

## Issue 2

# An Act to Control and Regulate Adult Use Cannabis

**This is an Act (law) which could be amended or repealed by the General Assembly and is NOT an amendment to the Ohio Constitution.**

### **Explanation:**

If approved by voters, the initiated statute, titled An Act to Control and Regulate Adult Use Cannabis (the “Act”), would legalize and regulate the cultivation, manufacturing, and sale of marijuana in Ohio for adults who are at least 21 years old. Pursuant to the Act, Ohio residents would be permitted to cultivate up to six marijuana plants at their primary residence, with a maximum of twelve plants per residence where two or more persons who are at least 21 reside, and marijuana sales would be subject to a 10% adult-use tax, in addition to the traditional sales tax.

The Act also establishes a Division of Cannabis Control (“DCC”) within the Ohio Department of Commerce. The DCC would be responsible for overseeing the adult-use market with the authority to license, regulate, investigate, and penalize licensees and those required to be licensed under the Act. This centralization is meaningful because currently, under Ohio’s Medical Marijuana Control Program, dispensaries are regulated by the State of Ohio Board of Pharmacy while cultivators, processors, and testing laboratories are regulated by the Ohio Department of Commerce. The establishment of the DCC is expected to alleviate certain headaches resulting from the inter-agency regulatory overlap.

Another important impact of the An Act to Control and Regulate Adult Use Cannabis, and a result of adult-use legalization generally, is that the medical program’s burdensome advertising restrictions are expected to be relieved significantly. As many Ohio licensees are aware, Ohio currently has very restrictive, burdensome, and, at times vague, advertising rules related to medical marijuana that significantly reduce the impact and effectiveness of marketing and advertising. With the legalization of adult-use marijuana, Ohioans can expect to see more creative and targeted advertising through more traditional outlets.

The Act also provides a significant boost to existing industry participants. Licensees who have either a certificate of operation or provisional license as of the effective date of the Act will be grandfathered into the adult-use program to expand into the recreational use area.

Importantly, there will be an opportunity for new operators to enter the Ohio market through a cannabis social equity and jobs program. At the outset, the DCC is to issue 40 recreational cultivator licenses and 50 adult-use dispensary licenses “with a preference” to applicants who are participants under the cannabis social equity and jobs program.

**Pros:**

1. Decriminalizes cannabis, reduces incarcerations, and encourages sentencing reform.
2. Recreational cannabis is purported to have lower risks than alcohol. Cannabis will be regulated like alcohol (21 and up).
3. Unlike alcohol, cannabis has some health and medical benefits. Medical marijuana already is legal.
4. Would create jobs in cultivation and sales. Would establish a cannabis social equity and jobs program to help employ the social and economic disadvantaged.
5. Cannabis legalization would spur more research on health benefits and risk of usage.

**Cons:**

1. Cannabis is addictive and could lead to more serious drug use. Today's marijuana is much more potent than in the past.
2. Cannabis alters thinking and coordination, which could have dangerous consequences especially in relation to operating motor vehicles and job impairment.
3. Allowing home-grown cannabis will expose more youth to a psychoactive drug.
4. Legalization of recreational cannabis will require another state bureaucracy with increased government costs.
5. Legalization would require the Department of Mental Health and Addiction services to create a new program for cannabis addiction.