



Local 338

RWDSU/UFCW

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November 17, 2021

Testimony from Local 338 RWDSU/UFCW to the City of Long Beach in Opposition of Opting Out of Cannabis Retail Dispensary and Onsite Consumption Licenses

My name is Nikki Kateman, and I am the Political & Communications Director of Local 338 RWDSU/UFCW, a labor union that represents 13,000 working people across New York State, including almost 200 living and/or working in the City of Long Beach. Local 338 members are employed in a variety of industries, including cannabis – where these workers are employed in cultivation, processing and manufacturing, distribution, and in retail dispensaries. I've been working on cannabis policy in New York State for almost a decade and I am proud to speak on behalf of our cannabis members, who make up about 80% of New York's current medical cannabis industry and encourage the Council to oppose opting out of cannabis dispensaries locating within the City.

With the recent legalization of adult-use cannabis, misinformation about dispensaries can lead to the loss of opportunity for responsible operators, the jobs, and economic infusion they can bring to a community. As the union in New York State representing cannabis workers, we bring a unique perspective to the industry and those who work in the industry, as well as ease concerns that we've heard from community members over our years working in the cannabis space.

First, I'd like to share with you the economic realities of working in the cannabis industry in New York State. Through our collective bargaining agreements, we have built a standard for what these jobs can and should be – full-time, family sustaining careers. Our members receive guaranteed wage increases each year and starting salaries for dispensary workers range from \$18-\$22 an hour with pharmacists at these dispensaries starting between \$60-\$65 an hour, and members at cultivation and manufacturing facilities starting between \$18-\$25 an hour. Local 338 members also receive quality health insurance that includes dental and optical for themselves and their families at no cost to them, generous paid time off standards, retirement benefits and access to scholarships and no-cost college degrees, amongst other critical on the job protections. We believe that by investing in our members, we can help shape an industry that provides opportunities for growth and can support not only our members, but their families as well. Quality careers also means a low turnover rate and workers who care deeply about adhering to the rigorous regulations and standards of an industry like cannabis.

The adult-use market is expected to generate over \$300 million for the state annually. Communities who opt-in will receive revenue from a 3% point of sales tax that is expected to generate \$75 million annually for local municipalities. However, this does not fully capture the full scope of economic output that will be generated from adult use cannabis businesses, including dispensaries. The creation of new jobs directly in the industry, as well as those that develop in ancillary businesses like legal, accounting and in construction/maintenance, will also create other sources of revenue including through payroll taxes and providing a boost for local economies as workers spend their earnings at local businesses and in some cases, moving into the same communities they work in. Municipalities in states that have already legalized adult-use cannabis and welcomed cannabis dispensaries have seen an increase in foot traffic in their communities leading to an increase in spending at local restaurants and businesses.

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We know that not everyone has had the opportunity to visit a cannabis dispensary, so I'd now like to more or less take you inside one to understand the actual day-to-day of what it's actually like. First, it's important to understand that cannabis dispensaries of today are not the head shops you've seen in movies. They are clean, bright, and modern – often looking like a discreet Apple store. In many cases, if you didn't already know a location was a cannabis dispensary, you might not even realize it was there, as is the case with many of the locations here on Long Island.

Workers at cannabis dispensaries do not view their jobs as simply selling cannabis to a client – they are trained in the science of cannabis so that they can educate consumers on what they're taking and help them find the product that best suits their needs and to ensure that they're using cannabis safely and effectively. Every medical dispensary is required to have a State certified pharmacist on site who are required to take a training mandated by the State Department of Health (Doh) that educates pharmacists entering the cannabis industry on the science of the plant and its proper utilization. However, all workers, regardless of whether they have a pharmacy degree or not, are required to undergo extensive training as a condition of being hired. This training is constant, and all pharmacists and frontline retail dispensary staff are required to take weekly and sometimes daily trainings to update and enhance product knowledge, refresh understanding of cannabis science, and keep workers informed on the latest developments in cannabis research. Members of Local 338 have previous experience working in retail pharmacies and have shared that at their previous roles, they would only get a few minutes with a client. However, in a retail dispensary setting, they are able to spend 20 to 30 minutes one on one with clients - many of whom are new to cannabis – educating them on cannabis and how it may help with a variety of applications, including managing chronic pain and anxiety.

