



September 15, 2020

LABOR REGULATIONS RELATED TO CANNABIS PERMITTING

*Joshua Arce, Director of
Workforce Development*

OVERVIEW OF THE OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT (OEWD)

- OEWD coordinates the City's workforce development system, a network of public, private, and non-profit agencies that serve job seekers and employers to recruit, train, and retain a diverse local workforce
- Our Workforce Division is currently focused on supporting unemployed San Franciscans, addressing persistent employment inequities, and preparing to emerge from the COVID-19 pandemic even stronger
- Our office also partners with the Office of Cannabis to implement labor regulations related to cannabis permitting



Mayor London N. Breed

“Our goal is to help connect workers who have been laid-off with employment, with a focus on positions with upward mobility and protecting worker safety.”

CANNABIS LABOR REGULATIONS

Topics

- Labor Peace Agreements
- First Source Hiring Program
- Cannabis Apprenticeship Ordinance
- Office of Labor Standards Enforcement Policies



LABOR PEACE AGREEMENT REQUIREMENT



SF Police Code Section 1609(b)(12)

For Applicants with 10 or more employees, each Applicant must agree that, as a condition of any permit awarded under this Article 16, the Applicant will enter into, and abide by the terms of, either of the following prior to the award of such a permit:

- (A) A Labor Peace Agreement; or,
- (B) A collective bargaining agreement with a Bona Fide Labor Organization.

DEFINITION OF LABOR PEACE AGREEMENT

SF Police Code Section 1602

- An “agreement between an Applicant and any Bona Fide Labor Organization”
- Prohibits “engaging in picketing, work stoppages, boycotts, and any other economic interference with the applicants’ business”
- Applicant “agrees not to disrupt efforts by such Bona Fide Labor Organization to communicate with, and attempt to organize and represent, the Applicant’s employees”



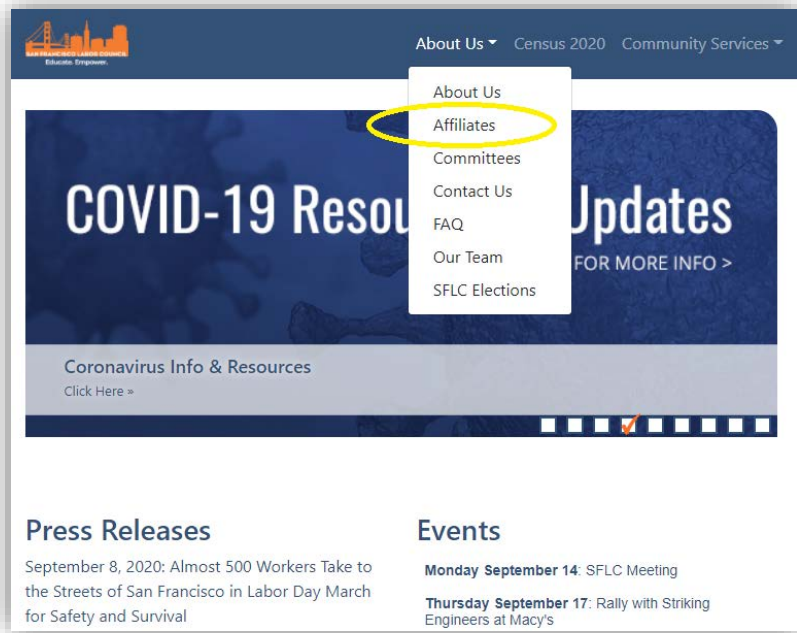
DEFINITION OF LABOR PEACE AGREEMENT (CONT'D)

SF Police Code Section 1602

- Applicant agrees to provide “access at reasonable times to areas in which the Applicants’ employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment”
- Shall “not mandate a particular method of election or certification of a Bona Fide Labor Organization as an Applicant’s employees’ representative”



