

## **Testimony in Support with Amendments of SB 692**

### **Cannabis – Legalization and Regulation**

**March 2, 2022**

**To:** Hon. Chair Kelley, Vice Chair Feldman, and members of the Senate Finance Committee

**From:** Kayla Mock, Political Organizer  
United Food and Commercial Workers Union, Local 400

Chair Kelley and members of the Finance Committee, I appreciate the chance to share my testimony on behalf of our over 10,000 members in Maryland, working on the front lines of the ongoing pandemic in grocery, retail, food distribution, law enforcement, and health care. Through collective bargaining, our members raise the workplace standards of wages, benefits, safety, and retirement for all workers. Union members are critical to addressing inequality and uplifting the middle class.

#### **We support SB 692 with friendly amendments.**

We are excited Maryland is poised to become the 32<sup>nd</sup> state, plus Washington, D.C., to either legalize or decriminalize adult use cannabis, especially since 67% of Marylanders are supportive of legislation to do so. We appreciate the hard work and thoughtfulness that has gone into this legislation and understand the extreme complexity that comes with adult use cannabis reform.

We also welcome the thought and consideration that has gone into the future Maryland cannabis workers that will be employed in these multimillion-dollar industries. We believe this bill is a good start to figuring out how to make these jobs as sustainable and equitable for the workers and the communities they live in.

The United Food and Commercial Workers Union (UFCW) represents tens of thousands of cannabis workers across the United States in dispensaries, labs, kitchens, manufacturing, grow facilities, and more.

UFCW advocates for reform that sets up an equitable system of legalization and regulation centering around social equity prioritizing impacted communities and community reinvestment, and labor peace agreements for cannabis workers.

We propose, instead of giving points for companies that providing plans for “labor and employment practices,” and how they propose to “provide a safe, healthy, and economically beneficial working environment for the cannabis establishment’s agents including codes of conduct, health care benefits, educations benefits, retirement benefits, and living wage standards,” as proposed in SB 692, we propose that cannabis companies must sign “Labor Peace Agreements.”

A "labor peace agreement" is an agreement between a marijuana establishment and a bona fide labor organization protecting the state's proprietary interests by, at a minimum, prohibiting the labor organization from engaging in picketing, work stoppages, or boycotts against the cannabis establishment. A "Bona fide labor organization" is a labor union representing, or is actively seeking to represent, cannabis workers. Labor peace agreements would also prohibit employers from interfering with their workers choice to organize or form a union.

Labor peace agreements create a fair process for workers to decide whether they would like union representation by prohibiting employers to use intimidation or retaliation for organizing. The Economic Policy Institute estimates U.S. employers spend nearly \$340 million each year on advisors that conduct “‘union vulnerability tests’ and provide companies with important recommendations for crushing union drives at their companies.” Labor peace agreements in cannabis licensure will ensure workers can choose to form a union in a neutral environment, without employer interference.

Labor peace agreements does not mean a cannabis company would have to unionized; it simply means that if the workers choose to organize, the company will respect their right to do so without interference.

While the law under the National Labor Relations Act forbids employers from interfering with, restraining, or coercing employees in the exercise of rights relation to organizing, forming, joining, or assisting a labor organization for collective bargaining purposes, employers find ways to legally intimidate employees from exercising their rights all the time. A perfect example of this is a current organizing drive at Starbuds, a medicinal cannabis dispensary in Maryland. The workers have been subjected to anti-union literature, captive audience meetings, and vote no intimidation.

Additionally, the cannabis industry is fast growing and a multimillion-dollar industry, and it is important to ensure workers obtain a fair share of the economic growth. The “Ensuring

the High Road in Cannabis” report by the Economic Policy Institute found that union representation in the cannabis industry was key to ensuring jobs were safer, better paying, and more likely to provide benefits like healthcare, paid leave, and fair scheduling.” The report also found that union representation could significantly increase cannabis worker wages, with cultivation workers making over \$7,000 more a year, processing workers could make more than \$8,700 more a year, and retail employees making \$3,000 more a year on average than non-unionized employees.

Labor peace agreements also address social equity issues, addressing inequity in the hardest hit communities from the “War on Drugs.” The EPI study also found people of color and women would enjoy a bigger wage boost from unionizing in the cannabis industry. For example, unionized cannabis workers of color in processing jobs earn 26.4% to 32.4% more than nonunion workers. “Unions offer a powerful mechanism for promoting greater racial equity in cannabis,” the report stated.

Labor peace agreements can also help ensure quality training for this new and emerging workforce, and safety regulations in these facilities. When workers have access to representation their ability to advocate for training or additional education, is increased. Additionally, unionized workers are less likely to have workplace accidents because of safety regulations and enforcement by collective bargaining. By requiring safe working conditions, labor peace agreements also protect the health and welfare of workers and consumers. A well-trained workforce can produce quality products that meet higher safety standards.

Social equity is an incredibly important piece of cannabis legalization, and we are appreciative of the pieces placed in this bill. We ask that labor peace agreements be included to promote social equity and ensure good sustainable jobs for Marylanders by requiring freedom of choice without interference, opening access for collective bargaining for wages, benefits, racial and gender equality and equal treatment, safe working conditions.

**For all of these reasons, UFCW 400 supports SB 692 with the proposed friendly amendments.**