

IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

SAUCY SELTZER, CORP.)
2885 Detroit Avenue)
Cleveland, Ohio 44113)

Case No.

SS BEVERAGES 1 INC)
d/b/a Uncle Arnie's)
440 North Barranca Avenue)
Suite 2123)
Covina, California, 91723)

Judge

**Verified Complaint for TRO
and injunctions**

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Nichole K. Papageorgiou (0101550)
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ORGANIC PHARMA TECHS, LLC)
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Mayle LLC
P.O. Box 263
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plaintiffs,

vs.

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RICHARD MICHAEL DEWINE)
Governor)
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defendants.)

OVERVIEW

1. This case concerns invalidities respecting Senate Bill 56 (S.B. 56). A copy of the purported enrolled version of S.B. 56 is available online. This case challenges whether that bill was lawfully passed at all, and if so, what language? As detailed below, this case also challenges the new, narrowed definition of “hemp” (see pp. 25-26 of enrolled version at R.C. 928.01(C)) because this definition, in concert with preexisting controlled-substance laws, triggers Dormant Commerce Clause and federal

preemptions issues. While that bill's "passage" is disputed in this lawsuit, it purportedly takes effect on March 20, 2026, absent a temporary restraining order.

The statutory scheme discriminates against interstate commerce by largely reserving the Ohio market for federally legal hemp-derived cannabinoid products to entities operating within Ohio's marijuana licensure system, which is geographically and operationally limited to in-state cultivation, processing, and licensed-dispensary sales.

The bill also violates the extraterritoriality doctrine by effectively regulating the production and composition of hemp-derived products manufactured outside Ohio by conditioning their lawful sale on compliance with Ohio's marijuana regulatory system.

2. Plaintiffs currently ship, sell, and distribute hemp-derived products throughout Ohio and the several States and have substantial inventory and contractual obligations tied to those sales. To build their businesses, plaintiffs have made substantial investments in infrastructure and physical equipment that cannot be readily liquidated.
3. In addition to shuttering plaintiffs' business operations and dealings in Ohio, S.B. 56 would have the practical effect of placing Ohio regulatory strings upon the interstate transportation of hemp and the national hemp market, which Congress legalized within the 2018 Farm Bill.
4. Notably, the State of New Jersey previously enacted a materially analogous regulatory scheme, which was enjoined in relevant part on Dormant Commerce Clause and federal preemptions grounds in *Loki Brands, LLC v. Platkin*, 2024 WL 4457485, *12 (D.N.J. Oct. 10, 2024), (copy attached).

5. More specifically, this case (a) Ohio’s efforts in S.B. 56 to frustrate federal law in violation of established dormant Commerce Clause and federal preemption principles, (b) Governor Richard Michael DeWine’s abuse of his narrow power under Ohio Constitution Article II, Section 16 to veto an “item” in an appropriations bill, and (c) the General Assembly’s disregard of the initiative powers reserved by the people within Ohio Constitution Article II, Section 1.
6. In 2018, Congress passed and President Donald J. Trump signed the Farm Act, Pub. L. No. 115-334, 132 Stat. 4490, which legalized the possession and cultivation of hemp. *See* 21 U.S.C. §§ 802(16)(B), 812 sched. I(c)(17).
7. Because hemp and marijuana are different varieties of the same plant, the Farm Act uses the concentration of delta-9 THC to set a threshold distinguishing the two.
8. As defined by the Act, hemp includes “any part of” the plant *Cannabis sativa* L. “and all derivatives, extracts, [and] cannabinoids ... , whether growing or not,” with a delta-9 THC concentration of no more than 0.3 percent on a dry weight basis. 7 U.S.C. § 1639o(1). The Act is silent with regard to delta-8 THC.
9. The Farm Bill further provides:
 - (a) **RULE OF CONSTRUCTION.**—Nothing in this title or an amendment made by this title prohibits the interstate commerce of hemp (as defined in section 297A of the Agricultural Marketing Act of 1946 (as added by section 10113)) or hemp products.
 - (b) **TRANSPORTATION OF HEMP AND HEMP PRODUCTS.**—No State or Indian Tribe shall prohibit the transportation or shipment of hemp or hemp products produced in accordance with subtitle G of the Agricultural Marketing Act of 1946 (as added by section 10113) through the State or the territory of the Indian Tribe, as applicable.

AGRICULTURE IMPROVEMENT ACT OF 2018, PL 115-334, December 20, 2018, 132 Stat 4490, § 10114 (codified at 7 U.S.C. § 1639 o note).

10. Despite Congressional allowance of a national hemp market, Ohio officials have taken the stance that S.B. 56 takes effect on March 20, 2026. That bill would, by legislative semantics, turn federally **legal** hemp products into illegal marijuana for purposes of Ohio law—including this state’s penal code—unless the products were (a) cultivated, (b) processed, and (c) dispensed within Ohio’s three-tiered, closed-looped medical marijuana and adult-use marijuana ecosystem. Ohio’s marijuana regulatory framework requires cultivation, processing, and dispensing licenses tied to fixed Ohio facilities and currently issues no new licenses.
11. The practical effect is that all otherwise federally **legal** hemp cultivation, processing, and sales may only occur within the supply chain controlled by Ohio’s licensed marijuana companies, which all operate in disregard of federal marijuana laws.
12. Under S.B. 56’s putative new, narrowed definition of “hemp” stated within R.C. 928.01(C), federally **legal** hemp that enters Ohio from another state would instantly become marijuana when it crosses into Ohio’s borders. This is explained below.
13. Without immediate relief, plaintiffs will go out of business in Ohio on March 19, 2026 and thus suffer irreparable harm.
14. If they don’t go out of business, they risk facing, at minimum, felony marijuana possession and trafficking prosecutions even though the new so-called (in Ohio) “marijuana” is a federally legal substance that plaintiffs use in interstate commerce.
15. Plaintiffs thus seek to restrain the enforcement and codification of Senate Bill 56.

16. As mentioned, among other things, S.B. 56 purports to ban—as of March 20, 2026—federally **legal** hemp in this state unless it is cultivated, processed, and dispensed within Ohio’s three-tiered, closed-loop medical marijuana or adult-use marijuana ecosystem.
17. **“As a result...products that fall outside the scope of the new narrowed hemp definition [will be] considered marijuana and sold exclusively in marijuana dispensaries.”** *See “Synopsis of Conference Committee Amendments.”*
18. S.B. 56 is invalid in whole or part for at least three reasons:
 - A. S.B. 56 offends the Dormant Commerce Clause by allowing hemp only if it is cultivated and processed within Ohio’s marijuana licensing system;
 - B. S.B. 56 is invalid under the Supremacy Clause as it would forbid the interstate transportation of federally legal hemp to and through Ohio; and
 - C. S.B. 56 was not passed in a manner that satisfies Ohio Constitution Article II, Section 16.
19. This court should issue an injunction that preserves the current status quo by blocking the effectiveness of S.B. 56.
20. Indeed, the General Assembly and Governor haven’t even agreed on what passed.
21. Plaintiffs will otherwise suffer immediate and irreparable harm otherwise.

THE PLAINTIFFS

22. Plaintiff Saucy Seltzer Corp. (Saucy) is a Delaware corporation with its principal place of business in Cuyahoga County, Ohio. An affidavit from Saucy’s Brent Zimmerman is attached and incorporated by reference, as are the other attached affidavit. Saucy has expended substantial monies in developing hemp-products that would become marijuana under S.B. 56 effective March 20, 2026. Thus, Saucy would have to

immediately cease operations and dispose of its inventory or risk criminal prosecution. Indeed, as shown by the attachment to the Zimmerman affidavit, state officials instructed Saucy that on “March 21, 2026” its products—popular beverages in Ohio—**will be “considered” marijuana**. Thus, plaintiff’s products would be illegal.