DEFINITION OF BONA FIDE LABOR ORGANIZATION



www.sflaborcouncil.org

SF Police Code Section 1602

- “Any organization or any agency or employee representation committee or any local unit thereof in which employees participate, and exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, hours of employment or conditions of work”
- “Is not found to be or to have been financed in whole or in part, interfered with, dominated or controlled by the employer or any employer association”

LABOR PEACE AGREEMENT ACTIVITIES

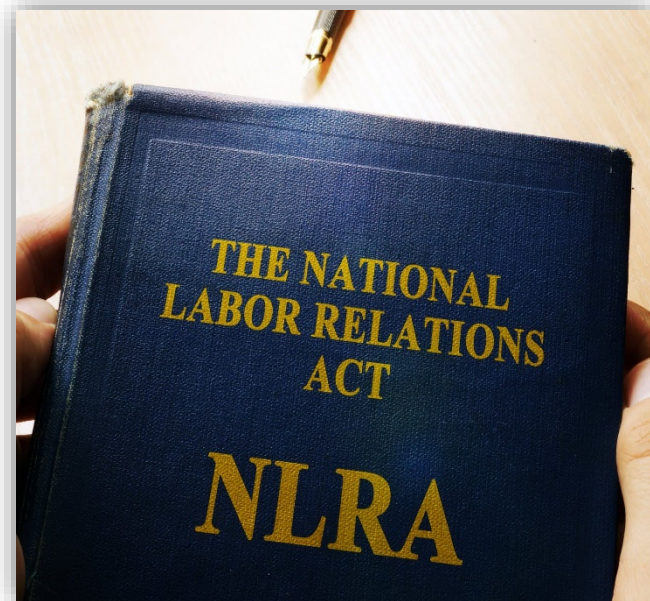
- No picketing, work stoppages, boycotts, and any other economic interference
- No disruption of efforts to communicate with, and attempt to organize and represent, employees
- Access at reasonable times to areas in which employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights, and terms and conditions of employment



NATIONAL LABOR RELATIONS ACT

The National Labor Relations Act 29 U.S.C. §§ 151-169

- Enacted in 1935 to protect the rights of employees and employers, to encourage collective bargaining, and to curtail certain private sector labor and management practices, which can harm the general welfare of workers, businesses and the U.S. economy.
- Forbids employers from interfering with, restraining, or coercing employees in the exercise of rights relating to organizing, forming, joining or assisting a labor organization for collective bargaining purposes, or from working together to improve terms and conditions of employment, or refraining from any such activity.



LABOR PEACE AGREEMENT PENALTIES



Labor Peace Agreement Sample Terms

- Resolution process
- Arbitration
- Monetary, injunctive and declaratory relief
- Injunctive relief, attorney's fees, actual damages, specific performance, liquidated damages

LABOR PEACE AGREEMENT PENALTIES (CONT'D)

SF Police Code Article 16



Notice of Violation – Section 1631

- “If the Director determines that a Cannabis Business is operating in violation of this Article 16 ...the Director may issue a Notice of Violation to the Cannabis Business”

Administrative Penalties and Enforcement Costs – Section 1632

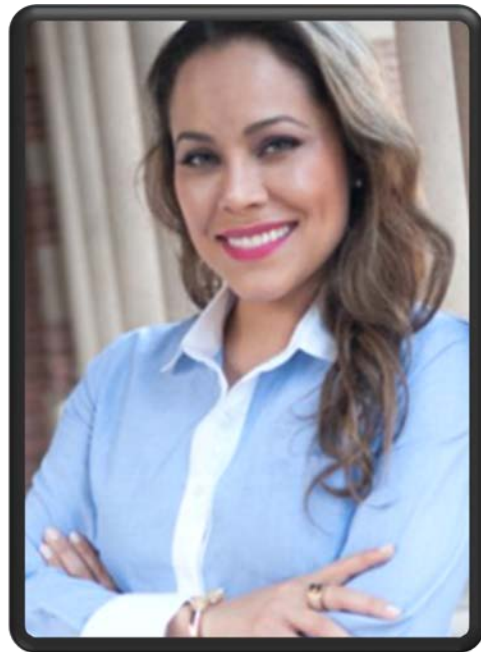
- “an administrative penalty imposed by order of the Director, not to exceed \$1,000 for each violation, for each day such violation occurs”

