



**Testimony on behalf of the
United Food and Commercial Workers International Union
before the
Michigan House Committee on Government Operations
January 28, 2020**

Thank you, Chairman Sheppard and members of the House Committee on Government Operations for the opportunity to submit testimony on Senate Concurrent Resolution 18. The United Food and Commercial Workers (UFCW) International Union opposes Senate Concurrent Resolution 18 which condemns the inclusion of a Labor Peace Agreement (LPA) requirement in the permanent rules regulating the recreational marijuana industry. The language in the resolution greatly misconstrues the term “labor peace agreement,” and makes several inaccurate allegations about these agreements.

Due to the quick convening of this hearing, there are no cannabis workers and employers in attendance, and as a result, you will not be able to hear directly from those who have benefitted from and strongly support labor peace agreements in the cannabis industry. As the largest union representing cannabis workers, we hope to bring those voices to the table. UFCW represents over 1.3 million hard-working men and women who work in highly regulated industries such as grocery and retail stores; manufacturing and chemical plants; health care facilities and pharmacies; food processing and meat packing plants; and in the emerging legal cannabis industry. Our cannabis members can be found across multiple states in growing and cultivating facilities, manufacturing and processing facilities, and in laboratories and dispensaries. Wherever cannabis is legalized, the UFCW is committed to building family sustaining jobs and a strong, diverse and skilled workforce.

Senate Concurrent Resolution 18 states that a requirement for a labor peace agreement in the marijuana rules would force the industry to “accept the terms of labor unions without negotiation.” This statement is absolutely false. A labor peace agreement is an agreement between an employer and a bona fide labor organization in which the parties agree to maintain labor peace. Such agreements protect the government’s interests by prohibiting labor organizations and their members from engaging in strikes, boycotts, picketing and any other interference with the employer’s business. In return, the employer agrees not to interfere with efforts by the labor union to communicate with, and attempt to organize and represent, the employer’s workers. At its core, these negotiated labor peace agreements create an orderly and fair process for workers to decide whether they do or do not want representation.

Labor peace agreements are negotiated between an individual employer and a labor union. While many of them have similar requirements, such as an agreement that the union will not organize picket lines or boycotts against the employer, the details of each labor peace agreement are subject to negotiation between each individual employer and whichever

labor union with which they are negotiating. It is impossible for a union to “force” an employer to accept the terms of a labor peace agreement, since the employer can simply find a different union with which to negotiate.

The Resolution claims that labor peace agreements are not “demonstrably related to the operation of a marijuana establishment.” Experience shows that labor peace agreements are an effective way to achieve the stated goals of the Michigan Regulation and Taxation of Marijuana Act (MRTMA). LPAs protect businesses, workers and customers, and are an important regulatory tool for the state. Workforce issues and labor laws are central to any business operation, and the marijuana industry is no different.

Labor peace agreements are good for the health and safety of workers and the product. Workers who have access to representation are more likely to receive safety and technical training that reduces workplace accidents and improves product quality. Unionized cannabis in other states has led to safer preparation of cannabis products and proper use of pesticides.

Labor peace agreements can help address the existing disparities in the cannabis market by providing equal opportunities for women, people of color, LGBTQ individuals, veterans, and people with disabilities to own businesses or work within the industry. Access to representation helps ensure that a broad range of workers can benefit from this growing industry, especially workers from communities that have been disproportionately impacted by cannabis prohibition in the past.

The language in the Resolution does not accurately represent the reality of labor peace agreements and makes several unfounded claims. Labor peace agreements are not “forced unionization,” but are instruments that ensure workers have the freedom to choose whether or not they wish to join a union without coercion or intimidation. It is vital to this growing industry that businesses and workers are able to work together to avoid labor disputes or conflicts. Labor peace agreements are a simple, fair and smart way to accomplish that goal.

The Michigan recreational cannabis industry is taking its first steps out of the shadows in over 100 years. Requiring labor peace agreements for licensees is a practical and sensible way to avoid negative labor issues that could disrupt the industry’s growth. Labor peace agreements protect consumers, workers and business, and are an important regulatory tool for the state.