



COMMONWEALTH OF MASSACHUSETTS

# Guidance on Equity Programs

May 2025

Massachusetts Cannabis Control Commission

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## Purpose of This Guidance

The purpose of this guidance is to provide stakeholders and program participants with a clear understanding of the Cannabis Control Commission's (Commission) equity-driven initiatives and the benefits available to promote economic opportunity in Massachusetts' regulated cannabis industry.

These benefits are intentionally designed to reduce systemic barriers, foster industry participation, and create sustainable pathways for individuals and businesses historically impacted by cannabis prohibition.

Specifically, this guidance outlines support for:

- Individuals from communities disproportionately harmed by cannabis prohibition, who have faced the long-term social, economic, and legal consequences of enforcement policies, through participation in the Social Equity Program (SEP). This program provides education, training, and technical assistance to facilitate entry and success in the cannabis industry.
- Businesses committed to economic empowerment, recognized as Certified Economic Empowerment Priority Applicants (EEAs) or Licensees, who have demonstrated a commitment to benefiting communities disproportionately affected by cannabis prohibition and enforcement.
- Diverse-owned businesses, including Minority-Owned (MBE), Women-Owned (WBE), and Veteran-Owned (VBE) Businesses, certified by the Massachusetts Supplier Diversity Office (SDO) as Disadvantaged Business Enterprises (DBEs).
- Social Equity Businesses (SEBs), which are subject to a verification process:
  - Pre-Verified SEBs – Businesses that are not yet licensed but have at least 51% ownership by individuals who meet SEP eligibility criteria.
  - Verified SEBs – Licensed businesses that maintain the same 51% equity-qualified ownership and eligibility standards.

By equipping stakeholders with this information, the Commission reaffirms its commitment to ensuring equitable access, increasing economic mobility, and fostering a cannabis industry that reflects and benefits the diverse communities of Massachusetts.

More programming information is available here: <https://masscannabiscontrol.com/equity/>.

These benefits currently apply only to applicants and licensees who are seeking licensure as Marijuana Establishments in the adult-use cannabis industry. This guidance is provided for informational purposes only and does not constitute legal advice. For specific legal concerns related to these programs, individuals should consult an attorney.



To stay informed on updates, [sign up for the Commission's general and SEP notification lists](#).

## Section 1. Equity Programs Overview

### Social Equity Program

The [SEP](#) is a free, statewide, technical assistance and training program that provides education, skill-based training, tools, and exclusive licensing benefits for success in the cannabis industry for those most impacted by the War on Drugs, marijuana prohibition, and disproportionate arrests and incarceration. The program, which is not a license or license type, is designed to give participants the tools and training necessary to apply for and obtain a license if that is their goal for the industry, and/or the skills-based training for employment. Acceptance into the SEP does not guarantee licensure. The program stems from the legislative requirement for the Commission to ensure that people from communities that have been disproportionately harmed by marijuana law enforcement can benefit from the legal marijuana industry, under [St. 2017, c.55](#).

### Certified Economic Empowerment Priority Applicants

In addition to the statutory requirement to include individuals from disproportionately harmed communities, St. 2017, c. 55 mandated the Cannabis Control Commission to prioritize the review and licensing of applicants seeking retail, manufacturing, or cultivation licenses who could demonstrate experience in—or business practices that promote—economic empowerment in disproportionately impacted communities.

To fulfill this requirement, the law directed the Commission to identify and process all priority applications submitted between April 1, 2018, and April 15, 2018, before reviewing any other license applications. In response, the Commission established a certification process for eligible applicants within this window, formally designating them as Economic Empowerment Priority Applicants (EEAs). Beyond the required priority review, the Commission has voluntarily extended additional benefits to certified EEAs, reinforcing its commitment to fostering equitable industry participation.

### Minority-Owned, Women-Owned, Veteran-Owned Businesses

Under St. 2017, c. 55, the Commission is also tasked with tracking and actively promoting the meaningful participation of minority-owned, women-owned, and veteran-owned businesses in the regulated cannabis industry. Businesses certified as Minority-Owned (MBE), Women-Owned (WBE), or Veteran-Owned (VBE) by the Massachusetts SDO qualify for expedited licensing review, further supporting equitable access to business opportunities within the industry.

For more information on licensing, priority review, and expedited review, please consult the Commission's [Guidance on Licensure](#).



## Social Equity Business Status

The SEB Status Verification process ensures that businesses meet the qualifications for Pre-Verified or Verified SEB status. A Pre-Verified SEB meets the 51% ownership requirement under the SEP but has not yet obtained a license. A Verified SEB has either received a provisional or final license or has begun operations. This verification process helps confirm that businesses remain eligible for equity-focused benefits and support.

