



COMMONWEALTH OF MASSACHUSETTS

Guidance on Diversity Plans

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Massachusetts Cannabis Control Commission

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I. Overview

The mission of the Cannabis Control Commission (“Commission”) is to honor the will of Massachusetts voters by safely, equitably, and effectively implementing and administering the laws enabling access to medical and adult use marijuana in the Commonwealth. The Guidance on Diversity Plans (“DP”s) is to guide applicants and licensees in honoring the will of the voters by creating equitable access to the regulated medical and adult-use marijuana industries in the Commonwealth. This is not only part of the Commission’s mission, but its legislative mandate.



II. Legal Background

The Commission is required by law to establish “procedures and policies 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 and to positively impact those communities.”¹ The Legislature also required the Commission to study “participation in the regulated marijuana industry” and based on the result of that study, “adopt diversity licensing goals that provide meaningful participation of communities disproportionately affected by cannabis prohibition and enforcement, including minority business enterprises, women business enterprises, and veteran business enterprises.”² DPs are one mechanism to promote “full” and “meaningful” participation and provide equitable access to the regulated markets.

¹ G. L. c. 94G, § 4 (a ½) (iv).

² St. 2017, c. 55, § 77. See G. L. c. 94G, § 17 (a) (requiring the Commission to “develop a research agenda in order to understand the social and economic trends of marijuana in the commonwealth, to inform future decisions that would aid in the closure of the illicit marketplace and to inform the commission on the public health impacts of marijuana. The research agenda shall include, but not be limited to . . . [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”).



III. Purpose

The purpose of a DP is to promote equity among **all** of the following:

- People of color, particularly Black, African American, Hispanic, Latinx, and Indigenous people;
- Women;
- Veterans;
- Persons with disabilities; and
- LGBTQ+ individuals.

This amended guidance provides Marijuana Establishment (“ME”) and Medical Marijuana Treatment Center (“MTC”) applicants and licensees with additional clarity and best practices. Ultimately, it is the responsibility of the applicant to write and implement a compliant DP that achieves and promotes equity in the industry.

Whether entities are in the license application or renewal process, they should be realistic about and mindful of their DP goals, including the strategies, programs, and timeline for accomplishing them.



IV. Important Notice

A DP is not the same as the Commission’s required Plan to Positively Impact Disproportionately Harmed People. ME and MTC applicants and licensees must submit separate and distinct plans in compliance with the requirements of each. For more information about Plan to Positively Impact Disproportionately Harmed People, see the appropriate [guidance](#) on that topic. This guidance is not legal advice. To the extent that applicants or licensees have questions regarding legal requirements for licensure and renewal in the Commonwealth, they are encouraged to consult an attorney. on that topic. This guidance is not legal advice.



V. Elements of a DP

Under the Commission’s regulations, applicants are required to submit a DP in their initial application for provisional licensure. The plan should outline the goals, programs, and measurements that the entity plans to pursue once it is licensed. It is important that applicants focus on the plan, create a timeline to ensure they can accomplish their goals through stated programs, and revisit DP goals and programs periodically throughout each year, especially before the renewal of the license, in order to meet and surpass those goals.

The following are an itemized list of elements of the required DP:

1. Statement of Purpose

Applicants should provide a statement in 300 words or less, that expresses the entity’s overall goal to promote diversity and inclusivity in the cannabis industry. The statement should demonstrate an understanding of the value of diversity and inclusion and align with the goals and strategies the applicant intends to implement once licensed.

2. Goals

Applicants are required to demonstrate a minimum of two (2) goals relating to diversity; however, more goals are encouraged. Each diversity goal should be measurable and tailored to address Commission-identified diverse populations (“diverse populations”). Specifically:

- People of color, particularly Black, African American, Latinx and Indigenous people;
- Women;
- Veterans;
- Persons with disabilities; and
- LGBTQ+ people

3. Strategies/ Programs

The applicant should detail the strategies and programs it will use to effectuate each listed goal, which should include the realistic timeline and targeted audience of each program.

Applicants will be required to demonstrate progress or success annually starting one (1) year after they are approved for provisional licensure. This information is required to be disclosed on the first and supplemental license renewal applications.

4. Measurements

Applicants should include the metrics they intend to use to assess the progress or success of



the plan's goals that are specifically tailored to assess impact on Commission identified diverse populations.

