

## Real Community Benefits through Labor Peace

We support labor peace agreements because it guarantees that both worker rights and community benefits come out of Oregon's new marijuana industry. Implementation of a labor peace agreement would protect the state's proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference. Labor peace agreements generally mean employees will be covered by health and welfare plans thus removing the drain on the states established social safety net.

Labor peace agreements also serve to reduce turnover in an industry the state has an interest to assure as few employees learn the cannabis trades and take their intellectual property to the illegal market. Labor peace agreements generally mean employees receive living wages and benefits thus removing the fear of product diversion. In addition, Labor peace agreements assure workers in a vulnerable industry there will be no retaliation for reporting violations of the Marijuana Program and often offer extra whistle blower protections.

Lastly, because of the nature of the industry the federal government has avoided a decision on employee's right to organize under the normal procedure of National Labor Relations Act. The inclusion of a Labor Peace Agreement in the regulations ensures that workers in this industry have the same rights as other workers in Oregon.

## Merit Based Licensing – A Sample Outline

As we saw in Washington State, a lack of qualifying standards for applicants created an abundance of dispensary operators that were simply not competent. These operators are a direct threat to the legitimacy of Oregon's fledgling industry. A **Merit-Based Approval Process (MBAP)** creates an above-board regulatory approach that can help the entire industry thrive. As such, a qualified applicant process would objectively raise those applicants who share Oregon's values to the front of the application line.

### REQUIRED ELEMENTS

**Business Plan Overview (700 points)** - The business plan is evaluated based on capacity to perform the work, familiarity with the risks, and knowledge of staff qualifications to perform the work. This includes business location, construction timelines, partnerships, and as much detail on day-to-day operations as they can share, as well as a plan in place to deal with potential safety and security issues. A detailed drawing and written plans will be required. Plans will not be public.

**Capitalization (200 points)** - A successful applicant will have sufficient capital in place to build, secure and start up the facility. Included should be: estimated costs to build, operate, and to compensate employees, as well as estimated local and state taxes. Audited financial statements or descriptions of capital sources can also be used.

**Community Benefits (100 points)** - Applicants must show how they will have minimal negative impacts on the community. They must also show how they will develop a community benefits programs to give back to the community.

### ADVANTAGE ELEMENTS

**Labor and Employment Practices (+250 points)** - Applicants may show a history of a commitment to heightened employee standards.

**Environmental Practices (+180 points)** - Applicants may demonstrate a commitment to green business practice relating to energy, building, and climate issues, water conservation issues and materials and waste management issues.

**Product Safety Practices (+200 points)** - Applicants may show methods in which they will provide for basic consumer safety.

United Food and Commercial Workers Union Local 555 represents around 20,000 workers in Oregon and Southwestern Washington. Our membership is comprised of workers in retail, manufacturing, health care and many other industries. We are a diverse group of workers that have grown into being the largest private sector labor union in Oregon. Local 555 has a rich history dating back to 1936. Our local is chartered by the UFCW International Union, joining us with over 1.3 million workers across the United States and the World.