## Section 2: How to Apply and Maintain Eligibility

### Social Equity Program

The SEP is designed to empower individuals and communities disproportionately affected by the War on Drugs and marijuana prohibition, particularly those who have faced higher rates of arrest and incarceration. The program provides education, training, and industry access across four key pathways: entrepreneurship, entry-level workforce development, managerial-level workforce development, and ancillary business support. These targeted areas help participants align their skills, experience, and career aspirations with opportunities in the regulated cannabis industry, fostering long-term success and equitable representation.

### Eligibility Criteria

To qualify for the SEP, applicants must meet at least one of the following criteria:

- The applicant's income does not exceed 400% of the Area Median Income, and they have lived in a [Disproportionately Impacted Area \(DIA\)](#), as identified by the Commission, for at least five of the last 10 years.
- The applicant has been a Massachusetts resident for at least the past 12 months and has a conviction or continuance without a finding for a G.L. c. 94C offense (drug-related offense), or an equivalent conviction in another jurisdiction.
- The applicant has been a Massachusetts resident for at least the past 12 months and is the spouse or child of someone with a conviction or continuance without a finding for a G.L. c. 94C offense, or an equivalent conviction in another jurisdiction.
- Any individual listed as an owner on the original certification of an EEA application who meets one or more of the following criteria:
  - Lived for five of the preceding 10 years in a DIA, as defined by the Commission;



- Has work experience in roles where the primary population served was disproportionately impacted, or where responsibilities included economic education, resource provision, or empowerment for those communities;
- Is of Black, African American, Hispanic, or Latino descent; or
- Can demonstrate a significant past experience or business practices that promote economic empowerment in a DIA.

The SEP application is made available online through the [Massachusetts Cannabis Industry Portal \(MassCIP\)](#) during designated application periods when the Commission is accepting submissions for review.

The Commission remains committed to keeping stakeholders informed by sharing updates and key information through multiple channels. These include the [Commission's website](#), [Equity Programs](#) webpage, [FAQ](#) webpage, and official social media platforms ([Facebook](#), [LinkedIn](#), [Instagram](#), [X](#), and [YouTube](#)). Additionally, updates are communicated via equity-focused newsletters, public announcements during monthly Commission meetings, and [TalentLMS](#), the Commission's online portal for training and technical assistance, ensuring SEP participants have continuous access to relevant resources.

To stay informed about application deadlines for future cohorts, individuals can subscribe to the [SEP Email List](#), attend [Commission Public Meetings](#), and follow the Commission on social media.

### Certified Economic Empowerment Priority Applicants

As mandated by Massachusetts law, EEA certification was a one-time, legislatively required designation designed to promote equitable participation in the regulated cannabis industry. The application period was open from April 1, 2018, through April 15, 2018, during which the Commission identified and certified eligible applicants. The Commission is no longer accepting applications for EEA certification, and no additional designations will be granted.

Applicants were certified as EEAAs if the individual or group of individuals applying met three of the following six criteria:

1. Majority of ownership belongs to people who have lived in DIAs for five of the last 10 years;
2. Majority of ownership has held one or more previous positions where the primary population served was disproportionately impacted, or where primary responsibilities included economic education, resource provision, or empowerment to disproportionately impacted individuals or communities;
3. A majority of the ownership is made up of individuals from Black, African American, Hispanic, or Latino descent;



4. At least 51% of current employees/sub-contractors reside in DIAs and will increase to 75% by the first day of business;
5. At least 51% of employees or sub-contractors have drug-related CORI, but are otherwise legally employable in a cannabis-related enterprise;
6. Owners can demonstrate significant past experience in business practices that promote economic empowerment in DIAs.

To remain eligible for priority review and any other benefits based on EEA status, the individual or group of individuals must have more than 50% of the ownership and control of a license. If the control and ownership qualifications are no longer met, the applicant or licensee is no longer eligible for EEA-related benefits. Changes in ownership or control relative to Economic Empowerment Priority Review are governed by [935 Code Mass. Regs. §500.104\(1\)\(b\)\(3\)](#), which states:

*Where a certified EEA seeks approval by the Commission of a change in ownership or control, the applicant must undergo the approval process provided by 935 Code Mass. Regs. § 500.104 prior to making a change in ownership or control.*

1. To maintain its status as an EEA, the applicant in its submission must demonstrate that it continues to qualify as an EEA, as defined in 935 Code Mass. Regs. § 500.002.
2. On receipt of notice and a request for approval under 935 Code Mass. Regs. § 500.104, the Commission shall review again the applicant's eligibility for economic empowerment certification status.
3. If the qualifications are no longer met after the approved change, the applicant will no longer receive any benefits stemming from that designation.
4. The applicant may still seek approval for a change of ownership or control.

