

O-H-High-O: Ohio Adopts Adult-Use Marijuana Program

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On November 7, 2023, Ohio voters decisively passed Issue 2, putting the “high” in Ohio and becoming the 24th state to legalize adult-use marijuana. Issue 2, which goes into effect on December 7, 2023, allows adults to purchase and possess marijuana for adult use, subject to state regulation and taxation. Lawmakers and state officials have 30 days to make any amendments and to ensure licensing processes, taxation systems, and public education measures are in place before the law takes effect, but Ohio is not starting from scratch. In fact, medical marijuana has been legal in Ohio since 2016, although the first dispensary did not open until 2019.

What does Issue 2 do?

On a practical level, Issue 2 allows individuals over the age of 21 to purchase and possess up to 2.5 ounces of cannabis and 15 grams of extracts. Each individual may grow up to six marijuana plants, but the total plants per household is capped at 12. Cannabis products will be taxed 10% on top of the state sales tax. Revenue from those taxes will be distributed into a social equity and jobs program (36%), municipalities with dispensaries (36%), a

substance abuse and addiction fund (25%), and administrative costs (3%).

The passage of Issue 2 also establishes a new subset of the Department of Commerce: the Division of Cannabis Control. The division will regulate the commercial production and sale of cannabis, and it is authorized to establish rules addressing licensing, product standards, and packaging. The text of Issue 2 also includes a list of over 20 topics — such as insurance/surety requirements, dispensary employee training, and testing standards and procedures — which the division must create and adopt rules to address. The division is also empowered to enforce these regulations and penalize adult-use cannabis operators, adult-use testing laboratories, and individuals required to be licensed.

Finally, individuals are prohibited from driving a car, bike, boat, or airplane while under the influence of marijuana. Similarly, passengers are prohibited from smoking or vaping cannabis in the vehicle. Landlords and employers are free to prohibit marijuana use. However, local governments are not permitted to ban marijuana use or household growing, nor can they impose additional taxes on marijuana businesses.

What's next?

Although Ohio has only 20 days (until Dec. 7) until Issue 2 becomes effective, the state has nine months to issue its first round of licenses to marijuana growers, processors, and dispensaries. To apply for the first round of licenses, the individual must have an existing medical marijuana license; preference will be given to applicants who are participants in the cannabis social equity and jobs program. Designed to help those disproportionately affected by the enforcement of marijuana laws, the social equity program includes those disadvantaged on the basis of race, gender,

ethnicity, economic status, prior marijuana-related arrests or convictions, or relation to a parent, child, or spouse with an arrest or conviction for a marijuana-related offense. Any future licenses cannot be issued for another two years.

So what?

Ohio confirms what we at *Budding Trends* have [long predicted](#): For the foreseeable future, states will drive any meaningful cannabis law reform, not the federal government. And Ohio provided some support for one of our more out-there ideas — that the Biden administration’s approach to the Dobbs backlash likely mirrors his approach to cannabis. Which is to say, Biden will avoid tackling topics that enjoy wide national popularity but are politically polarizing. Especially when states like Ohio are forging ahead without him.

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