

SENATE CONCURRENT RESOLUTION NO.18

Senators Nesbitt and Theis offered the following concurrent resolution:

1 A concurrent resolution to oppose the inclusion of labor peace
2 agreements in the Marijuana Regulatory Agency's permanent rules and
3 to oppose the inclusion of labor peace agreements or any similar
4 construct in the administrative rules of this state.

5 Whereas, The Marijuana Regulatory Agency's proposed rules to
6 regulate marihuana licenses (2019-67 LR) include the requirement
7 for prospective marihuana licensees to agree to a labor peace
8 agreement signed by a labor union before they can apply for or
9 renew a license. A labor peace agreement is defined in the proposed
10 rules as "an agreement between a licensee and any bona fide labor
11 organization that, at a minimum, protects the state's interests by
12 prohibiting labor organizations and members from engaging in
13 picketing, work stoppages, boycotts, and any other economic

1 interference with the applicant's business"; and

2 Whereas, Under the proposed rules, a new industry would be
3 unduly burdened by the heavy hand of government before it can even
4 get off the ground. This new industry would also be forced to
5 accept the terms of labor unions without negotiation; and

6 Whereas, Requiring labor peace agreements is not contemplated
7 or required by Initiated Law 1 of 2018, which legalized adult-use
8 marihuana in Michigan. Nowhere in the initiative did it indicate
9 that a state agency would give up governmental authority to
10 unaccountable, private third parties to prevent applicants from
11 becoming licensed or licensees from renewing their licenses. In
12 fact, the initiative includes language that the rules must include
13 "qualifications for licensure that are directly and demonstrably
14 related to the operation of a marihuana establishment...". Signing a
15 labor peace agreement is not directly and demonstrably related to
16 the operation of a marihuana establishment; and

17 Whereas, The inclusion of labor peace agreements in the rules
18 governing marihuana in this state would set a dangerous precedent
19 for similar requirements for anyone seeking a license or permit
20 issued by the state, which could devastate Michigan's economy
21 solely to the benefit of organized labor; and

22 Whereas, The requirement for labor peace agreements included
23 in these proposed rules is preempted by the National Labor
24 Relations Act; now, therefore, be it

25 Resolved by the Senate (the House of Representatives
26 concurring), That we oppose the inclusion of labor peace agreements
27 in the Marijuana Regulatory Agency's permanent rules and oppose the
28 inclusion of labor peace agreements or any similar construct in the
29 administrative rules of this state; and be it further

1 Resolved, That copies of this resolution be transmitted to the
2 Governor, Director of the Department of Licensing and Regulatory
3 Affairs, and the Director of the Marijuana Regulatory Agency.