⁶ R.C. 3796.32(G); R.C. 3780.21(B), repealed.

⁵⁷ R.C. 3796.32(C); R.C. 3780.21(C), repealed.

⁵⁸ R.C. 3796.32(H).

⁵⁹ R.C. 3780.01(A)(19) to (23) and 3780.07(F), repealed.

⁶⁰ Ohio Administrative Code 1301:18-5-4(B)(3).

cultivator's cultivation area so long as the resulting total cultivation area, including all expansions, does not exceed the applicable maximum cultivation area for the license type.⁶¹

Permitted activities

The act allows a licensed cultivator to deliver, transfer, or sell adult-use marijuana to, and purchase or otherwise obtain marijuana from, any other license holder. Under former law, an adult-use cultivator was permitted to distribute, sell, or transfer adult-use cannabis to other cultivators, processors, or dispensaries, but not laboratories. Medical marijuana cultivators were permitted to deliver or sell medical marijuana only to licensed processors.

The act also retains a provision of the Cannabis Control Law that allows adult-use cultivators to acquire seeds, clones, plants, and other genetic material, and applies it to all licensed cultivators.⁶²

Packaging and labeling

The act requires cultivators to identify, package, and label all marijuana products in accordance with the Marijuana Control Law and adopted rules before delivering or selling the products to a licensed processor or dispensary.⁶³

Provisional licenses

The act specifies that a provisional cultivator license (i.e., a temporary license that sets forth certain conditions to be met before the cultivator may begin operations) is not transferrable.⁶⁴

Processors

Permitted activities

The act modifies the activities that may be performed by a licensed processor as follows:

Authorized processor activities		
Medical licenses (Former law)	Adult-use licenses (Former law)	Marijuana licenses (Under the act)
Obtain medical marijuana from one or more licensed cultivators (<i>R.C. 3796.19(A)(1)</i>).	Obtain adult-use cannabis from any licensed cultivator, processor, or dispensary (<i>R.C. 3780.14(A)(1)</i>).	Obtain adult-use or medical marijuana from any license holder (<i>R.C. 3796.19(A)(1)(a)</i>).

⁶¹ R.C. 3796.18(D) and (E).

⁶² R.C. 3796.18(A)(1)(b) to (d); R.C. 3780.12 and 3780.13, repealed.

⁶³ R.C. 3796.18(C).

⁶⁴ R.C. 3796.09(H) and 3796.01(A)(18).

Authorized processor activities		
Medical licenses (Former law)	Adult-use licenses (Former law)	Marijuana licenses (Under the act)
Process medical marijuana obtained from one or more licensed cultivators into an allowable form <i>(R.C. 3796.19(A)(2)).</i>	Process adult-use cannabis obtained from any licensed cultivator, processor, or dispensary into an allowable form <i>(R.C. 3780.14(A)(2)).</i>	Process medical and adult-use marijuana into any allowable form <i>(R.C. 3796.19(A)(1)(b)).</i>
Deliver or sell medical marijuana to one or more licensed dispensaries <i>(R.C. 3796.19(A)(3)).</i>	Distribute, transfer, or sell adult-use cannabis to any licensed cultivator, processor, or dispensary <i>(R.C. 3780.14(A)(3)).</i>	Deliver, transfer, or sell processed adult-use or medical marijuana to other license holders <i>(R.C. 3796.19(A)(1)(c)).</i>
Comply with certain packaging and labeling requirements <i>(R.C. 3796.19(B)).</i>	No provision.	Similar to medical licenses but adds additional packaging and labeling requirements (discussed below) and specifies that the processor must comply before delivering or selling the marijuana product to a dispensary <i>(R.C. 3796.19(B)(3), 3796.03, and 3796.32).</i>

Provisional licenses

The act specifies that a provisional processor license is not transferrable.⁶⁵

Dispensaries

Permitted activities

The act modifies the activities that may be performed by a licensed dispensary as follows:

Authorized dispensary activities		
Medical licenses (Former law)	Adult-use licenses (Former law)	All licenses (Under the act)
Obtain medical marijuana from one or more processors <i>(R.C. 3796.20(A)(1)).</i>	Obtain adult-use cannabis from any licensed cultivator, processor, or dispensary <i>(R.C. 3780.15(A)(1)).</i>	Obtain adult-use and medical marijuana from any license holder <i>(R.C. 3796.20(A)(1)(a)).</i>

⁶⁵ R.C. 3796.09(H).

Authorized dispensary activities		
Medical licenses (Former law)	Adult-use licenses (Former law)	All licenses (Under the act)
Dispense or sell medical marijuana to registered patients and caregivers (<i>R.C. 3796.20(A)(2)</i>).	Distribute, transfer, or sell, adult-use cannabis to adult-use consumers or any licensed cultivator, processor, or dispensary (<i>R.C. 3780.15(A)(2) and (4)</i>).	Dispense or sell medical marijuana to registered patients and caregivers, and adult-use marijuana to adult-use consumers; deliver, transfer, or sell medical and adult-use marijuana to any licensed cultivator, processor, or dispensary (<i>R.C. 3796.20(A)(1)(b), (c), and (f)</i>).
No provision.	Sell paraphernalia that may be used in the administration of adult-use cannabis (<i>R.C. 3780.15(A)(4)</i>).	Similar to the adult-use licenses but adds selling paraphernalia that may be used in the administration of medical marijuana (<i>R.C. 3796.20(A)(1)(d)</i>).
No provision.	Provide delivery of adult-use cannabis and paraphernalia to adult-use consumers (<i>R.C. 3780.15(A)(3)</i>).	No provision.
No provision.	No provision.	Provide delivery of medical marijuana to patients and caregivers (<i>R.C. 3796.20(A)(1)(e)</i>).

