Ohio growers push for changes in Senate marijuana bill

By Anna Staver cleveland.com

COLUMBUS, Ohio -- Marijuana growers say proposed legislative changes to Ohio's recreational marijuana law would cost them millions, shut down businesses and spark lawsuits.

"Senate Bill 56 would cost us millions and jeopardize all that my family and I have built," Wellspring Fields owner Mark Hobson said Tuesday after a Senate committee hearing.

Voters approved adult-use marijuana sales and home grow 15 months ago and sales started in August. During that time, Ohio's Division of Cannabis Control wrote additional rules, issued licenses and oversaw the sale of more than \$300 million worth of product.

The division also gave Hobson the green light to expand his Level II cultivator license. Voters approved letting this group grow up to 3,000 square feet of cannabis initially with the option to expand to 15,000.

But SB 56 would drop that upper limit back to where it was when only medical marijuana was legal: 9,000 square feet for a cultivator like Wellspring.

"We're already expanded to 6,000, and we've started the ball rolling to get higher than that," Hobson told Cleveland.com. "This screws us."

Hobson and other growers asked Senate Republicans Tuesday to reconsider changes as they move their marijuana law overhaul.

"The outcome, I think, is likely to be litigation to protect the investment that is already taken place," Galenas LLC founder Geoffrey Korff told the committee.

He also asked lawmakers to continue letting cultivators have a limited processing license for flower. SB 56 bans cultivators doing this, which means Korff couldn't sell what he grows to his own dispensary.

"This law would require us to sell to a third party before we sell to ourselves," he said. "It creates a logistical burden that didn't previously exist."

Fast-tracked or flawed?

Voters approved adult-use marijuana in November 2023 and Senate Republicans quickly proposed changes.

They passed a bill on party lines a month later to raise taxes, lower potency, change where the tax money went and cut the number of plants you could grow at home in half.

That legislation didn't get through the House before the two-year session of the general assembly ended a year later, so state Sen. Steve Huffman, a Miami County Republican, brought it back this year as SB 56.

It had been scheduled for a potential committee vote Wednesday but was pushed to next week because Huffman is on a flood rescue mission in Kentucky.

"It feels like this bill was put together too quickly and a lot of things were never thought out," Hobson said. "I do believe a lot of this was an oversight."

State Sen. Jane Timken, a Canton Republican, asked in committee whether growers like Hobson and Korff would support being grandfathered in under the existing rules. They said yes but also worried it would give them an unfair advantage over new growers.

Huffman's push for SB 56 has largely focused on the public safety changes and business changes he thinks are critical.

His bill would outlaw using marijuana in cars, public smoking and growing at residences that operate in-home daycares. It would also clarify that employers can enforce drug-free policies and people who are fired for violating that aren't eligible for unemployment.

He hasn't commented on the square footage limits for different growers.

Approved changes

Though the vote on SB 56 was delayed, the General Government Committee did make some changes Tuesday. It removed a provision raising the sales tax from 10% to 15%.

"Anything with respect to the money we are handling in the budget," Committee Chair Kristina Roegner, a Hudson Republican, told reporters.

They also doubled the required distance between dispensaries to one mile.