

Ohio GOP Cannabis Reform Hits a Roadblock in Legislature

Sweeping Changes to Ohio's Cannabis Laws Face Unexpected Delay Amid Republican Infighting

Ohio's attempt to overhaul its newly established adult-use cannabis system has encountered a major legislative setback, as internal disagreements among Republican lawmakers derail the controversial Senate Bill 56 (SB 56). The bill, which passed the state Senate earlier this session, was scheduled for a hearing on the House floor this week but abruptly stalled due to fierce debates over taxation, THC limits, and the future of home cultivation.

A Bill Aimed at Restructuring Recreational Cannabis in Ohio Sparks Backlash

At the heart of SB 56 is an effort by state lawmakers to place new guardrails on the adult-use cannabis market, which Ohio voters approved through a ballot initiative in November 2023. The legislation seeks to dramatically shift the framework of the voter-approved measure, imposing new restrictions on cannabis potency, capping business licenses, and dismantling a budding social equity initiative designed to provide business opportunities to those harmed by prior cannabis criminalization.

Cannabis industry leaders, activists, and policy advocates have been swift in their opposition. They argue that SB 56 not only undermines the democratic will of Ohioans but also jeopardizes the economic and social benefits intended by the original initiative.

Tensions Rise Between Ohio's GOP-Controlled House and Senate Over Key Provisions

The bill's failure to move forward as expected stems from intensifying friction between the Republican-led House and Senate. As reported by Cleveland's WEWS-TV, Monday night negotiations unexpectedly introduced new concerns that threw the legislative timeline into disarray. House Speaker Matt Huffman described the situation as an eleventh-hour unraveling of consensus.

"To my surprise, there was a whole new set of issues, additional issues, which were raised Monday night by the Senate regarding what we were trying to do," Huffman told WEWS.

Among the disputed elements are:

- A proposed decrease in THC limits in both flower and concentrates.

- A reduction in the legal number of cannabis plants per household under home grow provisions.
- A significant change to how marijuana tax revenue is distributed—specifically, removing tax revenue allocations to local governments that allow cannabis sales.

Of these, the taxation clause appears to be the central sticking point. Opponents argue that penalizing municipalities for allowing retail operations would discourage local participation and damage the state’s regulatory infrastructure.

SB 56 Would Curtail the Market With THC Restrictions, Business License Caps, and More

As written, SB 56 would enact multiple sweeping changes that could reshape the future of cannabis access in Ohio. Chief among them is a proposed THC potency cap: cannabis flower would be limited to 35% THC, while concentrates would be capped at 70%. Industry stakeholders contend that these limits are arbitrary and fail to reflect current consumer preferences or product safety standards.

The bill also includes a cap of 350 adult-use dispensary licenses across the state. While the state’s voter-approved law originally allowed up to 90 new retail and cultivation licenses, with a preference for social equity applicants, SB 56 would strike that language. Social equity programs—which aim to prioritize licensing for individuals from communities disproportionately affected by cannabis prohibition—would be effectively eliminated.

Other provisions in the bill include:

- Prohibition of public consumption of cannabis.
- Empowerment of landlords to ban cannabis use on rental properties.
- Reduced home cultivation rights, from 12 allowed plants per household to just 6.

Advocates Say Proposed Legislation Undermines the Will of Voters and Social Justice Goals

Advocacy organizations have responded with alarm to the proposed legislation. Many argue that SB 56 is a direct affront to Ohio voters who approved adult-use cannabis legalization by a wide margin in 2023. The dismantling of the social equity program, in particular, has drawn sharp criticism from racial justice advocates and small business coalitions.

“Social equity was a core promise of legalization in Ohio,” said a representative from a statewide cannabis advocacy network. “To revoke that commitment is to betray communities that have borne the brunt of prohibition.”

Cannabis entrepreneurs have also voiced concern about the proposed license caps, warning that limiting market participation could stifle innovation, drive up prices, and allow a few large players to dominate.

Disagreements Over Tax Revenue Distribution Could Have Long Term Consequences

The issue of marijuana tax revenue distribution may be the most contentious. Under the existing framework, local governments that permit cannabis retail sales receive a portion of tax proceeds—a measure designed to

incentivize participation in the state's regulated market. SB 56 proposes to eliminate this revenue-sharing model, raising concerns among municipal leaders who rely on these funds for public safety, education, and infrastructure.

Critics of this change argue that removing financial incentives will discourage municipalities from authorizing dispensaries, potentially driving consumers back to the illicit market and undermining public health goals.

House and Senate Republicans appear deeply divided on whether to preserve local revenue sharing, with some lawmakers insisting the funds should remain under tighter state control, while others advocate maintaining the current distribution model.

Timeline for Cannabis Policy Reform in Ohio Now Unclear as Session Progresses

With the bill stalled and no immediate resolution in sight, the future of SB 56 remains uncertain. Lawmakers have been attempting to “tweak” the original adult-use framework passed by voters for several months, but consensus has proven elusive. As the legislative session continues, supporters of the bill are expected to regroup and possibly amend the legislation in hopes of securing broader support.

However, time is of the essence. The Ohio Department of Commerce is already working to implement regulations under the original ballot measure, and any delays or legal confusion could complicate the rollout of licensed adult-use cannabis sales expected later this year.

Some observers believe that if SB 56 fails to gain traction soon, lawmakers may opt to pursue smaller, incremental reforms rather than sweeping overhauls.

A Legislative Battle With High Stakes for Ohio's Cannabis Future

The legislative tug-of-war over SB 56 underscores the complex—and often contentious—nature of cannabis policy reform in a post-prohibition environment. Ohio's situation is emblematic of broader national trends, where state lawmakers sometimes seek to reinterpret or restrict the mandates approved by voters.

For now, Ohio's adult-use cannabis landscape remains in flux. While voters endorsed a vision of expanded access, economic opportunity, and social equity, that vision faces considerable political resistance. As negotiations continue behind closed doors, the fate of SB 56 will serve as a critical test of whether Ohio's leaders are willing to honor the spirit of the 2023 legalization initiative—or chart a more restrictive path forward.

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