Identification requirement

Continuing law, modified by the act, requires all dispensaries to check the consumer's identification before dispensing marijuana products. The act specifies that the identification presented must be government-issued.⁶⁶

Medical marijuana supply

The act also requires all dispensaries to ensure a sufficient supply of medical marijuana products necessary to meet demand.⁶⁷

⁶⁶ R.C. 3796.20(B)(1) and (C)(1); R.C. 3780.15(B)(1), repealed.

⁶⁷ R.C. 3796.20(B)(4).

Warning requirements

The Cannabis Control Law required adult-use dispensaries to make addiction services information materials available at an adult-use consumer's request.⁶⁸ No similar requirement applied to medical dispensaries. The act eliminates that requirement and instead requires all dispensaries to prominently display both of the following:

- A statement that the use of adult-use or homegrown marijuana by underage individuals is both harmful and illegal;
- Information about the addictive qualities of marijuana and the potential negative health consequences associated with its use.⁶⁹

Provisional licenses

Under the act, DCC is permitted to revoke a dispensary license for failure to secure a certificate of operation within 18 months after provisional licensure. However, DCC is required to grant up to two six-month extensions if the provisionally licensed dispensary demonstrates a good-faith effort at becoming operational.⁷⁰

The act specifies that a provisional dispensary license is not transferable.⁷¹

License caps

The former Cannabis Control Law required DCC, every two years, to review the number of adult-use cannabis licenses and issue additional licenses, dependent upon demand.⁷² DCC was required to issue a report based on this review.⁷³ The act removes the review and reporting requirements and simply caps the total number of dispensaries (adult-use and medical marijuana) that may be operational at any given time at 400.⁷⁴

Location of facilities

The act requires DCC to issue dispensary licenses in such a way as to prevent oversaturation in any one geographic location. DCC is also prohibited from issuing a license or approving a relocation that would result in a dispensary being located within one mile of another dispensary. Furthermore, the act prohibits DCC from issuing a license or approving a relocation to a location or facility for which a permit to sell beer or intoxicating liquor has been issued.⁷⁵

⁶⁸ R.C. 3780.15(C), repealed.

⁶⁹ R.C. 3796.20(D)(3).

⁷⁰ R.C. 3796.05(B)(2).

⁷¹ R.C. 3796.10(H).

⁷² R.C. 3780.10(E), repealed.

⁷³ R.C. 3780.10(F), repealed.

⁷⁴ R.C. 3796.05(B)(1).

⁷⁵ R.C. 3796.05(B)(3) and (4).

Employment with a license holder

The former Cannabis Control Law required persons seeking employment with an adult-use cannabis license holder to obtain an employment license from DCC. Individuals seeking an employment license were required to apply on a form prescribed by DCC and complete a background check. DCC was required to charge an application fee to cover actual regulatory costs associated with the license. The employment license was portable and authorized the holder to work for any entity licensed under the Cannabis Control Law, so long as the person was registered with DCC for each location where the person worked or was employed.⁷⁶

The act repeals the employment license and associated procedures. Instead, the act maintains the background check requirements prescribed by continuing law for persons seeking employment with licensed marijuana operators and expand it to all persons seeking employment with any license holder. Under continuing law, the offenses that disqualify a person from employment with a license holder are identified by DCC rule. Furthermore, the act requires DCC to establish standards for provisional employment of persons who have “exigent circumstances.” Only persons that submit evidence of compliance with the background check requirements are eligible for provisional employment. The initial provisional employment authorization is valid for no longer than three months, but DCC may renew the authorization for an additional three months. The act states that DCC may use “all available resources in establishing standards for instant background checks.” The meaning of that provision is not clear.⁷⁷

Cannabis misuse prevention

The act retains and recodifies provisions requiring DCC to contract with a statewide nonprofit corporation for the development and implementation of cannabis and related drug misuse and prevention, education, and public awareness initiatives. DCC must oversee, evaluate, and annually report on the initiatives to the General Assembly.⁷⁸

Administration

Changes to rulemaking requirements under the Medical Marijuana Law

The topics addressed by DCC rule under the act are mostly similar to those required under the former Medical Marijuana Law. However, the act eliminates the authority to determine the number of dispensaries that may operate at a given time and instead caps the number of active dispensaries at 400.⁷⁹ Furthermore, the act eliminates the requirement for rules addressing what happens when a school, church, public library, public playground, or public park is established or

⁷⁶ R.C. 3780.17, repealed.

⁷⁷ R.C. 3796.13.

⁷⁸ R.C. 3796.34 (recodifying R.C. 3780.37).

⁷⁹ R.C. 3796.03(B)(3) and 3796.05(B)(1).

relocates within 500 feet of an existing license holder. The act specifies that, in that scenario, the license holder is not required to relocate its operations.⁸⁰

Repeal of rulemaking requirements under the Cannabis Control Law

The act repeals the rulemaking requirements of the Cannabis Control Law. Some of those rule requirements closely resemble rules required under the act. However, other Cannabis Control Law rules do not have a clear equivalent. For example, the act repeals requirements that DCC adopt rules doing the following:

- Preventing practices detrimental to the public interest;
- Educating the public about adult-use cannabis;
- Allowing delivery of adult-use cannabis products;
- Exempting institutional or private investors who do not have significant control or influence over a license applicant or license holder from licensing requirements;
- Establishing license and renewal fees based on the amount of funding needed to pay the actual cost of administering the Cannabis Control Law;
- Establishing a process for approving a change in ownership or a transfer of control of a license holder;
- Establishing a process for expanding a license holder's cultivation area;
- Establishing standards and procedures for laboratory testing;
- Establishing insurance or surety bond requirements for adult-use license holders;
- Prescribing technical standards for security and surveillance equipment and security service providers;
- Prescribing standards for recordkeeping and financial accounts.⁸¹

The Cannabis Control Law allowed any citizen to commence an action in the Franklin County Court of Common Pleas to compel DCC to adopt rules related to adult-use cannabis, if it failed to do so within nine months of December 7, 2023. The act repeals this right to a cause of action.⁸²

New rulemaking requirements

Mobile order and delivery

The Cannabis Control Law required DCC to adopt rules prescribing standards and procedures to allow for online and mobile ordering and delivery of adult-use cannabis products.