23. Plaintiff SS Beverages 1 Inc. d/b/a Uncle Arnie’s is a Delaware corporation with its principal place of business in California. An affidavit from Uncle Arnie’s is attached hereto and incorporated by reference. Ohio is one of Uncle Arnie’s top markets and its products routinely enter into Ohio’s territorial boundaries. Absent a TRO, Uncle Arnie’s products, though considered to contain federally legal hemp, would become marijuana in Ohio only on March 20, 2026. Thus, Uncle Arnie’s would have to cease operations in Ohio or risk prosecution. This would cause extraterritorial effects as explained in the attached affidavit.

24. Plaintiff Amy Ellwood resides and has her principal place of business in Tuscarawas County. Amy Ellwood possessed an Ohio hemp cultivation license, but Ohio relinquished its USDA, state-approved plan at the end of 2025 and thus Ellwood obtained a USDA hemp cultivation license. *See attached affidavit and licenses*. Her clients are both in Ohio and in other states. However, under S.B. 56, her *federal* licensure would be worthless because most federally legal hemp products, including her products, would become marijuana during normal farming activities and through the normal processing chain—and could only be sold to companies physically located in Ohio and operating within Ohio’s marijuana licensure ecosystem. However, those

companies would be precluded from purchasing from Ellwood and her business, Modern Remedies LLC, due to a lack of reciprocal applicable immunity (*see* ¶¶53-60 below) to make such sales and purchases. Thus, her hemp cultivation operations would cease on March 20, 2026 or she would risk criminal prosecution.

25. Plaintiff Organic Pharma Techs, LLC is an Illinois company with its principal place of business in Joliet, Illinois. As stated in the attached affidavit of Mohammad Alhajahmad, the company is hemp-manufacturing and distribution company located in Illinois. The company produced hemp-derived products using imports sourced exclusively from state- and federally licensed farms. These materials are produced through licensed laboratory operations and manufactured into finished products that are distributed in interstate commerce, including to Ohio, which is one of the company's most important markets, generating approximately \$500,000 in monthly sales. However, in Ohio only, effective March 20, 2026, the company's products would become marijuana upon crossing the Ohio's border from Illinois unless a TRO is issued. Without a TRO, the company will have to cease its Ohio-related operations or risk prosecution. This will cause a loss in revenue that cannot be replaced and will cause consequences throughout plaintiff's business and business operations in Illinois.

THE DEFENDANTS

26. The defendants include (1) Governor Richard Michael DeWine, whose misuse of the so-called "line-item veto" is being challenged herein, (2) William G. Rowland, who is "official codifier of the laws of the state," under R.C. 103.131, (3) Attorney General

David A. Yost, (4) the Sandusky, Franklin, Cuyahoga, and Tuscarawas county prosecutors: Beth A. Tischler, Shayla D. Favor, Michael C. O'Malley, and Robert Scott Deedrick—all of whom have authority under R.C. Chapter 309. to prosecute controlled-substance offenses in this state—and (5) Colonel Charles A. Jones, Superintendent of the Ohio State Highway Patrol, whose state high patrol troopers, along with the superintendent, are vested with broad authority under R.C. 5503.02 to enforce criminal laws throughout the state, including upon Ohio's toll-free interstate highways and The James W. Shocknessy Ohio Turnpike,¹ which are all major thoroughfares upon which plaintiffs' federally legal hemp product routinely travel upon within the stream of both intra- and interstate commerce. The turnpike is physically situated within both Sandusky and Cuyahoga (home of plaintiff Saucy) counties, where plaintiffs' products are also regularly enjoyed by consumers. Multiple interstates also pass through Franklin county, where plaintiffs' products are also routinely enjoyed.

¹ On September 16, 1976, the turnpike commission, by Resolution No. 13-1976, renamed the Ohio Turnpike "to pay tribute to and to honor" the late Mr. Shocknessy, the agency's first chairman. Further, R.C. 5503.31 grants the state highway patrol the same authority as conferred by R.C. 5503.02:

The state highway patrol shall have the same authority as is conferred upon it by section 5503.02 of the Revised Code with respect to the enforcement of state laws on other roads and highways and on other state properties, to enforce on all turnpike projects the laws of the state and the bylaws, rules, and regulations of the Ohio turnpike and infrastructure commission. The patrol, the superintendent of the patrol, and all state highway patrol troopers shall have the same authority to make arrests on all turnpike projects for violations of state laws and of bylaws, rules, and regulations of the Ohio turnpike and infrastructure commission as is conferred upon them by section 5503.02 of the Revised Code to make arrests on, and in connection with offenses committed on, other roads and highways and on other state properties.

STATE OF OHIO REGULATORY BACKGROUND

27. Understanding the problems inherent in S.B. 56 requires knowing a bit about the federal 2018 Farm Bill, as well as familiarity with Ohio’s controlled-substance laws. We will thus review the relevant major statutes below. *Accord, Loki*, supra, 2024 WL 4457485 at *2, (“The way these statutes interact is vital to an understanding of this dispute. Therefore, a discussion of each statute is warranted.”).

Hemp is legal under current federal law. However, S.B. 56 purports to define federally legal hemp as “marihuana” for purposes of Ohio law, which carries significant collateral consequences.

28. Senate Bill 56 would sweep federally legal hemp into Ohio’s new definition of “marihuana” under newly enacted R.C. 928.01. But before addressing new definitions, it’s prudent to first review the bigger picture of Ohio’s interrelated controlled-substance laws.

Under Ohio law predating S.B. 56, hemp is not marihuana and thus its possession and sale is not generally criminally sanctionable.

29. Selling or possessing a controlled substance is generally a crime in Ohio. *See* R.C. 2925.03 (trafficking); R.C. 2925.11 (possession).

30. Under R.C. 2925.01(A), “controlled substance” has the same meaning as in R.C. 3719.01.

31. Under that statute, “controlled substance” means “a drug, compound, mixture, preparation, or substance included in schedule I, II, III, IV, or V.” *See* R.C. 3719.01(C).

32. Next, R.C. 3719.01(V) provides:

“Schedule I,” “schedule II,” “schedule III,” “schedule IV,” and “schedule V” mean controlled substance schedules I, II, III, IV, and V, respectively, as established by rule adopted under section 3719.41 of the Revised Code, as amended pursuant to section 3719.43 or 3719.44 of the Revised Code, or as established by emergency rule adopted under section 3719.45 of the Revised Code.

33. Pursuant to R.C. 3719.41, Ohio Administrative Code Rule 4729:9-01-1(D)(23)

lists “Marihuana” as a Schedule I controlled substance, however, the rule itself provides no definition of the term.

34. “Marihuana,” however, for purposes of R.C. Chapter 2925., “has the same meaning as in section 3719.01 of the Revised Code, except that it does not include hashish.” *See* R.C. 2925.01(AA).

35. In turn, **current** R.C. 3719.01(M) defines “Marihuana”—and says

“marihuana” “does **not** include hemp”:

(M) “Marihuana” means all parts of a plant of the genus *cannabis*, whether growing or not; the seeds of a plant of that type; the resin extracted from a part of a plant of that type; and every compound, manufacture, salt, derivative, mixture, or preparation of a plant of that type or of its seeds or resin. “Marihuana” does not include the mature stalks of the plant, fiber produced from the stalks, oils or cake made from the seeds of the plant, or any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted from the mature stalks, fiber, oil or cake, or the sterilized seed of the plant that is incapable of germination. **“Marihuana” does not include “hemp” or a “hemp product” as those terms are defined in section 928.01 of the Revised Code.**

36. Thus, by definition, hemp is not marihuana currently.

37. This implicates **current** R.C. 928.01(C), which defines “hemp” as follows:

(C) “Hemp” means the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than three-tenths per cent on a dry weight basis.

38. This current Ohio definition mirrors the federal definition of “hemp” codified at 7 U.S.C. §1390(o), which provides relevant part:

The term “hemp” means the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

39. However, S.B. 56 would change all this on March 20, 2026 absent a TRO.

Senate Bill 56 would repeal current R.C. 928.01(C) and redefine “hemp” more narrowly than current federal and state law by way of inserting into R.C. 928.01(C) a series of new exclusions to Ohio’s definition of “hemp,” thus trapping federally legal hemp under Ohio’s definition of marijuana.

