

Ohio Legalizes Hemp and CBD Products – What Does This Mean For You?

By Madison Lisotto Whalen

Today Ohio joined numerous other states, including Connecticut, Florida, Georgia, Hawaii, Iowa, Nebraska, New Jersey, Oklahoma, Texas and Virginia, by enacting legislation to legalize the cultivation, production and sale of hemp and hemp-derived products, such as CBD. This national slew of legislative activity can be traced back to the federal 2018 Farm Bill, which removed hemp from the list of federally controlled substances and permitted states to legally implement state-run hemp programs.

[Senate Bill 57](#) (“SB 57”) passed the Ohio General Assembly almost unanimously with widespread support from many agriculture and business-related stakeholders. Hemp was previously classified as marijuana under Ohio law, and SB 57 changes this classification by decriminalizing hemp and hemp products and excluding them from the definition of marijuana. Like the 2018 Farm Bill, Ohio law provides for the legal cultivation, production and sale of hemp, and hemp-derived products, containing less than 0.3% tetrahydrocannabinol (“THC”), so long as it is done in accordance with the state plan, which must be approved by the U.S. Department of Agriculture. Note, THC is the substance in cannabis that is responsible for psychological effects.

Hemp is already a booming industry in many states, even prior to the passage of the 2018 Farm Bill. Revenue projections for 2019 estimate farmers losing \$47 per acre for soybean crops, while showing farmers can make \$480 or more per acre in profit from the cultivation of hemp. SB 57 requires the establishment of a Hemp Cultivation and Processing Program and provides for various licensing requirements. While some Ohio farmers testified about their concern for the cost and hassle of compliance, lawmakers considered regulatory safeguards a necessity. Another consideration in passing this law was that Ohio is surrounded by states that allow hemp cultivation: Kentucky, Indiana, Michigan, Pennsylvania and West Virginia. Because of this, lawmakers felt it was imperative that Ohio take action quickly and SB 57 went into effect immediately rather than the usual 90 days after being signed by the Governor.

Hemp-derived Cannabidiol (“CBD”) is also addressed in SB 57. In August 2018, the Ohio Pharmacy Board advised that CBD, even when derived from hemp, is only legal when extracted and sold through Ohio’s Medical Marijuana Control Program. SB 57 legalizes the sale of hemp-derived CBD products and “prohibits the State Board of Pharmacy from listing hemp or hemp products as controlled substances.” Universities in Ohio are explicitly allowed to cultivate hemp without a license – a provision Ohio State University is planning to use to study hemp cultivation.

To understand more about the difference between medical marijuana and hemp, or how this may affect your business, please contact any of the listed attorneys for advice and guidance in this ever-changing area of law.

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