

Office of Social Equity

Office of Social Equity Releases Cannabis Social Equity Eligibility Criteria

Linthicum Heights, MD – The Office of Social Equity today released the eligibility criteria to be considered a social equity applicant for the upcoming Fall 2023 Cannabis License Application Period.

"As the only state in the country to exclusively reserve the first round of new cannabis licenses to social equity applicants, Maryland continues to lead the nation in promoting access and equity in the adult-use cannabis market," **said Gov. Wes Moore**. "Leaving no one behind means ensuring that communities that have borne the brunt of misguided policies have an equal shot at benefitting from this lucrative industry."

The Office of Social Equity, established by the <u>Cannabis Reform Act of 2023</u>, is an independent executive agency that issues official guidance on the eligibility requirements to qualify as a social equity applicant, based on the statutory framework. The Maryland Cannabis Administration, a new agency regulating medical and adult-use cannabis in the State, will administer the social equity verification process and the license application process.

"With the introduction of our new social equity eligibility criteria for the upcoming cannabis licensing application round, Maryland embarks on a transformative trajectory. This forward-looking measure underscores our dedication to rectifying past injustices and ensuring a level playing field," **said Office of Social Equity Executive Director Audrey Johnson**. "I affirm that by facilitating equal opportunities, we reshape the cannabis industry's narrative, enabling marginalized voices to craft a future that's rich in diversity and vitality. Over the next months, our office will offer support and technical assistance to social equity applicants, making sure they possess the tools necessary to compete fairly for license awards."

Using data provided by the Maryland Judiciary, the Maryland State Department of Education, and the Maryland Higher Education Commission, the Office of Social Equity conducted statistical analyses to arrive at the eligibility criteria. A social equity applicant is an entity that is at least 65% owned and controlled by one or more individuals who meet at least one of the following criteria:

• Criteria 1: Has lived in a disproportionately impacted area for at least five of the last 10 years immediately preceding the submission of the application. <u>Review the ZIP</u>

<u>codes that have been determined by the Office of Social Equity to meet this</u> <u>criteria in Maryland</u>; or

- Criteria 2: Attended a public school in a disproportionately impacted area for at least five years. <u>Review the list of currently open public schools that have been</u> <u>determined by the Office of Social Equity to meet this criteria in Maryland</u>; or
- Criteria 3: For at least two years, attended a four-year institution of higher education in Maryland where at least 40% of the individuals who attended the institution of higher education received a Pell Grant. <u>Review the list of higher education institutions</u> that have been determined by the Office of Social Equity to meet this criteria.

<u>Methodology</u>

- For Criteria 1, the Office of Social Equity conducted a 10-year average of cannabis possession charges utilizing data provided by the Maryland Judiciary. The *Cannabis Reform Act of 2023* defines a "disproportionately impacted area" as a geographic area identified by that had above 150% of Maryland's 10-year average for cannabis possession charges. The 10-year period analyzed was from 2013-2022, which represents the most recent available data.
- For Criteria 2, the Office of Social Equity obtained a list of currently active public schools from the Maryland State Department of Education that are located in ZIP codes determined as disproportionately impacted areas.
- For Criteria 3, the Office of Social Equity conducted a 10-year average using Pell grant recipient data obtained from the Maryland Higher Education Commission that met the statutory requirements. The 10-year period analyzed data from Fall 2012-Fall 2021. This represents the most recent available data.

For more information about the Social Equity Eligibility Criteria, visit <u>www.ose.maryland.gov</u>.

For information regarding the Social Equity Verification Process and the Fall 2023 Cannabis License Applicant round, visit <u>www.cannabis.maryland.gov</u>.

About the Office of Social Equity

The Office of Social Equity, an independent agency established by the Cannabis Reform Act of 2023, is charged with providing resources and support for historically disadvantaged individuals and businesses seeking to enter the adult-use cannabis market. The vital responsibilities of the office include implementing technical assistance programs for qualifying social equity applicants and licensees, reviewing regulations and laws through an economic equity and social justice lens, and supporting key programs including the Community Repair and Reinvestment Fund and the Cannabis Business Assistance Fund. The mission of the Office of Social Equity is to provide resources and support for historically disadvantaged individuals and businesses seeking to enter the Maryland adult-use cannabis industry.