40. Under S.B. 56, a new version of R.C. 928.01 would redefine hemp by including a series of exclusions at (C)(1)-(4):

(C) “Hemp” means the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of not more than three-tenths per cent on a dry weight basis. “Hemp” includes industrial hemp. **“Hemp” does not include any of the following:**

(1) Any viable seeds from a *Cannabis sativa* L. plant that exceeds a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of three-tenths per cent in the plant on a dry weight basis;

(2) Any intermediate hemp-derived cannabinoid product containing any of the following:

(a) Cannabinoids that are not capable of being naturally produced by a *Cannabis sativa* L. plant;

(b) Cannabinoids that are capable of being naturally produced by a *Cannabis sativa* L. plant and were synthesized or manufactured outside the plant;

(c) More than three-tenths per cent combined total of total tetrahydrocannabinols, including tetrahydrocannabinolic acid, and any other cannabinoids that have similar effects or are marketed to have similar effects on humans or animals as a tetrahydrocannabinol as established by the superintendent of cannabis control in lists adopted under section 928.031 of the Revised Code.

(3) Any intermediate hemp-derived cannabinoid product that is marketed or sold as a final product or directly to an end consumer for personal or household use;

(4) Any final hemp-derived cannabinoid product containing any of the following:

(a) Cannabinoids that are not capable of being naturally produced by a *Cannabis sativa* L. plant;

(b) Cannabinoids that are capable of being naturally produced by a *Cannabis sativa* L. plant and were synthesized or manufactured outside the plant;

(c) Greater than four-tenths of a milligram combined total per container of total tetrahydrocannabinols, including tetrahydrocannabinolic acid, and any other cannabinoids that have similar effects, or are marketed to have similar effects, on humans or animals as a tetrahydrocannabinol as established by the superintendent of cannabis control in lists adopted under section 928.031 of the Revised Code.

41. The practical effects of this are important here.

42. Remember, under R.C. 3719.01(M), “marihuana” does not include “hemp.”

43. So, by ***narrowing the definition of hemp*** through the inclusion of new exclusions,

S.B. 56 ***would necessarily expand Ohio’s definition of marihuana.***

44. Thus, federally legal hemp, which is also presently 100% legal in Ohio, would become

“marihuana” for purposes of Ohio state law on March 20, 2026.

45. Absent a TRO, plaintiffs and their customers/employees would therefore be exposed

to felony controlled-substance prosecutions in Ohio state court.

46. The definitional change that brings about this result, while perhaps seemingly

innocuous upon first blush, has significant constitutional consequences—beginning

with the Dormant Commerce Clause violation recognized in *Loki*.

COUNT I: DORMANT COMMERCE CLAUSE VIOLATION & FEDERAL PREEMPTION

47. Sweeping federally legal hemp products under the definition of “marijuana” in Ohio cannot satisfy Dormant Commerce Clause review because it has the practical effect of intrastate protectionism.
48. Senate Bill 56 would ban out-of-state hemp that is otherwise federally legal while allowing only Ohio’s preexisting medical and recreational marijuana companies to sell federally legal hemp and banning out-of-state manufacturers and retailers from sending their products in Ohio, whether through e-commerce platforms or traditional retail distribution mechanisms.
49. The definition also operates to offend federal law’s express preemption provision. By criminalizing the interstate shipment of federally lawful hemp products once they cross Ohio’s borders, S.B. 56 stands as an obstacle to Congress’s objective of facilitating a national market in hemp.
50. Again, it cannot be overemphasized that, under S.B. 56’s new version of R.C. 928.01, the moment federally legal out-of-state hemp crosses over Ohio’s borders on or after March 20, 2026, it becomes “marijuana” for purposes of Ohio law. The practical effect is to (a) protect Ohio’s marijuana businesses from competition from out-of-state hemp retailers, processors, and cultivators (because the new law would prevent federally legal hemp from entering the Ohio marketplace without triggering potential marijuana possession and trafficking prosecutions) while simultaneously (b) effective March 20, 2026, granting Ohio’s marijuana industry the exclusive right to grow, process, and dispense federally legal hemp—now known as “marijuana” in Ohio.

This is analogous to the New Jersey situation two years ago, when the federal district court invalidated a protectionist scheme that only permitted federally legal hemp in New Jersey if it was grown in that state. *See, Loki Brands, LLC v. Platkin*, supra, 2024 WL 4457485.

State legislation making federally legal hemp “marijuana” in Ohio triggers Ohio’s three-tier, closed-loop system that requires dispensaries to source and sell only marijuana that has been processed and cultivated within Ohio’s geographic borders.

51. To fully explain the Dormant Commerce Clause violation here, we must review

Ohio’s three-tiered, closed-loop system for medical and adult-use marijuana licensing. Understanding this system is important because the effect of S.B. 56 inserting exclusionary language into the definition of “hemp” under R.C. 928.01 converts federally legal hemp into “marijuana” for purposes of Ohio law.

52. This shows that the practical effect is to grant Ohio companies with licenses issued under Ohio’s marijuana cultivation, processing, and dispensary laws an exclusive right in Ohio to cultivate, process, and sell federally legal hemp. As shown by the the legislative service’s commission’s “Synopsis of Conference Committee Amendments” this was not an accident or unintended. It says that S.B. 56 **“requires products that fall outside the scope of the new narrowed hemp definition to be considered marijuana and sold exclusively in marijuana dispensaries.”**²

² <https://www.legislature.ohio.gov/download?key=26814> (Copy attached)

53. Even though the Dormant Commerce Clause forbids Ohio from banning a federally legal product on the basis that it isn't cultivated, processed, or sold in Ohio, this is S.B. 56's practical effect.
54. Under S.B. 56, Ohio's marijuana companies enjoy conditional immunity from prosecution.
55. Licensed Ohio cultivators are immune from Ohio prosecutions for cultivating marijuana and delivering, transferring, and selling marijuana to other licensees. *See* R.C. 3796.18(A).³
56. Similarly, licensed Ohio-based processors are immune from prosecution on the condition they sell to Ohio dispensaries or obtain product from an Ohio-licensed cultivator. *See* R.C. 3796.19(A)(1).⁴

³ Effective March 20, 2026, R.C. 3786.18(A)(1) would provide:

- (A)(1) Notwithstanding any conflicting provision of the Revised...a licensed cultivator, including the holder of a current, valid cultivator license issued under this chapter before the effective date of this amendment, may do all of the following:
- (a) Cultivate medical marijuana and adult-use marijuana;
 - (b) Deliver, transfer, or sell medical marijuana and adult-use marijuana to other license holders;
 - (c) Purchase or otherwise obtain medical marijuana and adult-use marijuana from other license holders;
 - (d) Acquire seeds, clones, plants, and other genetic material.

⁴ Effective March 20, 2026, R.C. 3796.19(A)(1) would provide:

- (A)(1) Notwithstanding any conflicting provision of the Revised Code, a licensed processor, including the holder of a current, valid processor license issued under this chapter before the effective date of this amendment, may do all of the following:
- (a) Purchase or otherwise obtain medical marijuana and adult-use marijuana from other license holders;
 - (b) Subject to division (B) of this section, process medical marijuana and adult-use marijuana into a form described in section 3796.06 of the Revised Code;
 - (c) Deliver, transfer, or sell processed medical marijuana and adult-use marijuana to other license holders.

57. And licensed Ohio dispensaries are immune under R.C. 3796.20.⁵

58. Finally, dispensary customers would enjoy immunity under R.C. 3796.22 (medicinal users)⁶ and 3796.221 (adult-use).⁷

⁵ Effective March 20, 2026, R.C. 3796.20(A)(1) would provide:

- (A)(1) Notwithstanding any conflicting provision of the Revised Code, a licensed dispensary, including the holder of a current, valid retail dispensary license issued under this chapter before the effective date of this amendment, may do any of the following:
- (a) Purchase or otherwise obtain medical marijuana and adult-use marijuana from other license holders;
 - (b) Dispense or sell medical marijuana in accordance with division (B) of this section;
 - (c) Dispense or sell adult-use marijuana in accordance with division (C) of this section;
 - (d) Sell paraphernalia that may be used in the administration of adult-use marijuana or medical marijuana as specified in rules adopted under section ~~3796.03~~ of the Revised Code;
 - (e) Provide delivery of medical marijuana in accordance with the rules adopted under section ~~3796.03~~ of the Revised Code;
 - (f) Deliver, transfer, or sell medical marijuana and adult-use marijuana to other license holders.