⁸⁰ R.C. 3796.03(B)(9) and 3796.30(C).

⁸¹ R.C. 3780.03, repealed.

⁸² R.C. 3780.28, repealed.

The act retains the online and mobile ordering provision and also applies it to both adult-use and medical marijuana products. It creates a rulemaking requirement concerning the delivery of medical marijuana products to a registered patient or caregiver but does not require rules concerning the delivery of adult-use marijuana.⁸³

Gifts

The former Cannabis Control Law prohibited dispensaries from selling or dispensing adult-use cannabis without remuneration, unless authorized to do so under rules adopted by DCC.⁸⁴ The act instead requires DCC to establish standards prohibiting a person from using gifts, samples, or other free or discounted goods or services to induce or reward a license holder for business or referrals.⁸⁵

Nonmarijuana additives

The act requires DCC to establish standards for nonmarijuana ingredients used in adult-use and medical marijuana products. These standards may consider industry best practices and criteria set by the Federal Food and Drug Administration for food ingredients, vitamins, and supplements. DCC may prohibit ingredients that do not meet such standards.⁸⁶

Consolidation of rules

The act provides for the consolidation of rules adopted under the existing Medical Marijuana Control Law and the Cannabis Control Law. All rules adopted pursuant to the former Cannabis Control Law that existed immediately prior to March 20, 2026, and that are not in conflict with the requirements of the act, continue in effect until repealed or amended by DCC. The Director of the Legislative Service Commission is authorized to renumber rules adopted under both the Medical Marijuana Control Law and the Cannabis Control Law as needed to facilitate the consolidation. Any rules pending before the Common Sense Initiative or the Joint Committee on Agency Rule Review on March 20, 2026, are to be treated as having been proposed under the Marijuana Control Law, as enacted by the act. DCC rules adopted through March 20, 2027, are exempt from Ohio laws concerning the reduction of regulatory restrictions.⁸⁷

Enforcement

The former Cannabis Control Law specified that DCC was not required to enforce minor violations.⁸⁸ It also allowed the Attorney General to bring an action to enforce the Cannabis

⁸³ R.C. 3796.03(B)(15); R.C. 3780.03(C)(17), repealed.

⁸⁴ R.C. 3780.20(B), repealed.

⁸⁵ R.C. 3796.03(B)(16).

⁸⁶ R.C. 3796.03(B)(17).

⁸⁷ Section 8.

⁸⁸ R.C. 3780.26(E), repealed.

Control Law upon receiving a written request from DCC. The act repeals both of these provisions and a corresponding provision in the Medical Marijuana Law.⁸⁹

The act instead places oversight of all marijuana license holders under DCC, allowing DCC to suspend, suspend without prior hearing, revoke, or refuse to renew a marijuana license. Former law authorized DMC, when suspending a retail dispensary license without a hearing, to use a telephone conference call to review the allegations and take a vote. The act repeals this authority.⁹⁰

The act allows the Ohio Investigative Unit (OIU) within the Department of Public Safety to assist DCC in enforcing the Marijuana Control Law. It also specifies that OIU may not investigate or inspect a person or facility for an alleged violation unless OIU is invited by local law enforcement or the person being investigated is a license holder and one or both of the following apply:

- DCC requests OIU to inspect or investigate;
- The inspection or investigation involves alleged criminal activity.

However, the act specifies that OIU is not prohibited from enforcing the Marijuana Control Law outside the premises of a license holder's marijuana facilities. The authority of OIU to investigate such violations is concurrent to the jurisdiction of any law enforcement officer.⁹¹

Electronic database

The act requires that both adult-use and medical marijuana be tracked from its seed source through its cultivation, testing, and dispensing in an electronic database. The bill also requires license holders to submit to DCC any information necessary for maintaining the database. Any data reported to, or collected in, the database is prohibited from being released. However, the act allows information that does not identify a specific patient, caregiver, or adult-use consumer to be released in summary, statistical, or aggregate form.⁹²

Civil actions against DCC

The act repeals all of the following provisions related to a possible failure on the part of DCC to implement the requirements of the former Cannabis Control Law:

- Requirement that DCC begin accepting applications for adult-use licensure no later than June 7, 2024.⁹³
- Specification that, if DCC fails to adopt rules related to adult-use cannabis by September 7, 2024, or fails to issue accepting license applications by June 7, 2024, any

⁸⁹ R.C. 3796.15(B) and 3780.27, repealed.

⁹⁰ R.C. 3796.14(A)(1) and (4).

⁹¹ R.C. 3796.01, 3796.14, 3796.15, 5502.01, 5502.13, and 5502.14.

⁹² R.C. 3796.07.

