

## CANNABIS EMPLOYEE JOB RETENTION ORDINANCE

In September 2022, City Council passed and the Mayor signed, the Cannabis Employee Job Retention Ordinance, SMC 8.38. This law is effective on July 19, 2023. The ordinance requires covered outgoing cannabis employers to post written notice of a change in control and a preferential hiring list to the incoming cannabis employer. It also requires the incoming employer to retain covered employees for a certain period following the change, and provides requirements related to offer of employment and discharge from employment for just cause. Key protections include:

### 1. Outgoing employer obligations

Outgoing employers that undergo a change in control must post notice of the change at the jobsite and provide a preferential hiring list to the incoming cannabis employer.

#### 2. Incoming employer obligations

Incoming employers must hire from the preferential hiring list for 180 days. If an employee accepts a job offer, the employer must retain the employee for no less than 90 days and can only fire the employee for just cause during this time. Incoming employers must continue to post notice of the change in control for 180 days.

#### 3. Notice and Posting

Employers must provide notice of rights afforded under the ordinance. Employers must also provide a written notice to employees of the names used by any associated integrated enterprises.

## 4. Recordkeeping.

Employers must maintain records that document compliance for a period of three years.

## **Covered Employers**

Covered employers are limited to those who own, control, or operate a cannabis business in the City of Seattle, including integrated enterprises.

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#### Resources

Please visit the OLS Cannabis Employee Job Retention Ordinance website at https://www.seattle.gov/laborstandards/ordinances/cannabis-employee-job-retention-ordinance. For questions or more information, contact us via our online inquiry form or call (206) 256-5297.

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The information provided in this document is not intended as legal advice and should not be used as a substitute for laws and regulations. For more detailed information about this law, please visit the OLS Cannabis Employee Job Retention Ordinance