These should include the methods for tracking data, intended frequency of evaluating the plan's progress, and the team member responsible for the plan.

5. Acknowledgments

Each DP plan should have the following acknowledgments:

- a. The applicant acknowledges and is aware, and will adhere to, the requirements set forth in 935 CMR 500.105(4) and 935 CMR 501.105(4) which provides the permitted and prohibited advertising, branding, marketing, and sponsorship practices of every ME and MTC, respectively; and
- b. Any actions taken, or programs instituted, will not violate the Commission's regulations with respect to limitations on ownership or control or other applicable state laws.



VI. Best Practices Related to DP Goals

- When creating a purpose statement, the applicant should codify the business' culture through an organizational statement or a mission statement that encompasses diversity and a culture of inclusion. The purpose statement should be 100 words or less.
- The applicant should create individual DPs to fit the business's needs. Applicants should not copy and paste goals from Commission guidance or from another DP.
- Applicants and licensees should set goals that can be measured and accomplished. Applicants and licensees should include a process for receiving feedback, and how they will communicate the goals to everyone in the company.
- Applicants and licensees should commit to implementing and upholding the written policies as part of day-to-day operations.
- Applicant and licensees should commit to making progress on the DP's goals each year.



VII. Workforce Diversity Hiring Plan

A strategy for building a diverse workforce is required for the Commission to approve an ME or MTC application for licensure or renewal. A well-planned recruitment and employment plan can help a license applicant meet its goals of hiring employees from diverse populations. The following strategies and resources may help businesses achieve success:

- Review the number and type of positions expected for diverse populations when the facility opens.
- Set diversity goals for employment to be objectively reasonable but list a goal for each priority population. Seek not just to meet stated goals, but to exceed them.
- Consider how far a job candidate may travel for a position (especially for new entry-level workers) and what the business can offer a great candidate in order to make the job offer, position, and career opportunity appealing and lucrative.
- Provide transportation resources (e.g., bikes, MBTA passes), employee equity opportunities and/or flexible work schedules for diverse employees with family obligations.
- Highlight business culture to demonstrate it understands the value of diversity and inclusion in the workplace throughout the recruitment, hiring, and staff promotional process.
- Advertise employment opportunities internally, and in diverse publications, and social media outlets that target diverse populations (subject to the requirements set forth in 935 CMR 500.105[4] and 935 CMR 501.105[4]). Applicants can show this level of detail as part of their plan.
- Encourage current employees to refer a friend who identifies as one of the diverse populations for employment.
- Host recurring recruitment fairs, meetings, or tours with a focus on the Commission’s identified populations. All partnership and locations should be specified and contacted in advance of being added to DP plans.
- To understand and assess the current diversity statistics of the host community and surrounding communities, use the following helpful tool:
 - [1 - U.S. Census Bureau QuickFacts: Massachusetts.](#)
 - The search bar at the top can help identify local data.
- To understand the level of employment and unemployment in the local area, the Massachusetts Department of Unemployment Assistance offers unemployment and employment statistics, diversity facts, and wage information for cities and towns:
 - [Labor Market Information | Mass.gov.](#)
 - This tool can help a business determine its ability to hire Massachusetts residents from the host community and the surrounding area.



VIII. Supplier and Vendor Diversity

The Commission seeks opportunities for Disadvantaged Business Enterprises (DBEs) owned and operated by people of color, particularly Black, African American, Latinx, and Indigenous people (MBE), Women (WBE), Veterans (VBE), people with disabilities (DOBE), and LGBTQ+ residents (LGBTBE) to participate in and benefit from the regulated industry.

A strong, measurable component of a DP should include the goal of purchasing goods and services from diverse Commission licensees. A list of licensees authorized to commence operations can be found using the [Licensing Tracker at MassCannabisControl.com](#). Use the filter feature to search by priority status. Additionally, MEs and MTCs can contract with diverse businesses that provide ancillary services and products.

Examples of ancillary businesses that do not require a Commission license include electricians, plumbers, cleaning companies, contractors, office supply product sales companies, printing and marketing services, and financial and accounting services, among many others. Additional certifying agencies and organizations serving Massachusetts can be found at [MassCannabisControl.com](#) under the “Resources” section of the [Model Diversity and Positive Impact Plans](#) page.