### **Minority-Owned, Woman-Owned, and Veteran-Owned Businesses**

Benefits for MBEs, WBEs, and VBEs are based on certification by the Massachusetts SDO. The MBE, WBE, and/or VBE must disclose this designation in their license application and either (1) be certified as that specific type of business with the SDO or (2) sign up for the SDO's required business class and complete and upload the [Expedited Review Affidavit](#) into their license application. Certification as MBE, WBE, and/or VBE by the SDO will be required before obtaining a final license.

More information about obtaining certification from the SDO can be found on the [SDO website](#).

As stated in 935 Code Mass. Regs. §500.005(1)(c) and in the Commission's [Guidance on Licensure](#),



businesses with an MBE/WBE/VBE status also need to fulfill the Commission's definition of a small business and submit an attestation with their licensing application to receive Commission benefits as outlined in section IV. [Benefits of Equity Programs](#).

Small Business means, for the purposes of 935 Code Mass. Regs. § 500.005(1)(b), an applicant or Licensee that:

- (a) currently employs a combined total of 50 or fewer full-time equivalent employees in all locations or employees work less than a combined total of 2,600 hours per quarter; and
- (b) has gross revenues of \$5 million or less, as reported to the Massachusetts Department of Revenue the year prior to the date of the Licensee's renewal application or as otherwise demonstrated in a form and manner determined by the Commission.

## **Social Equity Business Status**

SEBs are licensed or pre-licensed Marijuana Establishments as defined in [Section 1 of Chapter 94G](#) and are subject to a rigorous verification process to ensure compliance with equity-focused ownership criteria.

- Pre-Verified SEB: This designation applies to businesses that are not yet licensed but have at least 51% ownership by individuals and/or entities that meet the Commission's SEP eligibility criteria.
- Verified SEB: This designation applies to licensed businesses that maintain the same 51% equity-qualified ownership and eligibility standards.

These designations serve to promote equitable participation in the regulated cannabis industry, ensuring that businesses led by those disproportionately impacted by cannabis prohibition can access financial, and operational support to foster long-term success.

Applications for SEB pre-verification and verification are available on [MassCIP](#).

**Please Note:** A *Verified* SEB must be a licensed Marijuana Establishment with at least a Provisional License.

## **Social Equity Business Eligibility**

To be pre-verified or verified as an SEB, applicants must meet at least **one** of the following eligibility criteria defined by the SEP.

### **Criteria One:**

Income that does not exceed [400% of Area Median Income](#) and residency in a DIA, as defined by the Commission, for at least five of the past 10 years.



### Explanation of Income and Residency:

- Income: Your household income does not exceed 400% of the Area Median Income.
- Residency: You have resided in a DIA, as defined by the Commission, for at least five of the past 10 years.

### Criteria Two:

Residency in Massachusetts for at least the past 12 months and a conviction or continuance without a finding for an offense under M.G.L. c. 94C or an equivalent conviction in Other Jurisdictions.

### Explanation of Residency and Conviction:

- Residency: You have been a resident of Massachusetts for at least the past 12 months.
- Conviction: You have a conviction or continuance without a finding for an offense under M.G.L. c. 94C or an equivalent conviction in other jurisdictions.

### Criteria Three:

Residency in Massachusetts for at least the past 12 months and the applicant must be the child of or spouse of an individual with a conviction or continuance without a finding for an offense under M.G.L. c. 94C or an equivalent conviction in Other Jurisdictions.

### Explanation of Residency and Family Conviction:

- Residency: You have been a resident of Massachusetts for at least the past 12 months.
- Family Conviction: You can provide proof that you were or are currently married to or the child of an individual with a conviction or continuance without a finding for an M.G.L. c. 94C offense or an equivalent conviction in other jurisdictions.

## Section 3: Benefits of Equity Programs

The benefits available to individuals will vary based on their specific equity status. To see the benefits for each equity status, find the corresponding icon in the key below and match it with the listed benefits.

### Equity Status Key

- ♣ SEP Participants with greater than 50% ownership or control of a license
- ♦ SEP Participants with less than 50% ownership or control of a license



- ◆ SEB (Pre-Verified/Verified)
- EEA with greater than 50% ownership or control of a license
- △ MBE/ WBE /VBE pending SDO certification
- ♣ MBE/ WBE/ VBE with SDO certification that meets the Commission's definition of a Small Business

## Benefits Overview

### 1. Waived application fees for license applications ♣ ■ ♣

Those meeting the qualifications will have their application fees on their provisional license waived. Waived application fees do not include the costs associated with background checks. In addition, once the application is reviewed, if the equity status criteria for this benefit is not met, the business will not receive this benefit and will need to pay the application fee in full.