Permit Suspensions and Revocations – Section 1633

CANNABIS EQUITY PROGRAM

Cannabis Equity Program SF Police Code Section 1604

- The Office of Cannabis Director “shall implement an Equity Program designed to foster equitable access to participation in the cannabis industry, including equitable access to promotional and ownership opportunities in the industry”
- “Provide assistance to communities unfairly burdened by the War on Drugs...designed to ensure full and equal access to resources and opportunities made available as a result of Proposition 64”
- “Provide support to individuals who have experienced social indicators that exacerbate inequities...create strategies to uplift communities where those inequities have been concentrated.”



**Office of Cannabis Director
Marisa Rodriguez**

FIRST SOURCE HIRING PROGRAM

SF Police Code Section 1618(g)

“Every Cannabis Business shall enter into a First Source Hiring Agreement...pursuant to which it agrees to comply with the first source hiring requirements set forth in subsections (b)(1)-(8) of Section 83.9 of the Administrative Code.”



FIRST SOURCE HIRING PROGRAM (CONT'D)

SF Administrative Code Section 83.9

First Source Hiring Agreements shall:

- “Set appropriate hiring and retention goals for entry level positions”
- “Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions”
- “Establish guidelines for employer good faith efforts to comply with the first source hiring requirements”

The screenshot shows an email from the San Francisco Office of Economic & Workforce Development. The header includes the office's name and a seal. The main title is "First Source Employers Hiring During Covid-19". Below this is a large image of the San Francisco skyline at sunset. A small text block below the image states: "You are receiving this email as you have signed up for the Workforce Job Board, or attended a job fair. If you no longer wish to receive these emails, you may unsubscribe below at the bottom of this email." The email content is organized into sections. A blue bar reads "First Source Employers Hiring Now". Below this is a green bar for "Cannabis". The first listing is for "Moe Green's" with a "NEW!" tag, an "Inventory Specialist" position, a salary of "\$17.00- \$20.00 per hour", and an application deadline of "September 9th, 2020". The second listing is for "The Apothecarium" with "Retail Support Associates at all Bay locations", a note that "Retail or customer service experience are great transferable skills if you haven't worked in Cannabis", a salary of "\$17-18 per hour", and an application deadline of "Apply until Filled". The third listing is for "Delta Federation" with a "Delivery Driver" position, a salary of "\$18.50 per hour", and an application deadline of "Apply until Filled". The footer includes the Delta Federation logo and the San Francisco Office of Economic & Workforce Development logo.

SAN FRANCISCO
OFFICE OF ECONOMIC &
WORKFORCE DEVELOPMENT

First Source Employers Hiring During Covid-19

You are receiving this email as you have signed up for the Workforce Job Board, or attended a job fair. If you no longer wish to receive these emails, you may unsubscribe below at the bottom of this email.

First Source Employers Hiring Now

Cannabis

NEW!
Moe Green's

Inventory Specialist

\$17.00- \$20.00 per hour

Apply until September 9th, 2020

The Apothecarium

Retail Support Associates at all Bay locations

*Retail or customer service experience are great transferable skills if you haven't worked in Cannabis