⁹³ R.C. 3780.11(A), repealed.

citizen may bring a lawsuit to compel DCC to perform the actions mandated under the Cannabis Control Law.⁹⁴

- Authorization, if DCC fails to issue a license or a denial within three months after an application has been filed, for the applicant to sue to compel DCC to carry out its duties, and also operate under a temporary license.⁹⁵
- Specification that these provisions are not to be construed as authorizing marijuana operations under a license that has been suspended, denied, or revoked.⁹⁶

Venue for legal challenges

Former law required actions challenging the constitutionality of the Cannabis Control Law, related rules adopted by DCC, or actions of DCC to be brought in the Franklin County Court of Common Pleas within specified timelines. It further specified that the requirement did not apply to any claim within the original jurisdiction of the Ohio Supreme Court or a court of appeals. The act repeals these requirements.⁹⁷

Local government authority

Former law allowed a municipal corporation or township to prohibit, or limit the number of, adult-use operators within the boundaries of the subdivision, subject to certain limitations. The act retains similar authority but specifies that a township or municipality cannot prohibit or limit the marijuana activities of a person who holds a medical marijuana license or adult-use license received before March 20, 2026 (except such a prohibition or limitation adopted before that date may be enforced). Further, a township or municipality cannot prohibit or limit any activity authorized under the Marijuana Control Law, such as home grow.⁹⁸

The act repeals numerous limitations on municipal and township authority to regulate marijuana that for example, do the following:

- Prohibit or limit home grow or other activities authorized by the Cannabis Control Law.
- Prohibit or limiting adult-use cultivators, processors, or dispensaries that are co-located on the same parcel or contiguous parcels as an existing medical marijuana cultivator or processor.
- Prohibit or limit a licensed medical marijuana dispensary that has its certificate of operation on December 7, 2023, from also operating an adult-use dispensary, unless the municipal corporation or township adopts a prohibiting or limiting ordinance or resolution within 120 days after the adult-use dispensary license was issued.

⁹⁴ R.C. 3780.28(A), repealed.

⁹⁵ R.C. 3780.28(B), repealed.

⁹⁶ R.C. 3780.28(C), repealed.

⁹⁷ R.C. 3780.32, repealed.

⁹⁸ R.C. 3796.29; R.C. 3780.25(A), repealed.

- Require a dispensary to cease operations within 60 days after a municipal corporation or township passes an ordinance or resolution as described above unless the dispensary files a petition with the Board of Elections and the issue decided at the next general election.
- Specify that if the majority of qualified voters of the municipal corporation or township approve the dispensary's continued operations, the dispensary may continue to operate and the municipal corporation or township may continue receiving host community cannabis funding.
- Specify that if the majority of qualified voters of the municipal corporation or township vote to disapprove the dispensary's continued operations, the dispensary may request (and DCC must approve) relocation of its operations outside the municipal corporation or township.⁹⁹

Employment

Continuing law requires that a person be considered to have been discharged from employment for just cause under the Unemployment Compensation Law if the person is discharged for using marijuana in violation of the employer's drug-free workplace policy, zero-tolerance policy, or other formal program or policy regulating marijuana use (a person who is discharged for just cause is disqualified from serving a waiting week or receiving benefits under the Unemployment Compensation Law for the duration of the person's unemployment unless an exception applies).¹⁰⁰ The act also specifies that such a person is ineligible to serve a waiting period or be paid unemployment benefits for the duration of the person's unemployment.¹⁰¹

Additionally, under continuing law, it is not a violation of the Ohio Civil Rights Law if an employer discriminates against a person for medical marijuana use if that use violates the employer's drug-free workplace policy, zero-tolerance policy, or other formal program or policy regulating medical marijuana use. The act expands this to include adult-use marijuana and homegrown marijuana use.¹⁰²

Name, image, and likeness (NIL) deals

The act expands the authority of institutions of higher education to prohibit students from entering into certain name, image, or likeness (NIL) deals to include adult-use marijuana products and license holders. Former law only authorized institutions of higher education to prohibit students from entering into NIL deals with certain entities, such as casinos, tobacco manufacturers, or medical marijuana license holders. The act expands this authority to include adult-use marijuana license holders.¹⁰³

⁹⁹ R.C. 3780.25, repealed.

¹⁰⁰ R.C. 3780.35(B), repealed, and R.C. 3796.28(B); R.C. 4141.29, not in the act.

¹⁰¹ R.C. 3796.28(B).

¹⁰² R.C. 3796.28(C).

¹⁰³ R.C. 3376.07.

CAUV eligibility of land used for marijuana cultivation

Pursuant to authority granted in the Ohio Constitution, farmland may be valued at its current agricultural use value (“CAUV”) – its value considering only its use for agriculture – rather than its fair market value.¹⁰⁴ This usually results in a lower tax act for farm owners because the land is often valued below its actual market value, particularly in areas where farmland is in demand for development purposes. The act makes land used to cultivate adult-use marijuana ineligible to be valued for property tax purposes as other agricultural land pursuant to its CAUV. A similar exclusion already applies to lands used to cultivate medical marijuana under continuing law.¹⁰⁵

Local tax preemptions

Continuing law bars a political subdivision from levying a tax or fee on the gross receipts of holders of medical marijuana licenses or that is similar to any tax or fee levied by the state. The act extends this prohibition to adult-use cannabis licensees and also expressly prohibits a municipal corporation from levying an excise tax on adult-use dispensary income.¹⁰⁶

Similarly, continuing law prohibits a township or municipal corporation from levying a tax, fee, or charge on adult-use cannabis license holders or their property that is not generally charged on other businesses. The act extends this prohibition to medical marijuana license holders and expands it to also bar other political subdivisions from taking such action.¹⁰⁷

Expungement of prior marijuana or hashish possession offenses

Eligible marijuana and hashish possession offenses

The act permits a person who, prior to March 20, 2026, was a defendant named in a dismissed complaint, indictment, or information for or was convicted of or pled guilty to (1) a minor misdemeanor marijuana possession offense, (2) a misdemeanor hashish possession offense, or a felony hashish possession offense involving not more than 15 grams of hashish, to apply to the sentencing court to have the official record or record of their conviction in the case expunged.¹⁰⁸

¹⁰⁴ Ohio Constitution, Article II, Section 36.

