



**Testimony in Support of HB 1634/SB0995**

**Cannabis Licensure - Labor Peace Agreements and Collective Bargaining**

**April 2, 2026**

**To:** Honorable Chair Melissa Wells, Vice Chair Kenneth Kerr, and members of the Government, Labor and Elections Committee

**From:** Jason Chorpenning, President

United Food and Commercial Workers Union, Local 27

Chair Wells and members of the Government, Labor and Elections Committee, I appreciate the chance to share my testimony on behalf of our over 12,000 members in Maryland, working in grocery, retail, food distribution, cannabis, 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 strongly support HB 1634/SB0995, Labor Peace Agreements in Cannabis, and urge you to vote it favorably.**

Cannabis retail sales in Maryland for fiscal year 2026 are expected to reach over \$1.2 billion according to the Maryland Cannabis Administration (MCA), with the state anticipating yielding over \$100 million in tax revenue based on the state's 9% sales tax on cannabis. Early 2026 monthly sales are running around \$85-\$95 million per month. In February 2026, sales reached \$88.4 million. Over the past year, the market has shown steady resilience, posting 0.4% year-over-year growth.

The bottom line is that Maryland cannabis companies are doing well, and we hope that this success continues to bring revenue to Maryland.

We also want to see cannabis jobs be sustainable, high road jobs that will support families, communities, and create generational wealth. We believe in order to make cannabis jobs the best they can be, cannabis workers' rights to freely and fairly organize need to be protected through labor peace agreements.

Labor Peace Agreements (LPAs) help support a fair process for workers to decide whether they would like union representation without intimidation or retaliation by employers. As the cannabis industry grows, regulations with a Labor Peace Agreement will support workers' ability to obtain a fair share of this economic growth while reducing racial and gender inequality. Labor peace agreements would also preemptively prevent conflicts with employers by prohibiting labor organizations from engaging in picketing, work stoppages or boycotts against cannabis establishments.

Labor peace agreements are not new in the cannabis industry. Multiple states (California, New York, Delaware, Rhode Island, etc.) have labor peace agreements in their cannabis regulations. In Maryland, LPAs were used in casino and gaming licenses and hotels, so this is not a new idea to our legislature.

The National Labor Relations Act says that workers should have a free and fair choice in organizing or joining a union. However, the current NLRB doesn't enforce its own rules. By having both parties sign an LPA, and binding both sides to neutrality, workers really will get a fair opportunity to do what's right for them, their coworkers, their families, and companies.

Unfortunately, what we have seen in the cannabis industry when workers decide to organize is typical union busting tactics. Managers and companies will try to influence workers' decisions through intimidation, fear, retaliation, or misinformation. Workers whose rights have violated have few options to correct these wrongs, and the current administration in Washington DC is further eroding the few choices that did exist.

We believe cannabis workers deserve to have a true free and fair choice on whether or not to organize their workplace, and the only way to do that is to make sure companies remain neutral through signing an LPA as a condition on licensure.

**We ask the state to protect cannabis workers Right to Organize and urge a favorable report on HB 1634/SB0995.**