\$17-18 per hour

Apply until Filled

Delta Federation

Delivery Driver

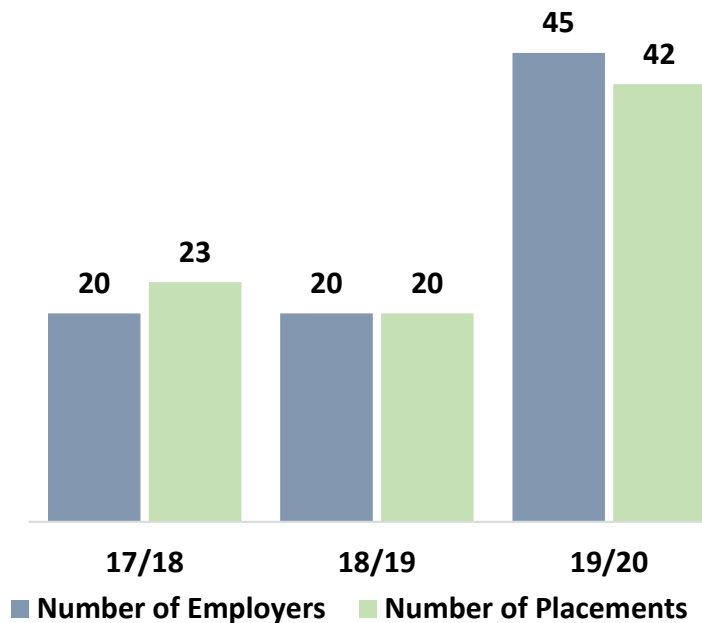
SAN FRANCISCO
OFFICE OF ECONOMIC &
WORKFORCE DEVELOPMENT

\$18.50 per hour

Apply until Filled

FIRST SOURCE HIRING OUTCOMES TO DATE

Cannabis First Source Placements to Date



OEWD First Source Hiring Staff



Lowell Rice

First Source Hiring Program
Program Manager
lowell.rice@sfgov.org



Lauran Acevedo

First Source Hiring Program
Cannabis Specialist
lauran.acevedo@sfgov.org

CANNABIS APPRENTICESHIP ORDINANCE

DISTRICT # 04
DAS FILE # 100131
EMPLOYER ID# 1000030033

APPRENTICESHIP STANDARDS of the

Statewide Cannabis Industry Employers Joint Apprenticeship Committee

Purpose and Policy

ARTICLE I

The parties hereto declare it to be their purpose and policy to establish an organized, planned system of apprenticeship, conducted as a joint labor and management industry undertaking. These standards have, therefore, been adopted and agreed upon under the Shelley-Maloney Apprentice Labor Standards Act of 1939, as amended, to govern the employment and training of apprentices in the trade, craft or occupation defined herein, to become effective upon their approval.

ARTICLE II

Crafts

Pharmacy Technician (Cannabis)
Cannabis Nursery Specialist
Manufacturing Technician (Cannabis)
Cannabis Distribution Driver

O*Net Code: 29-2052.00
O*Net Code: 45-2092.01
O*Net Code: 17-3029.09
O*Net Code: 53-3031.00

ARTICLE III

Organization

There is hereby established the above named apprenticeship committee covering the fifty eight California counties of Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, and Yuba consisting of twelve members, six of whom shall be selected by and represent the employer organization(s) signatory hereto, and six of whom shall be selected by and represent the employee organization signatory hereto, and one apprenticeship consultant representing the Division of Apprenticeship Standards. In addition thereto, there shall be one advisor from the local school district and such other advisors as the committee shall determine. Such advisors and the apprenticeship consultant shall act without vote.

Jurisdiction

Employer and employee organizations signatory hereto, and to all apprentice

SF Police Code Section 1618(gg)

“To encourage the existence of a stable, well-trained workforce in the cannabis industry, each Cannabis Business shall comply with the following hiring requirement:

(1) Each Cannabis Business shall ensure that 35% of its new hires shall be registered apprentices enrolled in a relevant apprenticeship program approved by the State that has a memorandum of understanding with one or more pre-apprenticeship programs certified by the City...”