¹⁰⁵ R.C. 5713.30.

¹⁰⁶ R.C. 715.013 and 3796.31(A).

¹⁰⁷ R.C. 3796.31(B); R.C. 3780.25(G)(2), repealed.

¹⁰⁸ R.C. 2953.321(B).

Marijuana and hashish possession offenses eligible for expungement		
Possession offense	Penalty	Amount of drug involved
Marijuana possession offense ¹⁰⁹	Minor misdemeanor	The amount of the drug involved is less than 100 grams of marijuana
Hashish possession offense ¹¹⁰	Minor misdemeanor	The amount of the drug involved is less than five grams of hashish in a solid form or less than one gram in a liquid concentrate, liquid extract, or liquid distillate form
Hashish possession offense ¹¹¹	Fourth degree misdemeanor	The amount of the drug involved equals or exceeds five grams but is less than ten grams of hashish in a solid form or equals or exceeds one gram but is less than two grams of hashish in a liquid concentrate, liquid extract, or liquid distillate form
Hashish possession offense ¹¹²	Fifth degree felony	The amount of the drug involved equals or exceeds ten grams but is less than 15 grams in a solid form or equals or exceeds two grams but is less than ten grams of hashish in a liquid concentrate, liquid extract, or liquid distillate form (the offense prohibits possession if the amount of the drug involved equals or exceeds ten grams but is less than 50 grams of hashish in solid form; however, the expungement provisions apply only if the offense involves not more than 15 grams of hashish)
Hashish possession offense ¹¹³	Third degree felony	The amount of the drug involved equals or exceeds ten grams but is less than 15 grams of hashish in a liquid concentrate, liquid extract, or

¹⁰⁹ R.C. 2925.11(C)(3)(a), not in the act.

¹¹⁰ R.C. 2925.11(C)(7)(a), not in the act.

¹¹¹ R.C. 2925.11(C)(7)(b), not in the act.

¹¹² R.C. 2925.11(C)(7)(c), not in the act.

¹¹³ R.C. 2925.11(C)(7)(d), not in the act.

Marijuana and hashish possession offenses eligible for expungement		
Possession offense	Penalty	Amount of drug involved
		liquid distillate form (the offense prohibits possession if the amount of the drug involved equals or exceeds ten grams but is less than 50 grams of hashish in a liquid concentrate, liquid extract, or liquid distillate form; however, the expungement provisions apply only if the offense involves not more than 15 grams of hashish)

Application and fee for expungement

The act allows a person to apply to the sentencing court at any time on or after March 20, 2026, to have the official record or record of their conviction in the case expunged.¹¹⁴ The application must do all of the following:¹¹⁵

- Identify the applicant, the offense for which the expungement is sought, and the date of the conviction of, plea of guilty to, or dismissal of charges for that offense;
- Identify the court in which the conviction occurred, or the plea of guilty was entered, or the charges were dismissed;
- Include evidence that the charge or offense was a minor misdemeanor marijuana possession offense, a misdemeanor hashish possession offense, or a felony hashish possession offense involving not more than 15 grams of hashish;
- Include a request for expungement of the official record or record of conviction of that offense.

The act requires the applicant, unless indigent, to pay a \$50 application filing fee to have the official record or record of their conviction in the case expunged. The court must pay \$30 of the fee into the state treasury, with half of that amount credited to the Attorney General Reimbursement Fund, and \$20 of the fee into the county general revenue fund.¹¹⁶

Prosecutor objection and probation investigation

The act requires the court to set a date for a hearing and notify the prosecutor for the case of the hearing. The prosecutor may file an objection with the court prior to the date set for the hearing, which must specify the reasons for believing a denial of the application is justified.

¹¹⁴ R.C. 2953.321(C).

¹¹⁵ R.C. 2953.321(C).

¹¹⁶ R.C. 2953.321(G), by reference to R.C. 109.11, not in the act.

The court must then direct its regular probation officer, a state probation officer, or the department of probation of the county in which the applicant resides to make inquiries and written reports as the court requires concerning the applicant.¹¹⁷

Hearing

The act requires the court to hold a hearing not less than 45 days and not more than 90 days after the date of the filing of the application. At the hearing, the court must do all of the following:¹¹⁸

- Determine whether the applicant has, prior to March 20, 2026, been a defendant named in a dismissed complaint, indictment, or information for or been convicted of or pleaded guilty to a minor misdemeanor marijuana possession offense, a misdemeanor hashish possession offense, or a felony hashish possession offense involving not more than 15 grams of hashish;
- If the prosecutor has filed an objection, consider the reasons against granting the application specified by the prosecutor in the objection;
- Weigh the interests of the applicant in having the official record or record of conviction expunged against the legitimate needs, if any, of the government to maintain those records.

If the court determines that the applicant, prior to March 20, 2026, had been named in a dismissed complaint, indictment, or information for or had been convicted of or pleaded guilty to a minor misdemeanor marijuana possession offense, a misdemeanor hashish possession offense, or a felony hashish possession offense involving not more than 15 grams of hashish, and that the interests of the applicant in having the official record or record of conviction sealed are not substantially outweighed by any legitimate governmental needs to maintain those records, the court must do both of the following:¹¹⁹

- Order the expungement of all official records pertaining to the case and the deletion of all index references pertaining to the case;
- Send notice of the order to each public office or agency that the court has reason to believe may have an official record pertaining to the case.