IX. Diversity in Constructing Your ME/MTC

Another diversity strategy to consider is to engage diverse construction businesses for the construction or renovation of the establishment. Many of these businesses are also certified by the Massachusetts Supplier Diversity Office.

Businesses can also require contractors to employ diverse tradespeople. Experienced general contractors likely have the experience to meet these goals and demonstrate their success with certified payrolls. Having a general contractor use certified payrolls will allow a licensee to demonstrate that a diverse work crew was utilized for their project, that all are treated equitably on the project, and enable the licensee to report those figures at the time of renewal or whenever a capital project is completed. An FAQ sheet on Certified Payrolls is available at MassCannabisControl.com under the “Resources” section of the [Model Diversity and Positive Impact Plans page](#).



X. Strategies, Programs, and Goals

Applicants and licensees should be authentic, realistic, and intentional when designing programs that will allow them to reach and surpass diversity goals. The DP should be created to fit the licensee's needs. Programs should be tailored to fit the business culture, geographic reach, and goals. Implementation, execution, and consistently tracking outcomes will support and create upward mobility within the industry.

Applicants and licensees should not copy and paste goals from Commission guidance or other DPs.

Examples of strategies and programs that could effectuate the goals of a DP, impact diverse populations, and promote the inclusion of diverse populations in the cannabis industry may include, but are not limited to, the following:

- Building training programs that will increase the number of individuals qualifying under the above-listed demographics in management and executive positions in the ME and the MTC. Develop training programs that will increase internal promotions and cross functional training for all positions.
- Establishing relationships with specific organizations that are diversity-focused for the purposes of providing diversity and inclusion trainings and networking for new employees throughout the year.
- Creating a promotion process that employs equity principles for current employees consistent with federal and state employment laws.
- Creating a communications plan that reinforces the culture of diversity, inclusion, and respect among employees, and awareness of the organization's DP.
- Finding specific industry training and professional development opportunities and make access available to all employees.
- Providing antiracism and unconscious bias training for all employees (specify the topics, the trainers, and their specific qualifications).
- Developing a cross-functional, diversity-focused committee involving employees and management to meet regularly, focus on effective employee recruitment and retention efforts, review workplace programs, survey employees, and evaluate feedback for accountability. The plan can also specify who will serve on the committee.
- Identifying how the organizations will create a workspace that is safe, accepting, respectful, welcoming, comfortable, and supportive place to work.
- Establishing a diverse ownership and leadership team.
- Offering educational scholarships to diverse populations interested in entrepreneurship or



expanding their career opportunities in this new industry.

- Providing tours of your facility to job training partners and community organizations that will increase the diversity of job candidates.
- Creating year-round programs for apprenticeships, mentorships, and paid internships for diverse public populations with the goal of creating an accessible pathway into the industry.
- Offering educational seminars and job training programs (in person or virtually) in areas largely populated by diverse individuals to help residents gain awareness about the cannabis industry, and the types of positions available and how to access them.
- Providing key details such as (i) partners that will assist you and your program, (ii) intended topics for all seminars, (iii) frequency and duration of these seminars, (iv) number of intended participants, (v) recruitment efforts to target your audience, and (vi) the different mentorship opportunities for participants seeking a job.



XI. Develop a Plan with Creativity/"Think Outside the Box"

In addition to the required components of the plan and its strategies, programs, and goals highlighted above, applicants and licensees should consider innovative DP elements that can help foster a diverse and equitable workplace environment.

These "outside the box" ideas could include variations on the best practices listed above, specialized training, mentorship for key employees, team building activities, and other strategies that will help support and retain the workforce that the organization has worked so hard to assemble. Businesses should think creatively about additional alternatives such as employee ownership opportunities where team members can gain ownership and control or build financial equity in the company. These innovative elements of the DP can help the business set itself apart, attract new employees, and provide current employees with opportunities for success in this new industry.

In order to support and retain a diverse workforce, applicants and licensees should be creative in addressing barriers to advancement that may currently exist for individual employees, such as access to transportation, flexible work schedules, remote work opportunities, and educational requirements, while being fair to all employees. Regardless of the business' number of employees, the Commission encourages applicants and licensees to consider solutions to barriers faced by local employees or diverse populations prior to accepting your offer of employment. When interviewing a strong candidate for a position within an organization, the interviewer should ask them to suggest their thoughts on potential barriers to their advancement and offer creative solutions.