### 2. 50% reduction in annual license fees ♣ ■ ♣

Those meeting the qualifications will receive a 50% reduction in annual fees regardless of license type. When the application is reviewed, if the qualifier for this benefit is not continuously met, the business will not receive this benefit and must pay the full annual renewal fee.

### 3. Waived monthly Metrc program fees ♣ ■ ♣

Those meeting the qualifications will have their monthly Metrc program fees waived. However, once the application is reviewed, if the qualifier for this benefit is not met, the business will not receive this benefit and must pay the monthly Metrc program fees. Please note the waived program fees do not include additional costs associated with Metrc, including plant and packaging tags.

### 4. License Type Exclusivity ♣ ■

Delivery Endorsements for Microbusinesses and Delivery Licenses will be limited exclusively to businesses controlled by and with majority ownership comprised of EEA or SEP Participants. The initial delivery exclusivity period of three years was set to end on April 1, 2025. However, on Thursday, March 13, 2025, the Commission voted to extend the exclusivity period by one year with the goal of assessing the need for further extension by April 1, 2026.



The Commission may vote to extend that period if the goal of the exclusivity period – to promote and encourage full participation in the regulated marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement of the law – has not been met. This provision will also include Social Consumption Licenses when they become available. For more information about these exclusivity provisions, see [935 Code Mass. Regs. § 500.050\(10\)\(b\)](#).

5. Priority review ■

EEAs who continue to meet the required criteria have priority status for their license applications. The Commission reviews applicants with priority review status before any other applications. More information is available in the “Order of Review” section of the Commission’s [Guidance on Licensure](#).

6. Expedited review ♣ ♦ ♠ ♥ △

After priority applicants, the Commission reviews expedited applications by the date and time the application was fully submitted. Expedited applications are those submitted by SEP participants, Pre-Verified and Verified SEBs and MBEs, WBEs, and VBEs, along with Microbusiness applicants, Craft Marijuana Cooperative applicants, Independent Testing Laboratory applicants, and Outdoor Cultivator Applicants. More information is available in the “Order of Review” section of the Commission’s [Guidance on Licensure](#).

7. Designation as beneficiaries of Positive Impact Plans ♣ ♦ ♥ ■

Every Marijuana Establishment licensee or license applicant must submit a plan to positively impact people and communities disproportionately harmed by cannabis prohibition, along with goals, programs, and measurements that must be tracked and submitted to the Commission upon renewal. EEAs, SEP participants, and SEBs are specifically designated among the intended beneficiaries of these plans. For more information about these plans, see the Commission’s [Guidance on Plans to Positively Impact Disproportionately Harmed People](#).

8. Training and Technical Assistance ♣ ♦

The SEP provides comprehensive professional training and technical assistance to participants through carefully selected vendors, chosen via a state procurement process. Vendors are evaluated based on curriculum framework, expertise in serving disproportionately impacted communities (including minorities, veterans, women, and farmers), digital content development capabilities, deliverable timelines, and budget considerations. The Commission establishes master agreements with selected vendors to ensure high-quality training and support.



Since the first SEP cohort completed its live training and technical assistance in April 2020, the program has expanded to include three additional cohorts, with over 1,000 participants accepted to date. To support ongoing learning, the SEP continuously updates its technical assistance materials in TalentLMS, the Commission’s online learning portal, ensuring participants have access to relevant and evolving industry knowledge.

To access the SEP’s training and technical assistance, participants must maintain formal SEP designation based on eligibility criteria. For more information on eligibility requirements, program tracks, or available resources, please visit our [Equity webpage](#) or contact the Commission’s Equity Programming and Community Outreach Department at [Equity@CCCMass.com](mailto:Equity@CCCMass.com).

#### 9. Eligibility to Apply to the Cannabis Social Equity Trust Fund ♣ ♦ ♥ ■

The [Cannabis Social Equity Trust Fund](#) was established under [Section 14A of M.G.L. c. 94G](#) to advance economic empowerment and equitable participation in the regulated cannabis industry. This fund was created to provide critical financial support to entrepreneurs and businesses from communities disproportionately harmed by cannabis prohibition and enforcement, helping to remove barriers to entry and promote long-term industry success. Administered by the Executive Office of Economic Development (EOED), the fund is exclusively available to individuals and businesses that maintain the SEP, EEA, or SEB status with the Commission. To learn more about eligibility requirements and available funding opportunities, visit EOED’s [Cannabis Social Equity Trust Fund webpage](#).

