

## **LEGISLATIVE DIGEST**

[Police Code - Agreements Between Cannabis Businesses and Labor Organizations - Hiring Graduates of Apprenticeship and Pre-Apprenticeship Programs]

**Ordinance amending the Police Code to require Cannabis Businesses, when entering into a City-mandated Labor Peace Agreement or collective bargaining agreement, to also agree that 35% of new hires shall be graduates of State-approved apprenticeship programs or of City-certified pre-apprenticeship programs, if a relevant program of either type exists.**

### Existing Law

Article 16 of the City's Police Code sets forth comprehensive regulations governing commercial cannabis activity in the City. Under Article 16, businesses must obtain a permit from the City to engage in commercial cannabis activity. Among other things, Article 16 requires cannabis-business-permit applicants with 10 or more employees to enter into, and abide by the terms of, either a labor peace agreement (as defined in Article 16) or a collective bargaining agreement.

Article 16 also generally requires cannabis businesses to ensure that at least 50% of all business work hours be performed by local residents.

### Amendments to Current Law

This ordinance would require that, as part of any labor peace agreement or collective bargaining agreement made pursuant to Article 16, a cannabis business must agree that 35% of its new hires will be graduates of apprenticeship programs approved by the State or pre-apprenticeship programs certified by the City, if a relevant program of either type exists. If graduates of such programs are not seeking employment in sufficient numbers to satisfy 35% of the cannabis business's new hiring needs, then the cannabis business would be required to hire such graduates to the extent feasible.

The ordinance would only apply prospectively: the ordinance would apply only to labor peace agreements or collective bargaining agreements entered into, or modified, after the ordinance's effective date.

The Office of Economic and Workforce Development (OEWD) would be responsible for certifying pre-apprenticeship programs on behalf of the City. OEWD would also be responsible for maintaining and publicizing a list of State-approved apprenticeship programs and City-certified pre-apprenticeship programs. The list would specify the type of cannabis

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business (as set forth in Police Code Section 1607—for example, cultivation, manufacturing, or retail) to which each such program is relevant.

Cannabis businesses that entered into, and abided by, a labor peace agreement or collective bargaining agreement containing the requirement imposed by this ordinance would be exempt from the requirement that at least 50% of business work hours be performed by local residents.

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