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CANNABIS APPRENTICESHIP ORDINANCE (CONT'D)

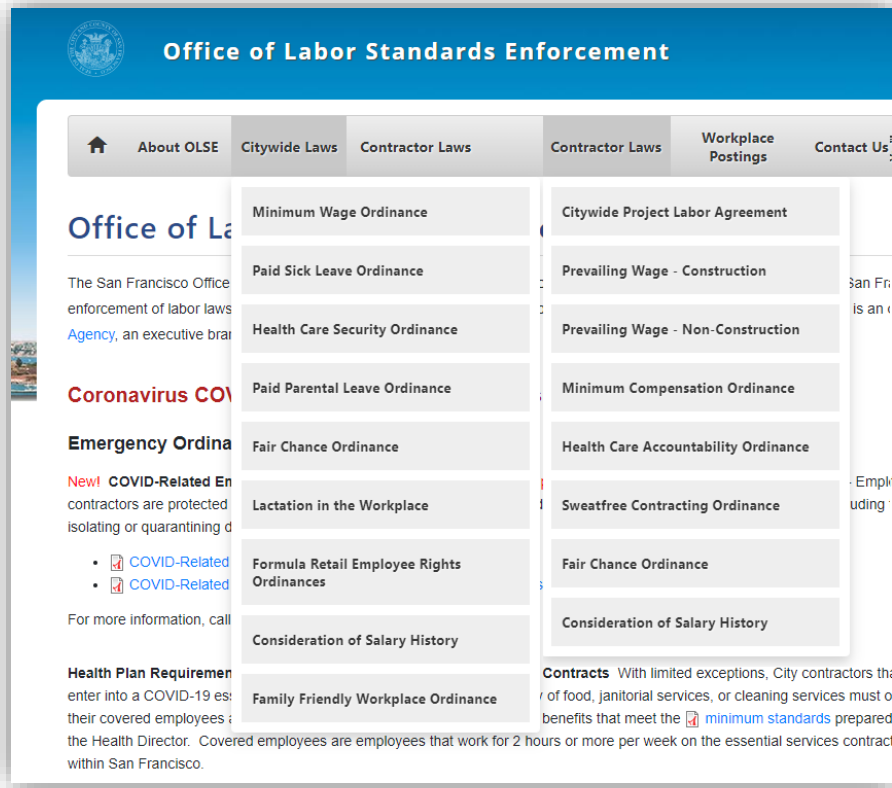
Pre-Apprenticeship Certification SF Police Code Section 1618(gg)(5)

“OEWD shall establish standards governing certification of pre-apprenticeship programs, and shall be responsible for certifying, on behalf of the City, pre-apprenticeship programs that meet those standards.”

“The standards established by OEWD shall ensure that any pre-apprenticeship program certified by the City under this subsection operates in partnership with one or more community-based organizations.”



OFFICE OF LABOR STANDARDS ENFORCEMENT



OLSE Background

“The San Francisco Office of Labor Standards Enforcement (OLSE) advances the welfare of San Francisco’s workers through the enforcement of labor laws, proactive public education, and high-quality public service. OLSE is an office of the General Services Agency, an executive branch department under Mayor London N. Breed.”

www.sfgov.org/olse

SAN FRANCISCO CANNABIS OVERSIGHT COMMITTEE

San Francisco Cannabis Oversight Committee

The Oversight Committee will advise the Board of Supervisors and the Mayor regarding the implementation and enforcement of City laws and regulations relating to cannabis.

Specifically, the Committee will advise the Board on amendments to local laws and regulations, including those governing the Equity Program, to facilitate socially responsible growth of the cannabis industry by creating living wage jobs and economic opportunities consistent with the Board's intent in adopting Police Code Article 16.



Supervisor Sandra Lee Fewer

"With the legalization of cannabis, we have an opportunity here to grow this industry in a way that benefits all of our communities. We can do this by giving industry experts and key stakeholders a seat at the decision-making table."



SAN FRANCISCO

OFFICE OF ECONOMIC &
WORKFORCE DEVELOPMENT

We're here to help.

www.oewd.org/covid19

Businesses:

sfosb@sfgov.org

415-554-6134

Workers:

workforce.connection@sfgov.org

415-701-4817