

Hannah News Service – Ohio General Government Committee Recap

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The Senate General Government Committee Tuesday heard testimony from a number of opponents as well as interested party witnesses on SB326 (S. Huffman), legislation that would prohibit the sale of intoxicating hemp products as an emergency.

Many of the opponents were business owners who voiced concerns the bill would ban a wide range of hemp products, not just intoxicating hemp, and put their livelihood at risk.

Jonathan Miller, general counsel for the U.S. Hemp Roundtable, was the first to speak in opposition to the bill. He described his organization's role in the 2018 U.S. farm bill that legalized hemp and the sale of its products, as well as a similar change to Ohio law in 2019. Miller then detailed the conversations his group has had with Ohio legislators on HB86 (LaRe), saying they support "robust regulation" through stronger enforcement against violators; licensing for manufacturers and sellers; independent product testing; adequate labeling to prohibit child-enticing images; and age restrictions on sale of consumable products.

SB326 represents a return to "square one" with its similarly restrictive limits for THC content, and Miller said science does not support any demarcation of intoxicating hemp products as in either bill. He also said other states have enacted regulations to preserve consumer options and ensure safety, while strict bans would only support illicit sales of the products with no enforceable age or safety requirements.

In response to Chair Sen. Shane Wilkin (R-Hillsboro), Miller explained how the federal farm bill defined hemp as having less than 0.3 percent Delta-9 THC on a dry weight basis. Products that are legal in Ohio should have less than that and are the only products his organization supports.

Sen. Theresa Gavarone (R-Bowling Green) asked if those products can still be intoxicating. Miller said that there are products legal under federal and state law that can potentially impair adult consumers which is why his organization supports "meaningful" age restrictions for stores and online sales.

Business owners who described how passage of the bill would hurt them and their employees included Mo Dayem, Doug Strahm, Robert McClure and Jaimee Courtney. Dayem said a ban would only punish responsible businesses and allow illicit markets to flourish, while further noting the role of farmers in the hemp industry.

In response to Wilkin, he said his company does not sell products with more than 0.3 percent THC.

Strahm detailed how his CBD products business uses a "small, trusted pool of vendors" with strict quality control measures and only sells to customers age 21 and over. Passage of the bill would effectively end the sale of "Delta" hemp products that make up the vast majority of his revenue, he said. Strahm did not receive questions from the committee.

McClure also said the bill would devastate his business and 95 percent of what he sells is not intoxicating. He called for 21 and up age restrictions, mandated childproof packaging and reasonable THC milligram limits to protect public safety and allow small businesses to thrive. McClure did not receive questions.

Courtney said SB326 would eliminate around 90 percent of her products, driving consumers to online sources that are unregulated and outside Ohio. She also said around 80 percent of her customers are over the age of 55 and that as a parent, she shares the concerns on unregulated products.

Sen. Bill Reineke (R-Tiffin) asked Courtney if hemp should be regulated like marijuana. She answered she didn't see why the state would need to do that as hemp is not similarly intoxicating. Courtney also said buyers should have to be 21 or older and there should be third-party testing.

The committee heard similar testimony from Bobby Slattery of Fifty West Brewing Company, Wes Bryant of 420CraftBeverages and John Lynch of Rambling House Soda. They discussed hemp-based beverages, with Slattery saying his products undergo third-party lab testing to meet state THC limits and are only sold to people age 21 or older. He said the bill is overly restrictive. Bryant also compared Ohio's testing methods to other states, saying it goes further than them, and Lynch said SB326 threatens to dismantle the burgeoning hemp-infused beverage industry which is already subject to strong regulation.

The three did not receive questions.

Other opponents included JD McCormick of the American Health Alternatives Association, who noted he was representing an industry that wanted to be regulated. McCormick detailed other states which have enacted bans, including how they lead to more black market sales as well.

Gavarone asked McCormick if he would allow a loved one to drive after taking one of his products. He said he might if it was a topical application for arthritis but if it was intoxicating or impairing he would not. He also told Gavarone the black market is the "enemy of all" and that there is a variety of products in response to her question on whether they are intoxicating. In response to Wilkin, he also described how products are identified at the federal level as either hemp or marijuana. McCormick also said he thinks keeping the current line of demarcation between marijuana and hemp is appropriate.