Another aspect of working in a dispensary is that workers are required to be up to date on New York State's regulations and security standards, including knowing who can and cannot enter the dispensary. They know the consequences of violating the standards set by the State and frankly, additional compliance protocols set by the medical cannabis companies — workers are not interested in losing their job – nor are their employers interested in losing their license to operate. In order for someone to enter a dispensary they must have a State issued medical cannabis ID card or if they're a guest with a client, be over 21 (unless they are accompanied by their parent or guardian) and the dispensary staff can verify their age and track their visitor within a company log. Clients with a medical cannabis ID card are scanned into a DoH tracked software, along with their purchases, into a prescription monitoring program that works similarly to the iStop program. The cannabis products themselves are stored in a safe and only removed upon a purchase. The product is then scanned into a tracking software that prints a label that includes: the name of the client and their medical provider, the issue and expiration dates, and instructions on how to use the product. Since cannabis is a controlled substance, workers at dispensaries follow strict guidelines in storage and dispensing, including a daily inventory. There is no room for errors. This also applies even before a product is dispensed to our clients. All deliveries of products from the cultivation facility are tracked and arrived in a secured tote with security tags and workers must confirm that what's on the manifest matches what's in the delivery and that products have not been tampered with. Again, there is no room for error and yes, while we do not have the exact details of what security measures will be in the new State regulations, based on protocols already in place in the medical cannabis program, as well as standard practices in other states, we can expect security measures to be comparable and to not be any less secure.

New York State has created the pathway for consumers to legally purchase regulated and clearly labeled cannabis products. All products are tested by the New York State Wadsworth Lab and must clear a number of different rigorous tests before they are released for sale to ensure their safety and that they are free of excipients. The reports from these tests are available to all clients and there is always a dispensary staff member ready to explain what they meant. The products themselves are dispensed in packaging that is childproof and meets poison control standards. They have labels that lists the THC per dose and per container and how to store the product. The packaging also includes warnings to keep out of reach of children, that products can impair the ability to drive, and advising pregnant and breastfeeding

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women to not use cannabis unless directed by a physician. Additionally, dispensary workers are required to include a detailed product insert with purchases that outlines information including on proper use, side effects, and disposal. Within the statute of the Marijuana Regulation and Taxation Act, dispensaries will continue to be mandated to make sure reports are available to the public and that packaging lists the THC count.

The underground cannabis market can be dangerous—consumers don't know what's in the products they receive, or if they're safe – unlike legal cannabis which is lab tested. By opting in, you are not just bringing new jobs and businesses to your community, but you're ensuring that consumers have a safe place to purchase regulated and tested cannabis. They can ask questions and receive answers from employees who know what they're talking about and can help people make the right decisions when making their purchase. Workers at cannabis dispensaries will be the first to tell you that they want people to be comfortable with what they're buying and to make sure they know how to safely use the legal cannabis products they purchase.

The reality is there are already people employed in the cannabis industry in New York and we can learn from what is already happening across the industry and that is that workers and their cannabis business operators are subject to rigorous standards and protocols, something we all can expect in the adult-use program. Workers are well trained in state regulatory standards and security requirements, including who is legally allowed to enter the dispensary and verifying the proper identification. They are also working with products that are safely grown, lab tested and thoroughly labeled. Our members are well versed in the science of cannabis and are already providing counseling and detailed education to consumers on how to use cannabis safely and effectively. New York State has not seen a single instance of diversion or negative impact on the communities in which cannabis facilities and dispensaries operate. Most importantly, provisions that ensure the opportunity for good, union careers in the industry, workers feel invested in by their employer and in turn are invested in where they work, making it less likely they would be willing to jeopardize their employment by neglecting or violating state laws and regulations.

While we may not know the specifics of regulations yet, cannabis dispensaries are and will be heavily regulated by the State, right down to their advertising and window displays. Currently, these businesses are almost unrecognizable unless you know what you're looking for—due to their discreet look, and there's no reason these businesses should be zoned into industrial areas. We should not be stigmatizing legitimate businesses, and workers and customers should feel safe and comfortable at dispensaries. Placing them in an industrial zone, outside of the route of regular foot traffic presents unnecessary conditions that undermine the security of a business and those in it.

The State has given municipalities like yours the choice to opt-out. However, if you decide to do so, you are turning down the opportunity to bring new jobs and businesses to your community, as well as a new revenue source for your local economy. Cannabis consumption will still be legal regardless of opt out and legal consumers will simply visit dispensaries in other municipalities or have dispensaries in neighboring communities deliver to their front door. Other cannabis businesses – like processing, manufacturing, and distribution – can also still open and operate in your municipality. Opting out simply means that the City of Long Beach will lose the sales tax revenue and economic impact an adult-use dispensary will bring to the community and prevent working people from taking advantage of the quality, unionized jobs a dispensary offers.

Dispensaries and our members are already here, and they haven't had a negative impact on the State, nor has that been the case for neighboring states that also have tightly regulated marketplaces. Our members are passionate about their works and are proud to serve their communities — opting out will deprive residents and workers of new economic opportunities, and I call on the members of the City Council to vote against opting out.

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Thank you for the opportunity to speak today to provide a unique perspective critical to making a decision related to opt out.

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