Effect of court order

The act provides that proceedings subject to an expungement order issued under the act will be considered not to have occurred and the official records, conviction, or guilty plea of the person who is the subject of the proceedings must be expunged. The records may not be used

¹¹⁷ R.C. 2953.321(D)(1).

¹¹⁸ R.C. 2953.321(D)(2) and (E).

¹¹⁹ R.C. 2953.321(F)(1).

for any purpose, including a criminal records check. The applicant may, and the court must, reply that no record exists with respect to the applicant upon any inquiry into the matter.¹²⁰

Youth prevention program

The act requires the Department of Behavioral Health to establish and administer a statewide program to prevent youth use of marijuana. The program is required to do all of the following:

- Use a harm reduction approach;
- Include practices aimed at the prevention or reduction of substance use, substance abuse, substance dependence, and substance use disorders;
- Use other evidence-based approaches selected by the Department.¹²¹

Appropriation

The act appropriates \$47.5 million in FY 2026 and \$49 million in FY 2027 from the Host Community Cannabis Fund to make marijuana excise tax distributions to municipal corporations and townships that have adult-use dispensaries.¹²² Under continuing law, that fund receives 36% of receipts from the marijuana excise tax, which the act does not substantively amend.¹²³

Hemp

Overview of hemp regulations

Continuing law requires the Director of Agriculture to create a Hemp Processing Program to monitor and regulate the processing of hemp into hemp products.¹²⁴ Hemp is a variety of the plant *Cannabis sativa* L. (cannabis) that can be used in a variety of applications, such as paper, textiles, biofuel, animal feed, food, and personal care products. Both hemp and marijuana are derived from cannabis. However, hemp contains a lower concentration of cannabis's main psychoactive constituent, delta-9 tetrahydrocannabinol (THC).

Under the program, the Director must issue hemp processing licenses to eligible applicants. Thus, any person who converts hemp into a hemp product must obtain a hemp processing license. However, any person may possess, buy, or sell hemp or a hemp product without a license, provided the person is not processing the hemp.¹²⁵

¹²⁰ R.C. 2953.321(F)(2), by reference to R.C. 109.572, not in the act.

¹²¹ R.C. 5119.171.

¹²² Sections 8 through 10.

¹²³ R.C. 3780.22 and 3780.24, repealed by the act; R.C. 3796.40.

¹²⁴ H.B. 96 of the 136th General Assembly authorized the Ohio Department of Agriculture to transfer its Hemp Cultivation Program to the U.S. Department of Agriculture. This transfer became effective January 1, 2026. Federal law requires any person who plants or harvests hemp to obtain a hemp cultivation license from the U.S. Department of Agriculture.

¹²⁵ R.C. Chapter 928.

Federal law and hemp regulation

Former definitions in the Hemp Law focused on the percentage content of delta-9 THC (0.3% or below). Thus, if a product that included hemp met that standard, it was considered a hemp product. However, some processors created hemp products with additional THC compounds that were not delta-9 THC (e.g., delta-8 THC). The result was a product that met the definition of a hemp product (because it was 0.3% delta-9 THC or below), but that had intoxicating effects because other THC compounds were manufactured into the product at a high enough level to cause intoxication. The original intent of the Hemp Law was to allow for the production and sale of products that were not intoxicating. Because hemp was not regulated as a controlled substance like marijuana, these intoxicating hemp products, which included processed foods (e.g., gummies and other candies) and beverages, could have been sold at any location to any person, including children.

Recent changes to federal law, effective November 12, 2026, were enacted to narrow the definition of hemp. Once the federal changes become operative, some cannabis products that were previously legally classified as hemp will no longer be classified as such and will instead be classified as marijuana. Accordingly, the act alters Ohio law to be consistent with the federal law changes. Thus, intoxicating hemp products that were previously legal to sell in Ohio will no longer be classified as hemp.

Hemp definition changes

As discussed above, the act changes the definition of “hemp” to align with federal law. Those changes are illustrated in the table below:¹²⁶

Prior law hemp definition	S.B. 56 hemp definition	Notable changes
<p>The plant <i>Cannabis sativa</i> L. (cannabis plant) and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, containing a delta-9 THC concentration of up to 0.3% on a dry weight basis.</p>	<p>The cannabis plant and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total THC concentration, including THC acid (THCa), of not more than 0.3% on a dry weight basis.</p> <p>“Hemp” includes industrial hemp (see “defined terms” table, below).</p> <p>“Hemp” does not include any of the following:</p> <ul style="list-style-type: none"> ▪ Any viable seeds from a <i>Cannabis sativa</i> L. plant that exceeds a total THC concentration, including THCa, of 0.3% in the plant on a dry weight basis; ▪ Any intermediate hemp-derived cannabinoid product (see defined terms table, below) containing cannabinoids that are not capable of being naturally produced by a <i>Cannabis sativa</i> L. plant; 	<ol style="list-style-type: none"> 1. To qualify as hemp, expands the THC limits for cannabis plants from 0.3% delta-9 THC to 0.3% total THC, which includes delta-9, THCa, delta-8, delta-10, and other psychoactive isomers; 2. Imposes a per-container limit for finished hemp-derived products of up to 0.4 mgs total THC per container;

¹²⁶ R.C. 928.01(C).