⁶ Effective March 20, 2026, R.C. 3796.22(A)(1)-(3) would provide:

- (A) Notwithstanding any conflicting provision of the Revised Code, a patient registered under this chapter who obtains medical marijuana from a licensed dispensary in accordance with this chapter may do all of the following:
- (1) Use medical marijuana;
 - (2) Possess medical marijuana, subject to division (B) of this section;
 - (3) Possess any paraphernalia or accessories that may be used in the administration of medical marijuana, as specified in rules adopted under section ~~3796.03~~ of the Revised Code.

⁷ Effective March 20, 2026, R.C. 3796.221 would provide in relevant part:

- (A) Notwithstanding any conflicting provision of the Revised Code, an adult-use consumer who obtains adult-use marijuana from a licensed dispensary may do all of the following:
- (1) Use adult-use marijuana;
 - (2) Possess adult-use marijuana, subject to division (B) of this section;
 - (3) Possess any paraphernalia or accessories that may be used in the administration of adult-use marijuana as specified in rules adopted under section ~~3796.03~~ of the Revised Code;
 - (4) Transfer adult-use and homegrown marijuana to another adult-use consumer if all of the following apply:
 - (a) The transfer is without remuneration.
 - (b) The amount transferred to the same adult-use consumer in the same day does not exceed either of the following:
 - (i) Two and one-half ounces of plant material, excluding any seeds, live plants, or clones being cultivated, grown, or possessed in accordance with section ~~3726.04~~ of the Revised Code;
 - (ii) Fifteen grams of extract.
 - (c) The transfer occurs at privately owned real property that is used primarily for residential or agricultural purposes, including any dwellings, facilities, improvements, and appurtenances on such real property.

59. Out-of-state companies that distribute federally legal hemp-derived products cannot participate in this immunity as their gaining marijuana licensure in Ohio is impossible due to the absence of a physical presence here. Plus, Ohio isn't currently issuing any new licenses and plaintiffs' customers are afforded no "marijuana" immunity despite the substance containing federally legal hemp. There are only 204 licensed dispensaries in Ohio and the window to apply for a license is closed.
60. In sum, Ohio seeks to shut off the market for federally legal hemp in Ohio unless produced within Ohio's preexisting closed-loop marijuana supply chain.
61. This presents a classic dormant Commerce Clause violation.
62. The moment out-of-state federally legal hemp-related products cross Ohio's borders, they'd be subject to a controlled-substance prosecution under R.C. 2925.03 or R.C. 2925.11 for possessing or selling Ohio "marijuana."
63. This is precisely how S.B. 56 is protectionist in nature.
64. Therefore, this court should temporarily, preliminarily, and permanently restrain and enjoin the defendants—and those with whom they may act in concert—from, directly or indirectly, taking any negative administrative, regulatory, civil, criminal, or other governmental actions against plaintiffs based upon S.B. 56's purported enactment of new R.C. 928.01(C)(1)-(4).
65. Similarly, that purported enactment would offend the express preemption provision in the 2018 Farm Bill because it has the effect, in concert with the other Ohio penal code statutes outlined above, of banning the interstate transportation of federally legal hemp (new Ohio marijuana) to and from this state.

66. *The Loki* court on page eight of its decision correctly held this to be violative of the Supremacy Clause of the United States Constitution:

*** [T]he Court finds that Plaintiffs are correct that the effect of the NJHAA violates Congress's express preemption provision. The NJHAA creates and defines the category of "Intoxicating Hemp Products" as hemp products cultivated and manufactured in New Jersey and sold in New Jersey, but does not recognize corresponding intoxicating hemp products cultivated, produced, or manufactured outside of New Jersey. Out-of-state hemp products, moreover, are not exempted from the Controlled Dangerous Substance Act; therefore, they remain Schedule I controlled substances. In short, once the NJHAA becomes operative on October 12, 2024, it will effectively be a crime to transport or ship out-of-state intoxicating hemp products to, or through New Jersey. ***

Accordingly, although there is no express language by the New Jersey Legislature that conflicts with Congress's express preemption provision in Section 10114 of the Farm Bill, the Court concludes that the relevant portions of the NJHAA that effectively makes it a crime to transport or ship hemp cultivated, derived, or manufactured outside New Jersey are nevertheless preempted by Section 10114.

67. Therefore, as requested in ¶64 above, this court is again justified in temporarily, preliminarily, and permanently restraining the enforcement of any provisions in S.B. 56 that operate to restrict out-of-state, federally legal hemp from entering Ohio by virtue of implicating potential criminal or other negative consequences.

68. Plaintiffs have no other available relief, nor are monetary damages available to serve as an adequate substitute for injunctive relief.

69. Plaintiff Saucy Seltzer Corp. will not be able to obtain the materials needed to make its product and Uncle Arnie's will also need to make organizational changes even outside of Ohio, which is the type of extraterritorial effects that the Dormant Commerce Clause prevents individual states from causing. *See e.g., Loki*, supra, *11 ("Lastly, the NJHAA's targeting of out-of-state intoxicating hemp products

has a practical effect of controlling interstate commerce extraterritorially. Because out-of-state intoxicating hemp products would soon be deemed controlled dangerous substances, while in-state versions of the same product would not, companies would be compelled to rethink their business plans.”), (cleaned up).

**COUNT II: NON-FULFILLMENT OF OHIO CONSTITUTION ARTICLE II,
SECTION 16—S.B. 56 NEVER PASSED IN A MANNER SATISFYING THE OHIO
CONSTITUTION**

70. Because of the governor’s repeated misuse of the line-item veto, Senate Bill 56 was not passed in a manner that satisfies Ohio Constitution Article II, Section 16.
71. Within Art. II, Sec. 16, the Ohio Constitution exhaustively enumerates the methods by which a bill may become law.
72. None of those constitutionally prescribed processes were fulfilled here.
73. Instead, Governor Richard Michael DeWine purported to create a new mechanism—conditioning gubernatorial approval on the repeated improper invocation of the line-item veto power.
74. Available online are the (a) the purportedly “Disapproved Language”⁸ and (b) the Governor’s “Veto Message.”⁹
75. Article II, Section 16 of the Ohio Constitution permits the Governor to veto only “items” in an appropriation bill, but the provisions struck here were substantive policy

⁸ <https://www.legislature.ohio.gov/assets/legislation/legislation-documents/136/DisapprovedLanguageSB56.pdf>

⁹ <https://www.legislature.ohio.gov/assets/legislation/legislation-documents/136/VetoMessageSB56.pdf>

provisions, not monetary appropriations, and therefore were not proper subjects of the line-item veto in the first place.

76. Article II, Section 16 essentially enumerates three ways a bill becomes law:

1. If the governor approves an act, he shall sign it;
2. If the governor does not approve the whole bill, he shall (a) return it with written objections (i.e., veto the entire bill) or (b) veto particular items of appropriation, and the legislature may repass the bill with a three-fifths majority override; or
3. If a bill is not returned by the governor within ten days, Sundays excepted, after being presented to him, it becomes law in like manner as if he had signed it.

77. None of these three methods is satisfied here. Indeed, the governor did not (1) approve the bill, (2) object to the entire bill or veto an “item,” or (3) fail to return it entirely.

78. Rather, the governor took an approach enumerated nowhere in this state’s constitution.

79. He only signed the bill upon purporting to veto text embodying substantive policy—not items of appropriation. He then returned that heavily edited version to the legislature. Indeed, as shown by “vetoed” text and “veto” message, the governor misused the line-item veto dozens of times, including veto an exemption for the beverage industry.¹⁰

¹⁰ This exhibit is a compilation of the portions of S.B. 56 that the governor purported to individually veto.