#### 10. Shortened Municipality Response Time ♣ ♦ ♥ ♣ ■ △

All equity participants receive additional municipal benefits because of their status. This includes an expedited review time for EEA and priority review time for SEPs, SEBs, MBEs, WBEs, and VBEs on their marijuana application. Specifically, municipalities have 30 days to finish their application review for SEBs and businesses controlled by and with majority ownership comprised of EEA or SEP. Equity participants also benefit from the opportunity to receive one of the additional Host Community Agreements (HCAs) if the Host Community elects to increase existing cap limits.

To stay informed about benefits offered by the Commission’s equity programs and participate in future discussions, [sign up for the Commission’s general and SEP notification lists](#).



	♣	♦	♥	■	△	♠
	SEP Participant(s) with greater than 50% ownership or control of a license	SEP Participant(s) with less than 50% ownership or control of a license	SEB (Pre-Verified/ Verified)	EEA with 50% ownership or control of a license	MBE/ WBE /VBE pending SDO certification	Certified MBE/ WBE/ VBE from SDO and meets the Commission's definition of Small Business
Waived application fees for license applications	♣			♣		♣
50% reduction in annual license fees	♣			♣		♣
Waived Monthly Metrc Program Fees	♣			♣		♣
License Type Exclusivity	♣			♣		
Priority Review				♣		
Expedited Review	♣	♣	♣		♣	♣
Designation as beneficiaries of Positive Impact Plans	♣	♣	♣	♣		
Training and Technical Assistance	♣	♣				
Eligibility to Apply to the Social Equity Trust Fund	♣	♣	♣	♣		
Shortened Municipality Response Time	♣	♣	♣	♣	♣	♣

## Section 4: Equity Research and Data

The Cannabis Control Commission is committed to advancing equity through rigorous research and Commission-collected data (i.e., Industry, Agent, Seed-to-sale tracking, and other modes of data collection) transparency, as mandated by the Massachusetts Legislature pursuant to M.G.L 94G Section 17, including M.G.L 94G Section 17(a)(iv) “*ownership and employment trends in the marijuana industry examining participation by racial, ethnic and socioeconomic subgroups, including identification of barriers to participation in the industry.*”

**From April 2019 to February 2025, the Commission’s Research Department has continuously published on issues of social equity in the cannabis industry, including the following Legislative Reports, Special Reports, and Scientific Manuscripts:**

1. [Review and Assessment of the Massachusetts Adult- and Medical-use Cannabis Industries](#) (February 2025)
2. [A Research Agenda to Inform Cannabis Regulation: How Science Can Share Policy](#) (June 2023)
3. [Racial Equity in Cannabis Policy: Diversity in the Massachusetts Adult-Use Industry at 18-months](#) (December 2022)
4. [Cannabis Use Trends in Massachusetts: Findings from the International Cannabis Policy Study, 2019 and 2020](#) (July 2022)
5. [A Scoping Review of Data Sources for the Conduct of Policy-Relevant Substance Use Research](#) (September 2021)
6. [Identifying Disproportionately Impacted Areas by Drug Prohibition in Massachusetts](#) (March 2021)
7. [Discussion of the National Incident-Based Reporting System’s \(NIBRS\) Potential to Assess and Monitor Cannabis Incident Disparities: Response to Drs. McCormack and Walfield](#) (February 2021)
8. [Using National Incident Based Reporting System \(NIBRS\) to Examine Racial and Ethnic Disparities in Cannabis Violations](#) (September 2020)
9. [A Baseline Review and Assessment of the Massachusetts Adult-Use Cannabis Industry: Market](#)



[Data and Industry Participation](#) (February 2020)

10. [A Baseline Review and Assessment of the Massachusetts Cannabis Industry's Required Positive Impact Plans](#) (October 2019)
11. [A Baseline Review and Assessment of Cannabis Use and Public Safety Part 2: 94C Violations and Social Equity: Literature Review and Preliminary Data in Massachusetts](#) (April 2019)

Additionally, stakeholders can access the latest insights on SEP participants, EEAs, SEBs, as well as MBEs, WBEs, VBEs, LGBTQ+-Owned, and Disability-Owned businesses. This data is regularly updated and available on the Commission's [Public Documents](#) page and [Public Meetings](#) page, where recent public meeting presentation files provide the most current analysis of industry participation trends.

**Questions?**

For any additional questions regarding this Guidance on Equity Programs, please contact the Commission at (774) 415-0200 or [Equity@CCCMass.Com](mailto:Equity@CCCMass.Com).