Additional opponent testimony was given by Alexander Beck, a licensed cannabis extractor; and Josh Crosier, an instructor at Hocking College. Beck said the current bill may eliminate access for licensed professionals and their patients and added he supported regulation on intoxicating hemp cannabinoids rather than outright prohibition, which would drive such products underground.

Reineke asked if he would recommend handling them the same way as marijuana. Beck answered that was exactly what he would do and that there should be a 21 and up age limit.

Crosier voiced concerns about the bill's effects on natural hemp farmers if passed, saying it would put them out of business. Distinctions between agriculture and "pseudo-drug production" are needed, Crosier added. He did not receive questions.

Interested party witnesses included Douglas Berman, executive director of the Drug Enforcement and Policy Center at Ohio State University's Moritz College of Law. He gave an overview of what action other states have taken as part of a report listing "pros and cons" of such approaches. States with complete bans on intoxicating hemp products have seen "challenges in enforcement and market adaptation, including for non-intoxicating hemp products and businesses." Other states use their marijuana regulations or have adapted consumer protection measures to them.

"To address youth access and consumer safety, Ohio legislators could consider targeted regulations such as age limits, child-resistant packaging, prohibiting advertising to minors, retail licensing and/or location restrictions, manufacturing and product safety standards, testing and labeling regulations. Because these types of regulation have been developed for the Ohio adult-use marijuana market, the General Assembly might find it efficient and effective to subject intoxicating hemp products to existing marijuana regulations," Berman continued as part of the report.

"Of course, a total ban might be another means to try to address concern about these products. Enforcing such a ban presents various challenges, can interfere with certain public health interventions, and will adversely impact Ohio businesses now involved in producing and distributing these products."

Wilkin asked if there was a difference between being high on intoxicating hemp or marijuana. Berman said more research is needed on that, including how different products affect people in specific ways.

Interested party witness Tim Johnson of Cannabis Safety First LLC questioned why this bill was being "fast-tracked" in lame duck session and said the state was "negligent" at promulgating rules and guidelines to established hemp retail stores during the creation of its hemp program. He also contrasted action on hemp to melatonin, which he said has become "the new narcotic used among teenagers on the illicit market" and led to the deaths of several children. Johnson said the penalties for intoxicating alcohol and tobacco are "much less severe" as well.

He and Gavarone discussed whether someone could become more intoxicated by the amount of 0.3 percent THC material consumed. He also said law enforcement officers would not be able to tell the type of product someone who is intoxicated had consumed.

Interested party witness Theresa Daniello talked about how the national hemp industry has a "predatory history" in regard to farmers, though the Ohio Department of Agriculture worked to prevent that in the state. She also discussed the development and rise of Delta-8, as well as how the body naturally makes endo-cannabinoids. It is important for laws to distinguish between natural and synthetic cannabinoids, Daniello added, and Delta-8 should be banned immediately.

Don Wirtshafter, another interested party witness, said Ohio farmers are not producing this intoxicating hemp, and that current regulations prevent that. Instead people are getting high on

synthetic chemicals from China or marijuana sold as THC-A, he said. Wirtshafter expounded on those points in unwritten testimony and called the term “intoxicating hemp” an oxymoron. He recommended using existing state and federal laws to address the issue instead of the bill.

Daniello and Wirtshafter did not receive questions.

Written opponent testimony was submitted by Matthew Geletka, Elijah Kirksey, Jack Lien and Montana Blake of the Appalachian Girls Cannabis Company; Tonia Poth and Patrick Shatzer of Sunmed/Your CBD Store; Dylan Summers of Lazarus Naturals; Scotty Hunter of Grayscale Brewing; Mary Jane Boden; Dr. Sean Norris of MC Nutraceuticals; Connor Staros of Centerville Smoke Shop; Meet Patel; Eyad Moreb of Moreb Wholesale; and Robert Zora of Wild Bill’s Tobacco.

Written interested party testimony was submitted by Tod Bowen of the Ohio Restaurant and Hospitality Alliance; Lora Miller of the Ohio Council of Retail Merchants; Kristin Mullins of the Ohio Grocers Association; Dr. Sarah Hamilton of the Wexner Medical Center; Michael Amann of Sarene Craft Beer Distributors Ohio; and Stephanie Pike Moore.