80. Not a single instance involves a permissible use of the line-item veto, the exercise of which is governed by the last sentence of Art. II, Sec. 16, which states:

The governor may disapprove any item or items in any bill making an appropriation of money and the item or items, so disapproved, shall be void, unless repassed in the manner prescribed by this section for the repassage of a bill.

81. The phrase “item” refers to an expenditure, not substantive policy text.

As used throughout Ohio Constitution Article II, “item” is a term of art.

82. It is well established that “words used more than once in the same provision have the same meaning throughout the provision, unless there is clear evidence to the contrary.” *State ex rel. Maurer v. Sheward*, 71 Ohio St.3d 513, 521 (1994).

83. Not only in Art. II, Sec. 16, but throughout Art. II, “item” is used as a term of art.

84. The Supreme Court of Ohio has held that the Ohio constitution is like the Arizona constitution. And our high court adopted the Arizona’s Supreme Court definition of “item” as meaning a “separate particular in an enumeration, account or total.” *State ex rel. Brown v. Ferguson*, 32 Ohio St.2d 245, 251 (1972), approvingly quoting *Fairfield v. Foster* (1923), 25 Ariz. 146, 214 P. 319, 323.

85. Similarly, the Supreme Court of the United States adopted this reading when invalidating a purported “item” veto by the Governor-General in the Philippines, a former U.S. territory, that had a legal provision—much like the Ohio constitution—stating that, “The Governor General shall have the power to veto any particular item or items of an appropriation bill, but the veto shall not affect the item or items to which he does not object.”

86. In explaining that this “exceptional” power is narrow, the federal Supreme Court explained that a contrary, broad interpretation of the governor’s power could result in the enactment of a general law in an “emasculated form not intended by the Legislature” and potentially “against the will” of the majority of lawmakers who voted to pass the bill—a result that is obviously intolerable.¹¹

¹¹ Indeed, *Benson v. Secy. of Justice of Philippine Islands*, 299 U.S. 410, 414-415 (1937) explained as follows:

If the Governor-General had power under the foregoing clause of section 19 of the Organic Act to veto section 7 of the gratuities bill, he had like power to veto section 2, granting preferences to certain classes of officers and employees; or section 4, allowing a choice between the gratuity granted by the act under review and a gratuity granted by some other act; or section 5, according a right of succession to unpaid gratuities in case of death; or section 6, providing for conditional reappointment of persons separated or retired under the act; or to veto as many of them as he saw fit. No more than any of the designated sections does section 7 constitute an item of appropriation. All of them are distinct parts of an act of general legislation. The elimination of any by an exercise of the veto power, with the going into effect of the remaining portions of the bill as a consequence (if the veto be not overruled by a two-thirds vote of each house), **would result in the enactment of a general law in an emasculated form not intended by the Legislature and against the will, perhaps, of a majority of each house.** This would not be negation of an item or items of appropriation by veto but, in effect, affirmative legislation by executive edict.

So, even if it be conceded that the bill could be characterized as an appropriation bill, section 7 is not an ‘item’ within the meaning of section 19 of the Organic Act. An item of an appropriation bill obviously means an item which in itself is a specific appropriation of money, not some general provision of law which happens to be put into an appropriation bill. Provisions granting power to the executive to veto an item or items of an appropriation bill are to be found, in various forms of expression, in many of the state constitutions. Their object is to safeguard the public treasury against the pernicious effect of what is called ‘log-rolling’—by which, in order to secure the requisite majority to carry necessary and proper items of appropriation, unnecessary or even indefensible items are sometimes included.

87. Here, rather than disapproving any “item or items” within S.B. 56, Governor DeWine purported to “line-item” veto substantive provisions that he disapproves of on policy grounds. He catalogued this in his “veto message.”
88. Fundamentally, Ohioans have not granted the governor such an exceptionally sweeping power.
89. Under Art. II, Sec. 16, the governor’s choices were (a) sign the bill, (b) disapprove of it entirely (or veto of an “item or items,” which are terms of art per *State ex. rel. Brown v. Ferguson*, supra), or (c) not return the bill at all and allow it to pass without his signature.
90. The non-constitutionally recognized approach that the governor took respecting S.B. 56 illustrates that there is no constitutionally recognized agreement between the General Assembly and the governor as to what is to become law.
91. Thus, no variant of S.B. 56 may become law.
92. Otherwise, a new category of passage not enumerated in Art. II, Sec. 16 is created by extra-constitutional fiat.
93. This court should thus temporarily, preliminarily, and permanently enjoin the publication and codification of S.B. 56 entirely, which is why the director of the Legislative Service Commission is a defendant herein.
94. Because the General Assembly and the Governor never constitutionally concurred on the same bill, no law was validly enacted and thus S.B. 56 should be enjoined from codification and enforcement *entirely*.

95. While this remedy has not been pressed in Ohio,¹² its logical underpinnings have been articulated by the Supreme Court of Delaware:

The fundamental constitutional requirement of agreement on an entire piece of legislation between the House and Senate and the Governor is necessary whether the proposed legislation is an appropriations bill or a matter of general law, subject only to the authority conferred by Article III, Section 18 of the Constitution permitting a partial veto by the Governor of an item of appropriation.

Consequently, it follows that, even though proposed legislation be an appropriations bill in some respects, if the Governor attempts to veto a portion of the bill, itself, which is not an appropriation but is a matter of general law, that indicates a lack of agreement between the Governor and both Houses of the General Assembly and, therefore, there has been no approval of the proposed legislation as an entirety by the Governor. Accordingly, that absence of approval necessitates the conclusion that the law has not been validly enacted.

Opinion of the Justices, 306 A.2d 720, 723 (Del. 1973). *Accord*, *Regents of State University v. Trapp*, 113 P. 910, 914, 28 Okla. 83, (“He attempted to approve the bill in part and disapprove it in part. But, since he was without authority thus to approve the bill, his sanction of parts of the bill was ineffectual to give those parts the force of a law. Whether, if the Governor had understood his powers relative to the bill differently, he would have approved the whole bill, including those items disapproved by him because in his judgment they were excessive, can only be conjectured. What he did do is a matter of record. He did not approve the entire bill, but specifically disapproved portions of it.”)

96. Alternatively, at minimum, this court should again enjoin (a) the new R.C. 928.01(C) definition of “hemp”—and thus the expansion of what is marijuana—under the circumstances presented, and (b) the invalid “veto” of the exemption or carve out for the hemp-beverage industry that the General Assembly placed into S.B. 56 but that the governor then purported to “veto.” *See generally*, S.B. 56 Chapter 3779; *attached*

¹² Plaintiffs are not barred from raising this issue now: “a reported decision, although in a case where the question might have been raised, is entitled to no consideration whatever as settling, by judicial determination, a question not passed upon or raised at the time of the adjudication.” *State ex rel. Gordon v. Rhodes*, 158 Ohio St. 129, 131 (1952), syllabus.

“Disapproved text,” pp. 47-54; 120-136; *attached* “Veto message” heading “Drinkable cannabinoid products.”

97. Notably, the enrolled version of S.B. 56 had a provision, R.C. 3779.211 that stated, “Sections 3779.21 to 3779.30 of the Revised Code are operable notwithstanding any other provisions of the Revised Code to the contrary, including Chapter 928 of the Revised Code.” This was to effectuate the carve out for the beverage companies in R.C. Chapter 3779 as passed by both chambers of the General Assembly.
98. Further, even if that exemption is reinstated, it might be a Pyrrhic victory because if the rest of the bill, or at least the definition of “hemp” reviewed above is not enjoined, the infrastructure supporting beverage companies involved in the interstate, federally legal hemp industry will collapse in Ohio as plaintiffs will not be able to produce, manufacture, or sell their products because they won’t be able to obtain the necessary input materials.
99. Therefore, all of the provisions regarding the new interlinked definitions of hemp/marijuana, if not all of S.B. 56, should be temporarily and preliminarily restrained from codification and enforcement by defendants and with whom they may act in concert while a permanent injunction on these points is fully litigated.
100. **WHEREFORE**, this court should issue emergency injunctive relief in the form of a temporary restraining order and then later issue preliminary and permanent injunctions. Each form of relief should adequately protects plaintiffs from adverse governmental actions for participating in this state in an otherwise federally legal

market involving hemp and hemp-derived products so long as their conduct comports with federal law and valid state laws predating S.B. 56.