Prior law hemp definition	S.B. 56 hemp definition	Notable changes
	<ul style="list-style-type: none"> ▪ Any intermediate hemp-derived cannabinoid product containing cannabinoids that are capable of being naturally produced by a Cannabis sativa L. plant and were synthesized or manufactured outside the plant; ▪ Any intermediate hemp-derived cannabinoid product containing more than 0.3% combined total of total THCs, including THCa, and any other cannabinoids that have similar effects or are marketed to have similar effects on humans or animals as a THC as established via lists by the Superintendent of Cannabis Control (see, “Lists of cannabinoids,” below); ▪ Any intermediate hemp-derived cannabinoid product that is marketed or sold as a final product or directly to an end consumer for personal or household use; ▪ Any final hemp-derived cannabinoid product containing cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant; ▪ Any final hemp-derived cannabinoid product containing cannabinoids that are capable of being naturally produced by a Cannabis sativa L. plant and were synthesized or manufactured outside the plant; ▪ Any final hemp-derived cannabinoid product containing greater than 0.4 mg combined total per container of total THCs, including THCa, and any other cannabinoids that have similar effects, or are marketed to have similar effects, on humans or animals as a THC as established via list by the Superintendent (see, “Lists of cannabinoids,” below). 	<ol style="list-style-type: none"> 3. Excludes final and intermediate hemp-derived cannabinoid products containing synthetic cannabinoids and cannabinoids derived via external synthesis; and 4. Includes industrial hemp (see “Defined terms” table below).

Lists of cannabinoids

The act requires the Superintendent of Cannabis Control, in consultation with the Director of Agriculture, to establish the following lists for purposes of the definition of hemp:

1. Cannabinoids known to be capable of being naturally produced by a cannabis plant;
2. THC class cannabinoids known to the Superintendent to be naturally occurring in the cannabis plant;
3. All other known cannabinoids with similar effects to, or marketed to have similar effects to, THC class cannabinoids;
4. Any additional cannabinoids that have similar effects or are marketed to have similar effects on humans or animals as a THC.

The Superintendent, in consultation with the Director, must establish any additional information and specificity about the term “container” as defined under the act (see “**Defined terms**” table, below).

Under the federal hemp law, when Congress, the Secretary of the U.S. Department of Health and Human Services, or the FDA, adds, changes, or removes anything from any of the lists, then the change is automatically effected in the corresponding state list under the act. The Superintendent must then immediately publish an updated list containing the change.

The Superintendent may add, change, or remove any of the items included in the lists specified above. In so doing, the Superintendent must review any determinations made by the federal government in any corresponding changes it has made and determine whether the changes are in accordance with Ohio law, the current scientific knowledge of the material at issue, and the risk to the public health.

On initial publication of the lists and following any addition, change, or removal, the Superintendent, in consultation with the Director, must adopt a rule to codify the list. The Superintendent must file the rule with the Joint Committee on Agency Rule Review within six months of the list being adopted or changed.¹²⁷

Rules

Continuing law requires the Director of Agriculture, in consultation with the Governor and the Attorney General, to adopt rules establishing standards and procedures for the regulation of hemp processing. Those rules include standards for the testing and labeling of hemp and hemp products. The act adds that those rules must include standards for the packaging of hemp and products made with hemp.¹²⁸

Enforcement

The act requires the Department of Agriculture, in consultation and in cooperation with the Department of Public Safety’s Ohio Investigative Unit, to enforce the law governing hemp processing.¹²⁹

Additional defined terms

The act eliminates several definitions in the law governing hemp and creates several new definitions as follows:¹³⁰

¹²⁷ R.C. 928.031.

¹²⁸ R.C. 928.03(X).

¹²⁹ R.C. 928.08.

¹³⁰ R.C. 928.01.

Defined terms		
Term	Former law	The act
Industrial hemp	Not defined.	<p>Hemp to which any of the following apply:</p> <ol style="list-style-type: none"> 1. It is grown for the use of the stalk of the plant, fiber produced from such a stalk, or any other noncannabinoid derivative, mixture, preparation, or manufacture of such a stalk; 2. It is grown for the use of the whole grain, oil, cake, nut, hull, or any other noncannabinoid compound, derivative, mixture, preparation, or manufacture of the seeds of such plant; 3. It is grown for purposes of producing microgreens or other edible hemp leaf products intended for human consumption that are derived from an immature hemp plant that is grown from seeds that do not exceed the threshold for total THC concentration specified in the definition of “hemp”; 4. It is a plant that does not enter the stream of commerce and is intended to support hemp research at a university or an independent research institute as the term “independent research institute” is defined by the Director of Agriculture; or 5. It is grown for the use of a viable seed of the plant produced solely for the production or manufacture of any material described above.
Hemp-derived cannabinoid product	Not defined.	Any intermediate or final product derived from hemp, other than industrial hemp, that contains cannabinoids in any form and is intended for human or animal use through any means of application or

Defined terms		
Term	Former law	The act
		administration, such as inhalation, ingestion, or topical application. “Hemp-derived cannabinoid product” does not include a drug that is approved by the FDA as a new drug.
Intermediate hemp-derived cannabinoid product	Not defined.	A hemp-derived cannabinoid product that is either of the following: <ol style="list-style-type: none"> 1. Not yet in the final form or preparation marketed or intended to be used or consumed by a human or animal; or 2. A powder, liquid, tablet, oil, or other product form that is intended or marketed to be mixed, dissolved, formulated, or otherwise added to or prepared with or into any other substance prior to administration or consumption.
Container	Not defined.	The innermost wrapping, packaging, or vessel in direct contact with a final hemp-derived cannabinoid product in which the final hemp-derived cannabinoid product is enclosed for retail sale to consumers, such as a jar, bottle, bag, box, packet, can, carton, or cartridge. “Container” does not include bulk shipping containers or outer wrappings that are not essential for the final retail delivery or sale to an end consumer for personal or household use.
Hemp product	Any product, containing a delta-9 THC concentration of up to 0.3%, that is made with hemp. It includes cosmetics, personal care products, dietary supplements or food intended for animal or human	Not defined and replaces the term “hemp product” with “product made with hemp” throughout the law governing hemp. ¹³¹

¹³¹ R.C. 928.02(C) and (D), 928.03(X) and (AA), and 928.04(D).