XII. Donations

If the applicant or licensee intends to donate money, services, or goods to an organization, there must be an identifiable connection between the donation and the diversity goal. For example, a donation to a community organization may support a partnership to introduce job candidates from diverse populations to career opportunities in the industry through trainings, workshops, apprenticeships, mentorships, and internships.

The receiving organization must provide a letter confirming its agreement to receive the funds, services, or goods, and give a brief explanation of the efforts that will be pursued. The receiving organization should also identify the population that will benefit.



XIII. Measurements and Data to Assess DP Progress

The purpose of this section is to provide guidance to applicants and licensees for identifying how results are measured, and how data and progress is reported. Applicants and licensees are responsible for disclosing the metrics used to measure the progress or success of the DP. They should also provide a detailed plan for collecting their data, including the frequency for evaluating their plan's progress, and the individual(s) collecting and assessing the data.

Metrics will vary depending on the plan's stated goals and programs. The most effective metrics will depend on the DP's goals. Examples of metrics that could be utilized include, but are not limited to, the following:

- Number of individuals from the identified groups who were hired and retained following the issuance of a license.
- Promotions for all employees and the number of promotions earned by people of color, women, veterans, persons with disabilities, and LGBTQ+ people, and ensure that it represents at least a percentage of the total number of available promotions that is comparable to the demographics of the host community and/or surrounding communities.
- Number of positions created since initial licensure.
- Number of listings and/or postings in diverse publications or general publications with supporting documentation.
- Number and type of diversity-focused informational sessions held or participated in, with supporting documentation, including duration of events, number of participants, and demographic information about attendees if available.
- Number and subject matter of trainings held and the number of attendees from the above- listed demographics.
- Employee survey results measuring satisfaction, morale, and engagement.
- Retention rates for all employees and from people from the identified groups.
- Total payments made to diverse firms and what these are as a percentage of total payments made to outside firms.
- Collection of voluntary personal information on each new employee. See sample chart on the following page.



Sample Chart

Demographics & Commission-Identified Diverse Populations	Number of Employees	Executive/Senior Level	Mid-Level Managers	Board of Directors	Sales Employees	Admin. Support
African American or Black	30	5	5	4	4	12
Hispanic or Latinx	30	5	5	5	4	12
Indigenous people	16	3	4	2	3	4
LGBTQ+ people	29	5	5	4	10	5
Persons with disabilities	28	5	4	4	4	6
Two or more races	24	5	5	3	6	5
Veterans	20	5	4	4	3	4
White	24	5	4	3	7	5
Women	28	5	5	8	4	6
TOTAL	229	43	41	37	45	59



XIV. Update and Progress on DP During License Renewal

All entities that have been approved by the Commission for a provisional license or a final license, or have commenced operations, must renew their license annually. During the renewal process, all licensees must document the progress or success made towards their DP regardless of their license status. Progress or success of the licensee’s DP can be reported in the “Compliance with Diversity Plan” section of the renewal application. The status report can include a letter, an email, an article, or any other supporting documents that show progress towards the stated goal(s).



XV. Renewal

At the time of their license renewal, entities with a provisional license should document their progress or success by presenting the goal(s) that the licensee has been working on during the year. If no or limited progress or success has been made toward any of the licensee's DP goals, they should consider revising their plan, timeline and/or strategies, and upload their revised plan in the "Compliance with Diversity Plan" section of the license renewal application.

If the licensee has made no progress towards their Commission-approved DP, it should consider doing the following:

1. Revise and update its previously approved DP.
2. Update its timeframe for addressing the DP once it has received approval to commence operations. A licensee should make changes to its plan and note those updates during the renewal process.
3. Contact identified organizations in its DP to ensure existing agreements remain effective once its establishment commences operation.
4. If a licensee's DP is primarily focused on hiring a diverse workforce, but the demographic of its location makes it difficult to recruit such a workforce, it should consider revising its numbers and goals, setting a new timeline, creating new strategies, and/or finding new partner organizations in order to meet its goals.



Questions?

If you have additional questions regarding this Guidance on Diversity Plans, please contact the Commission at Commission@CCCMass.com or (774) 415-0200.