Respectfully submitted,

Mayle LLC

/s/ Andrew R. Mayle (0075622)

SAUCY SELTZER CORP. S.B. 56 LAWSUIT VERIFICATION AFFIDAVIT

County of Cuyahoga

State of Ohio

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)
)

SS

1. My name is Brent Zimmerman. I am over the age of eighteen and competent to testify to the matters set forth herein. I am a founder and executive of Saucy Seltzer Corp., an Ohio company that produces hemp-derived beverage products.
2. Saucy Seltzer Corp. operates in connection with Saucy Brew Works, headquartered in Cleveland, Ohio. Our company develops, manufactures, and distributes hemp-derived products that are sold to consumers and distributors in Ohio and several other states.
3. Saucy Seltzer Corp. has invested substantial capital to develop, produce, and distribute hemp-derived beverages in reliance on the legal framework currently governing hemp products under federal law and Ohio law. These investments include product development, packaging, branding, marketing, manufacturing commitments, distribution agreements, and inventory currently in the marketplace.
4. Saucy Seltzer Corp. sources the hemp-derived ingredients used in its beverages from Perfectly Dosed, a company located in Chicago, Illinois.
5. Perfectly Dosed supplies hemp-derived ingredients that comply with the federal definition of hemp under the 2018 Agriculture Improvement Act (commonly known as the Farm Bill). These ingredients contain no more than 0.3% delta-9 tetrahydrocannabinol on a dry-weight basis, which is the federal legal standard for hemp.
6. The hemp-derived ingredients that Saucy Seltzer Corp. purchases from Perfectly Dosed are transported in interstate commerce from Illinois into Ohio and are used in the production of Saucy Seltzer Corp.'s beverage products.
7. During the licensing process with the Ohio Department of Agriculture ("ODA"), Saucy Seltzer Corp. received guidance indicating that hemp ingredients used in its production process—including work-in-process materials—must comply with the federal 0.3% delta-9 THC dry-weight threshold. Saucy Seltzer Corp. has structured its production process to comply with that guidance.
8. Saucy Seltzer Corp. currently manufactures and sells hemp-derived beverage products to distributors and retailers operating throughout Ohio and other states. These products are sold pursuant to Saucy Seltzer Corp.'s understanding of the federal hemp laws and the regulatory framework administered by the Ohio Department of Agriculture.

9. Saucy Seltzer Corp. supports jobs across multiple areas including manufacturing, marketing, sales, logistics, and hospitality. Retail partners, distributors, and suppliers have also built business plans around the hemp beverage category.
10. Saucy Seltzer Corp. has incurred substantial expenses in product development, packaging, marketing, production commitments, and distribution agreements based on the expectation that federally compliant hemp-derived beverages could continue to be lawfully produced and sold in Ohio.
11. On or about March 2026, Saucy Seltzer Corp. received a written communication from the Ohio Department of Agriculture regarding changes resulting from the passage of Senate Bill 56.
12. That communication informed Saucy Seltzer Corp. that, effective March 21, 2026, hemp-derived products that do not meet the statute's newly revised definition of "hemp" will be considered marijuana under Ohio law and regulated by the Ohio Department of Commerce rather than the Ohio Department of Agriculture. *See attached e-mail from Timothy Tewksbury.*
13. The communication further stated that companies involved in the production of such products would no longer be regulated by the Ohio Department of Agriculture after March 20, 2026.
14. Based on the statutory language of Senate Bill 56 and the communication from the Ohio Department of Agriculture, Saucy Seltzer Corp. understands that the hemp-derived ingredients it currently sources from Illinois and uses in its beverages would be treated as marijuana under Ohio law, even though those ingredients comply with the federal definition of hemp.
15. As a result, the beverage products that Saucy Seltzer Corp. currently manufactures and sells pursuant to federal hemp regulations and existing Ohio guidance would become illegal for Saucy Seltzer Corp. to produce or sell in Ohio.
16. Because Saucy Seltzer Corp. relies on the interstate shipment of federally lawful hemp ingredients from Illinois into Ohio, the effect of Senate Bill 56 would be to prohibit Saucy Seltzer Corp. from continuing to use those ingredients in its products and to prevent the interstate shipment of those federally lawful hemp materials for use in its beverages.
17. If Senate Bill 56 takes effect in its current form, Saucy Seltzer Corp. would be forced to immediately cease selling its hemp-derived beverages in Ohio. This would cause our company catastrophic, irreparable harm as the lost revenue could not be replaced.
18. The financial impact of such a prohibition would be immediate and significant. The revenue generated from these products would disappear while the underlying financial obligations associated with those products—including loans, vendor contracts, manufacturing commitments, and distribution agreements—would remain.

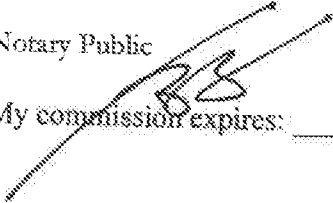
- 19. In addition to harming Saucy Seltzer Corp., such a prohibition would disrupt the broader network of employees, distributors, retailers, and suppliers who rely on the hemp beverage industry.
- 20. The sudden elimination of this market would strand capital that Saucy Seltzer Corp. has already invested in Ohio and undermine business planning based on the expectation that the legal framework governing hemp products would remain reasonably stable.

Further Affiant says/taught.

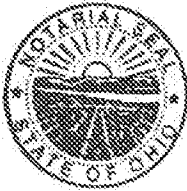


 Brent Zimmerman


Notary Public


 My commission expires: _____

The affiant personally appeared before me on March 13, 2026 and signed this affidavit in my presence after first being duly sworn under oath subject to penalty of perjury.



BRENT ZECHMAN
 Notary Public, State of Ohio
 Commission No. 2021-RE-827253
 My Commission Expires
 February 25, 2031



 Notary Public

My commission expires: 02/25/2031

From: Timothy.Tewksbary@Agri.ohio.gov <Timothy.Tewksbary@Agri.ohio.gov>

Sent: Monday, March 9, 2026 7:45 AM

To: jon.tumey@bluegrassfarma.com; yvonne@boltz2nutz.com; dssamuels@buoyantbrands.com; Athensfamily81@yahoo.com; jcutter@cvfarms.co; Meredith Farrow <mfarrow@cleanremedies.com>; josh@dankhousebrewing.com; dkassling@impactbev.com; fantcandy@aol.com; max@fiftywestbrew.com; bret@artifactbeer.com; MIKE DOUGHERTY@DRINK-MODERN.COM; john@ramblinghousesoda.com; kbolander@gmail.com; melaniejbuchanan411@gmail.com; Kearney_angela@hothoneyzzz.com; rmosali@hypervatn.com; speters@3isolutions.com; Zthesketh51711@gmail.com; zach@juniperbrew.com; isaacextras@yahoo.com; hollieaneshansley@ymail.com; ph8restaurantandlounge@gmail.com; ben@pleasanttreeindustries.com; josh@reverbwellness.com; JULIA@YOURLABELHERE.COM; say@roman-acres.com; littkombucha@gmail.com; wesleybryant29455@gmail.com; valleylandfarms@gmail.com; danh@karrikinspirits.com; andrew@toledospirits.com; spencer922@att.net; jagjitsoni@outlook.com; art@jackieos.com; spencer922@att.net; spencer922@att.net; stevenp@greatlakesbrewing.com; paul@dutchcreekwinery.com;

jbuffett@frontier.com; jbuffett@frontier.com; victor@landgrantbrewing.com; erniejoy@gmail.com; kelly.mongomery@thirdeyebrewingco.com; Brent Zimmerman <brent.zimmerman@saucybrewworks.com>; zazasubs853@gmail.com; jason@crookedhandle.com
Subject: Hemp Processing Updates

Good morning,

I hope this email finds you well. I would like to inform you of an important update regarding the renewal process for hemp processor licenses.

