



## **Senate Bill 726: Cannabis Licenses—Bona Fide Labor Organizations and Labor Peace Agreements**

On behalf of the Maryland Wholesale Cannabis Trade Association (CANMD) and Maryland Dispensary Association (MDDA)  
Senate Finance Committee

### **Oppose**

March 6, 2025

The Maryland Dispensary Association (MDDA) and the Maryland Wholesale Cannabis Trade Association (CANMD) appreciate the opportunity to provide comments on Senate Bill 726: Cannabis Licenses—Bona Fide Labor Organizations and Labor Peace Agreements. Together, our organizations represent a majority of the cannabis dispensary, processor, and grower licensees in Maryland.

Senate Bill 726 requires cannabis licensees to execute a peace labor agreement as a part of the license renewal process and maintain and abide by the labor peace agreement as a condition of licensure. In addition, it allows a bona fide labor union standing in a protest against a cannabis license renewal.

The National Labor Relations Act guarantees employees the right to organize, form, and join unions, bargain collectively with their employers, and engage in other protected activities to improve their working conditions, all while protecting them from employer retaliation for exercising these rights. This means workers in the cannabis industry can unionize now. In fact, there are already cannabis licensees in Maryland who have been unionized. We believe the current system works and this bill is not necessary.

The only industry that has required labor peace agreements in Maryland as a condition of licensure is the gaming industry. This requirement, though, was a part of the licensing process from day one. Therefore, those seeking a license knew the ground rules and knew what was required of them prior to bidding, including the labor peace agreement requirement. That is not the case here. This bill would impose a new and costly licensing requirement *after* licenses have been issued, either on a permanent or conditional basis. This will be particularly challenging for

independent and social equity licensees, who may have a harder time managing the additional administrative burdens, legal fees and, potentially, higher labor costs.

Finally, this bill gives labor unions the ability to file a protest against a license renewal. Currently, only those who are residents or commercial tenants within 1000 feet of a licensed premises may file substantiated protests. These protests include violations of civil or criminal law, littering, vandalism and overall disturbances of peace. This process, which was established last year, was meant to provide a way for impacted neighbors to weigh in on potential regulatory non-compliance. This process was not meant to handle disputes with labor unions.

For this reason, we urge an unfavorable vote on Senate Bill 726.