Defined terms		
Term	Former law	The act
	consumption, cloth, cordage, fiber, fuel, paint, paper, particleboard, and any other product containing one or more cannabinoids derived from hemp, including cannabidiol.	
Delta-9 THC	The sum of the percentage by weight of THCa multiplied by 0.877 plus the percentage by weight of delta-9 THC.	Not defined.
Cannabidiol	The cannabidiol compound, containing a delta-9 THC concentration of up to 0.3%, derived from hemp.	Not defined.

Regulation of drinkable cannabinoid products (DCPs) (VETOED IN PART)

The Governor vetoed provisions that would have established a temporary intoxicating hemp beverage (DCPs) exception to the general prohibition against selling intoxicating hemp products. Those provisions would have established a framework for the temporary regulation of DCPs and would have required the Division of Liquor Control in the Department of Commerce to implement that framework. The regulations would have remained in effect until December 31, 2026. The framework would have included a three-tier system for the sale of DCPs via DCP manufacturers, distributors, and retailers.

The act would have allowed class A and class D liquor permit holders (“AD retailers”) to sell at retail DCPs for on-premises consumption. Those AD retailers would have been microdistilleries, small breweries, bars, and restaurants (A-1-A, A-1c, and class D liquor permit holders). Additionally, the act would have allowed class C liquor permit holders (“C retailers”) to sell at retail DCPs for off-premises consumption. C retailers would have been grocery stores and carryout stores. DCPs would have been distributed by a manufacturer or distributor.¹³²

Under the act’s vetoed provisions, a DCP would have meant a liquid hemp product to which all the following apply:

1. The product contains cannabinoids that are solely derived from hemp;
2. The product is prepackaged and intended to be consumed via ingestion;
3. The product does not include a drug as defined in the law governing dangerous drugs;

¹³² R.C. 3779.21 to 3779.30 and 3779.99.

4. The product does not contain more than 0.3% of any THC;
5. The product does not contain more than 0.3% of total THC per serving; and
6. The product does not contain more than one serving, which is 12 fluid ounces.¹³³

In addition, the act's vetoed provisions would have done all of the following regarding DCPs:

1. Established various prohibitions involving the sale of hemp products, including:
 - a. Selling a DCP to an individual who is under age 21;
 - b. Selling a DCP that contains alcohol;
 - c. Selling at retail in Ohio a hemp product and marketing it as marijuana;
 - d. Using any terms associated with the sale at retail in Ohio of a hemp product that would cause a consumer to infer that the hemp product is marijuana; and
 - e. Selling a DCP that was not cultivated by a hemp cultivator that was not licensed in Ohio, another state, or by the United States Department of Agriculture.
2. Required the Superintendent of Liquor Control to establish policies for the administration and enforcement of the temporary DCP program, including policies governing the labeling of DCPs and administrative penalties for violations of the DCP law;
3. Required the Superintendent of Cannabis Control to adopt policies governing all of the following:
 - a. The testing of DCPs;
 - b. Creation and maintenance of a list of approved THCs that may be included in DCPs; and
 - c. The amount of administrative penalties for violating those policies.
4. Allowed the consumption of an opened container of a DCP in specified locations, including on the premises of a private residence; and
5. Included DCPs as a drug of abuse for purposes of prohibiting a person from operating a vehicle while under the influence of the DCPs (i.e., the OVI Laws).¹³⁴

Intent statement (VETOED IN PART)

The act specifies that, should the federal government legalize hemp beverages at THC limits greater than those set to take effect under federal law,¹³⁵ it is the intent of the General Assembly to review the federal enactment and consider a more robust regulatory framework of these products, including licensure, registration, taxation, and responsible consumer and child

¹³³ R.C. 3779.21(D) to (G) and (J).

¹³⁴ R.C. 3779.21 to 3779.30, 3779.99, and 4506.01; Sections 4 through 7.

¹³⁵ 7 United States Code 1639o, *et seq.*, set to take effect on November 12, 2026.

protections in an effort to legalize hemp beverages for sale and consumption in Ohio beyond December 31, 2026. The statement, however, does not legalize DCPs or hemp beverages in Ohio. The Governor vetoed a part of the statement that defined DCPs and implied that DCPs and hemp beverages would be legal in Ohio until December 31, 2026.¹³⁶

Severability

The act specifies that if any portion of the requirements, or the application thereof, in the act are held by a court to be invalid, the invalidity does not affect other provisions or the application of the provisions that can be given effect without the invalid provision or application.¹³⁷

HISTORY

Action	Date
Introduced	01-28-25
Reported, S. General Government	02-26-25
Passed Senate (23-9)	02-26-25
Reported, H. Judiciary	10-21-25
Re-referred, H. Rules & Reference	10-21-25
Re-referred, H. Finance	10-21-25
Reported, H. Finance	10-22-25
Passed House (87-8)	10-22-25
Senate refused to concur in House amendments (0-32)	10-29-25
House requested conference committee	10-29-25
Senate acceded to request for conference committee	11-05-25
House agreed to conference committee report (52-34)	11-19-25
Senate agreed to conference committee report (22-7)	12-09-25

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¹³⁶ Section 14.

¹³⁷ Section 9.