Due to the passage of Senate Bill 56, there will be a change in regulation concerning the production of "intoxicating hemp" products effective March 21, 2026. Hemp-derived products that do not meet the definition of hemp (see below) will be considered marijuana, which is regulated by the Ohio Department of Commerce. If you are involved in the manufacturing of such products, you will no longer be regulated by the Ohio Department of Agriculture (ODA) after March 20, 2026.

"Hemp" means the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of not more than three-tenths per cent on a dry weight basis. "Hemp" includes industrial hemp. "Hemp" does not include any of the following:

- (1) Any viable seeds from a *Cannabis sativa* L. plant that exceeds a total tetrahydrocannabinols concentration, including tetrahydrocannabinolic acid, of three-tenths per cent in the plant on a dry weight basis;
- (2) Any intermediate hemp-derived cannabinoid product containing any of the following:
 - (a) Cannabinoids that are not capable of being naturally produced by a *Cannabis sativa* L. plant;
 - (b) Cannabinoids that are capable of being naturally produced by a *Cannabis sativa* L. plant and were synthesized or manufactured outside the plant;
 - (c) More than three-tenths per cent combined total of total tetrahydrocannabinols, including tetrahydrocannabinolic acid, and any other cannabinoids that have similar effects or are marketed to have similar effects on humans or animals as a tetrahydrocannabinol as established by the superintendent of cannabis control in lists adopted under section 928.031 of the Revised Code.
- (3) Any intermediate hemp-derived cannabinoid product that is marketed or sold as a final product or directly to an end consumer for personal or household use;
- (4) Any final hemp-derived cannabinoid product containing any of the following:
 - (a) Cannabinoids that are not capable of being naturally produced by a *Cannabis sativa* L. plant;
 - (b) Cannabinoids that are capable of being naturally produced by a *Cannabis sativa* L. plant and were synthesized or manufactured outside the plant;
 - (c) Greater than four-tenths of a milligram combined total per container of total tetrahydrocannabinols, including tetrahydrocannabinolic acid, and any other cannabinoids that have similar effects, or are marketed to have similar effects, on humans or animals as a tetrahydrocannabinol as established by the superintendent of cannabis control in lists adopted under section 928.031 of the Revised Code.

If you wish to continue producing hemp products that are compliant with the new definition after March 20, 2026, please proceed with your ODA license renewal as usual. You will receive a notification 30 days prior to the expiration of your current license to initiate the renewal process.

Should you prefer to withdraw from ODA licensure rather than remit the annual license fees, kindly respond to this email, and we will provide you with the necessary withdrawal form for your signature.

If you have any questions or require further clarification, please do not hesitate to reach out.

Thank you for your attention to this important update.



Tim Tewksbary

Assistant Chief, Division of Food Safety

8995 East Main Street

Reynoldsburg, Ohio 43068

C: 614.406.6748

Timothy.tewksbary@agri.ohio.gov

Empowering Communities to Succeed

Email to and from the Ohio Department of Agriculture is open to public inspection under Ohio's public record law. Unless a legal exemption applies, this message and any response to it will be released if requested.

The State of Ohio is an Equal Opportunity Employer and Provider of ADA Services.

UNCLE ARNIE'S S.B. 56 LAWSUIT VERIFICATION AFFIDAVIT

1. My name is Theodore David Terris. I am over the age of age, am of sound mind, and am the CEO of SS Beverages 1 Inc., d/b/a Uncle Arnie's, a THC beverage company founded in 2019. Our website is <https://unclearnies.com/>.
2. This affidavit is based upon my own personal knowledge. I've read the complaint in this case and verify it to be true and accurate as it pertains to plaintiff Uncle Arnie's.
3. Uncle Arnie's is a Delaware corporation with its principal place of business in California.
4. Uncle Arnie's produces THC beverages that are sold across the United States. Our products undergo extensive research and development, third-party laboratory testing, and certification to ensure they are compliant with federal and state hemp regulations.
5. Today our beverages are sold in thousands of retail stores across the country, including convenience stores, grocery chains, liquor stores, and specialty retailers.
6. Ohio is now one of the most important markets for our company.
7. Over the past two years we have invested tens of thousands of dollars in marketing, retail placements, and market development within Ohio. We currently sell our products through licensed distributors and retailers throughout Ohio and maintain multiple employees focused on supporting our operations and sales there.
8. At present, Uncle Arnie's sells approximately 4,000 cases of THC beverages in Ohio retail stores monthly (almost 100,000 cans), representing roughly \$2.5 million in annual revenue.
9. This revenue is essential for our business and supports both our employees and our broader operations.
10. If we cannot do business in Ohio—or if our products cannot be transported through Ohio—it will negatively affect our entire company and cause us strategic, logistical, operational, and financial problems. Our products are shipped from Minnesota and Georgia. An inability to transport products through Ohio would increase our shipping costs because our products are also available in New Jersey, Connecticut, Rhode Island, North Carolina, South Carolina, and Florida. Further, our products frequently are shipped to hubs in Ohio before being distributed to other states.

- 11. If S.B. 56 is not enjoined in relevant part, then our company's products would become marijuana, a controlled substance, for purposes of Ohio law because our products are not sold within Ohio's closed-loop marijuana supply chain. Nor could they be as we have no licensure within that ecosystem; and cannot possibly obtain one due to our lack of physical presence in Ohio.
- 12. Absent immediate injunctive relief, we would lose a key market where we have already made substantial financial and operational investments, and our employees and retail partners in the state would also be directly negatively affected, as would our customers, who would now be possessing an illegal substance under Ohio law due to the new definitions under S.B. 56 acting in concert with other Ohio laws.

Theodore David Terris

03/16/2026

Theodore Terris, CEO, on behalf of plaintiff
SS Beverages I, Inc.
d/b/a Uncle Arnie's

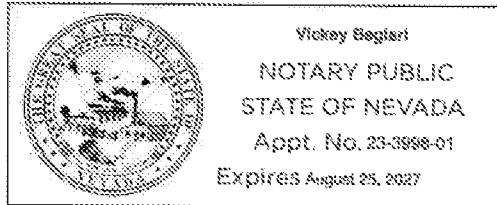
Date

The affiant personally appeared before me on March 16th, 2026 and signed this affidavit in my presence after first being duly sworn under oath subject to penalty of perjury.

Vickay Beglari

Notary Public State of Nevada, Clark County

My commission expires: 08/25/2027



Notarized remotely using audio-video communication technology via Proof,

AMY ELLWOOD'S S.B. 56 LAWSUIT VERIFICATION AFFIDAVIT

County of Tuscarawas)

State of Ohio)

SS

1. My name is Amy Ellwood. I am over the age of eighteen and competent to testify to the matters set forth herein, which are based upon my personal knowledge. I am a resident of Tuscarawas County, Ohio, where I work on our family's multigenerational farm.
2. We produce/cultivate federally-compliant hemp and I currently hold the attached USDA license to produce hemp. I also hold the attached Ohio licenses, however, Ohio discontinued its state-approved USDA plan effective January 1, 2026.
3. In addition to farming production, we sell products to customers in Ohio and in other states. Our family is completely dependent upon this business as part of our farming operations. There are Pet tinctures and Tinctures for Humans that pose no risk to anyone that will be banned in Ohio. We have multiple wholesale accounts that we will not be able to serve and these are Non-Psychoactive products. Our family was transitioning to this as a fulltime business and now will be forced out of jobs, along with other community members that will be without work that we contract during harvest.
4. The Center for Medicare Services has finalized ruling on offering full spectrum CBD Product to every American of Medicare age with \$500 reimbursement. Our farm and business has applied to participate in this program and Ohio's Senate Bill 56 will disallow my farm and business the opportunity to participate.
5. Despite my having a federal license and Ohio no longer having any USDA-approved plan for hemp production currently in place, Ohio purports to have passed S.B. 56, which would cause our hemp production operations on our farm to cease.
6. Under the USDA hemp program from the 2018 Farm Bill, hemp is tested pre-harvest. If the crop tests equal to or below 0.3% delta-9 THC, it is compliant hemp. After sampling, there is a 30-day harvest window. In real farming operations, rain or field conditions can delay harvest, and plant chemistry can shift slightly during that window, but the crop is still considered lawful hemp because it passed the USDA compliance test.
7. Once the crop is cut it becomes hemp biomass, which is a work-in-progress agricultural material moving through the processing chain: farm → biomass → drying → extraction → crude → distillate → ingredients → finished retail products. At this stage, it is not a consumer product.

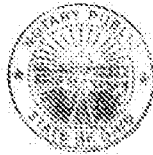
- 8. However, new R.C. 928.01(H), what would be considered a work in progress under federal regulations, would an "Intermediate hemp-derived cannabinoid product." Then, under R.C. 928.01(C)(2)(a)-(c), it would not be "hemp" if it contains: (a) Cannabinoids that are not capable of being naturally produced by a Cannabis sativa L. plant; (b) Cannabinoids that are capable of being naturally produced by a Cannabis sativa L. plant and were synthesized or manufactured outside the plant; or (c) More than three-tenths per cent combined total of total tetrahydrocannabinols, including tetrahydrocannabinolic acid, and any other cannabinoids that have similar effects or are marketed to have similar effects on humans or animals as a tetrahydrocannabinol as established by the superintendent of cannabis control in lists adopted under section 928.031 of the Revised Code." Despite our in-process materials being legal under federal law, they would now not be "hemp" under Ohio law but rather become a Schedule I substance for purposes of Ohio law. The USDA has not approved such a plan to effect hemp production in Ohio in this way.
- 9. This directly against federal language that has permits us to farm for the purposes of hemp production.
- 10. In sum, S.B. 56's purported narrowed definition of hemp may, for purposes of the Ohio Controlled Substances Act, convert our federally legal hemp production business into a state of Ohio marijuana production business, which would be illegal under Ohio law because we have no marijuana license, and cannot obtain such licensure as the state is not issuing new licenses.
- 11. Thus, if S.B. 56 is not enjoined, we will suffer business losses that could never be recovered and/or potentially face criminal prosecution. Further Affiant sayeth naught.

[Handwritten Signature]

Amy Ellwood

The affiant personally appeared before me on March 14, 2026 and signed this affidavit in my presence after first being duly sworn under oath subject to penalty of perjury.

[Handwritten Signature]
Notary Public



DARISSA R. LUTE
Notary Public, State of Ohio
My Commission Expires
February 21, 2029

My commission expires: Feb 21, 2029

USDA HEMP PRODUCER LICENSE



AMY ELLWOOD
NAME OF LICENSE HOLDER

USDA_39_0014
LICENSE NUMBER

January 22, 2026
DATE OF ISSUANCE

7109 WATERWORKS HILL RD SE
UHRICHVILLE, Ohio 44683
MAILING ADDRESS OF LICENSEE

December 31, 2029
DATE OF EXPIRATION

This certificate authorizes the licensee to produce hemp in accordance with the U.S. Department of Agriculture Domestic Hemp Production Program regulations found at 7 CFR Part 990. This license may not be duplicated, altered, transferred or sold.

Law enforcement or regulatory officials may verify licensing information with USDA by calling (888) 721-4367, or e-mailing farbill.hemp@usda.gov, Monday-Friday from 9:00-5:00 pm ET.





Ohio Department of Agriculture

HEMP PROGRAM
8995 E. MAIN STREET
REYNOLDSBURG, OHIO 43068
614-728-2101

HEMP CULTIVATION LICENSE 2024 GROWING SEASON

THIS IS TO CERTIFY THAT:

Amy Alexandra Ellwood
7109 Waterworks Hill Rd SE
Uhrichsville, OH 44683

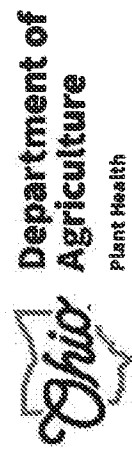
Having complied with the requirements set forth under Ohio Revised Code Chapter 928 and the rules adopted under, is hereby issued a hemp cultivation license for the GPS coordinates listed below:

DATE ISSUED: 04/01/2024

LICENSE NO. 39_1147C

LICENSE SHALL EXPIRE: 03/31/2027

Director, Ohio Department of Agriculture



Ohio Department of Agriculture

HEMP PROGRAM
8995 E. MAIN STREET
REYNOLDSBURG, OHIO 43068
614-728-2101

HEMP CULTIVATION LICENSE 2024 GROWING SEASON LOCATIONS

LICENSE NO. 39_1147C

Amy Alexandra Elwood

Structure	Location ID	Address	City	State	Zip	GPS Lat	GPS Long
Field	Field 1	7109 Waterworks Hill Rd SE	Uhrichsville	OH	44683	40°22.254N	81°20.070W
Storage/Drying	Barn 1	7109 Waterworks Hill Rd SE	Uhrichsville	OH	44683	40°22.261N	81°20.003W
Greenhouse	Greenhouse	7109 Waterworks Hill Rd SE	Uhrichsville	OH	44683	40°22.267N	81°20.010W
Barn	Barn 2	7109 Waterworks Hill Rd SE	Uhrichsville	OH	44683	40°22.277N	81°19.956W

ORGANIC PHARMA TECH, LLC LIMITED VERIFICATION AFFIDAVIT

County of Cook

1

SS

State of Illinois

2

1. My name is Mohammad Alhajjajmal, I am an owner of Organic Pharma Tech, LLC, which is an Illinois limited liability company with its principal place of business in Joliet, Illinois. I am over the age of 18 and am competent to testify on these matters based upon my personal knowledge.

2. Organic Pharma Tech is a hemp product manufacturing and distribution company operating out of Joliet, Illinois. The company produces hemp-derived products using inputs sourced exclusively from state- and federally licensed farms. These materials are processed through licensed laboratory operations and manufactured into finished products that are distributed to retailers and partners across multiple states, including Ohio. The company operates in reliance on the federal framework established by the 2018 Farm Bill, which permits the interstate commerce of hemp-derived products.

3. Ohio represents an important portion of the company's distribution network. The company currently sells products to approximately 8 distributors in Ohio and generates approximately \$500,000 a month tied to sales in that state. These sales are fulfilled from the company's operations in Joliet, Illinois, where manufacturing, production, and operational management occur.

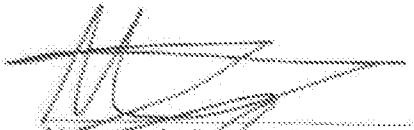
4. These sales help sustain our overall business.

5. If Ohio proceeds with enforcement actions (or the threat of them by virtue of S.B. 56) it will prevent the company from selling products into the state, the company will be forced to immediately halt sales and distribution into Ohio. This would result in a significant loss of revenue and disrupt the company's production planning, inventory management, and distribution network. And because the company's manufacturing operations are based in Illinois, the loss of the Ohio market would directly impact operations in Joliet, including potential reductions in production and staffing tied to manufacturing and distribution activities. We will also have to reconfigure our overall business strategies.

6. The company currently employs personnel in Illinois whose jobs depend on the continued operation of the manufacturing and distribution business. If the company is prevented from selling products into Ohio, the resulting loss of revenue could require reductions in production and could place these Illinois-based jobs at risk. In addition to lost sales, the company maintains production schedules, supply agreements, and distribution relationships that rely on continued interstate commerce. The sudden closure of the Ohio market would therefore create significant financial strain and operational disruption for the company's Illinois-based operations.

7. Without immediate relief from the court, the company will suffer irreparable harm, including the loss of established business relationships, disruption of its interstate distribution network, potential layoffs of Illinois employees, and significant damage to the stability of its manufacturing operations in Joliet. These harms

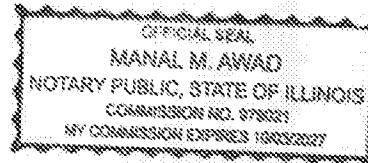
cannot be remedied after the fact and threaten the continued stability of the company's business.


Mohammad Aljohadad

3/16/2026
Date

The affiant personally appeared before me on March 16th, 2026 and signed this affidavit in my presence after first being duly sworn under oath subject to penalty of perjury.


Notary Public



My commission expires: 10/03/2027