



February 23, 2021

INDUSTRY-WIDE BULLETIN: 21-04

RE: Social Equity Program FAQs

Dear Marijuana Industry Stakeholders:

The Department of Revenue’s Marijuana Enforcement Division is issuing this Industry-Wide Bulletin in response to stakeholder inquiries regarding the MED’s Social Equity Program pursuant to [House Bill 20-1424](#). Please be aware that the information contained in this Industry Bulletin does not represent legal advice or replace a licensee’s responsibility to read, understand, and maintain compliance with all relevant statutes and rules.

ELIGIBILITY

1. What is the eligibility criteria for a Social Equity License?

The applicant must be found suitable for licensure pursuant to Rule 2-235 and must meet the following minimum eligibility requirements:

- Must be a Colorado resident
- Has not previously owned an MJ Business that was subject to revocation
- Meets **ONE** of the following:
 - The Applicant has resided for at least 15 years between the years 1980 and 2010 in a census tract designated by the Colorado Office of Economic Development and International Trade as an Opportunity Zone or designated as a "Disproportionate Impacted Area" ([Search by address for Opportunity Zone and Disproportionate Impact Area](#));
 - The Applicant or Applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was arrested for a marijuana offense, convicted of a marijuana offense, or was subject to civil asset forfeiture related to a marijuana investigation; or
 - The Applicant's household income in a year prior to application did not exceed 50% of the state median income as measured by the number of people who reside in the Applicant's household ([Median Income Table](#)).
- Must hold at least 51% ownership in the business.

2. What documents do I need to demonstrate I qualify as a Social Equity Licensee?

Criteria	Proof of Eligibility
Colorado Resident	Colo. DL or ID Card; OR Government-issued Photo ID plus one of the following: utility or phone bill, vehicle registration, voter registration, bank statement, recent county tax notice, recent contract/mortgage statement, or statement from major creditor. (All must have the applicant's name, current Colo address, and current date.) Rule 2-265(H), 1 CCR 212-3

Resided for at least 15 years in an Opportunity Zone, or Disproportionate Impacted Area (DIA) between 1980 and 2010.	School records, rental/lease agreements, utility bills, mortgage statements, loan documents, bank records, tax returns; OR affirmation under penalty of perjury plus name of one or more persons who can verify place of residence during applicable time period. Rule 2-220(C)(3)(a), 1 CCR 212-3
Applicant, applicant's parent, legal guardian, sibling, spouse, child, or minor in applicant's guardianship was arrested/convicted for a Marijuana offense; or subject to Asset Forfeiture	Affirmation of familial relationship; court or similar documents demonstrating arrest, conviction, or asset forfeiture. Rule 2-220(C)(3)(b), 1 CCR 212-3
Applicant's household income in the previous year did not exceed 50% of the State median income (Based on number of people in household)	Tax return for previous year. Rule 2-220(C)(3)(c), 1 CCR 212-3
Applicant(s) hold 51% or greater ownership of the RMB	Application documents (Operating Agreement, etc.)

3. If I have a marijuana conviction can I still apply as a Social Equity Licensee?

Yes. The State Licensing Authority will not deny an application for a Social Equity License or a related request for a finding of suitability on the *sole basis* of a marijuana conviction. Rule 2-220(C)(4), 1 CCR 212-3

4. Can you qualify as a Social Equity Licensee if you resided at several addresses in a Disportionate Impacted Area or Opportunity Zone for 15 years between 1980 and 2010, or would it need to be a single qualifying address for 15 years?

Any combination of qualifying addresses for a total of 15 year between 1980 and 2010 would satisfy the criteria for Disportionate Impacted Area and Opportunity Zones.

5. Can you qualify as a Social Equity Licensee if your address was in a Disportionate Impacted Area or Opportunity Zone outside of Colorado?

If you lived in a Disportionate Impacted Area outside of Colorado for 15 years between 1980 and 2010 you may qualify as a Social Equity Licensee. However, Opportunity Zones, which are designated by the [Colorado Office of Economic Development and International Trade](#), are limited to Colorado.

6. Can you qualify as a Social Equity Licensee if The Applicant or Applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was arrested for a marijuana offense, convicted of a marijuana offense, or was subject to civil asset forfeiture related to a marijuana investigation outside of Colorado?

Yes. There is no requirement that the arrest for marijuana offense, conviction of Marijuana Offense or civil asset forfeiture related to a marijuana investigation originate in the State of Colorado.

APPLICATION

7. Does a Social Equity Applicant need to apply for Suitability?

Yes. To qualify as a Social Equity Licensee, the applicant must be found suitable for licensure pursuant to Rule 2-235.

8. Can I apply for suitability prior to becoming a Colorado resident?

Yes, you can apply for suitability prior to becoming a Colorado resident. However, to qualify as

a Social Equity Licensee you must be a Colorado resident. If you are not a Colorado resident you can still apply for suitability to participate in the industry, but not as a Social Equity Licensee.

9. Do I need a Social Equity License from my Local Licensing Authority?

Statute does not establish express local application or approval requirements for Social Equity Licenses. However, local jurisdictions/Local Licensing Authorities may have separate application and approval requirements depending on the types of marijuana business operations in which you are seeking to engage. Applicants should consult with the relevant local jurisdiction or Local Licensing Authority to verify any local application and approval requirements.

The MED recommends applicants verify any local application and approval requirements prior to submitting an application to the MED.

10. Can a person who qualifies under the Social Equity Licensee criteria also apply for a Regulated Marijuana Business license outside of the Accelerator Program?

Yes. A person who is eligible as “Social Equity License” can participate in the following ways:

- Accelerator Program (Limited to Retail Cultivations, Stores, and Manufacturers): A person eligible under the Social Equity Licensee criteria may apply to participate in the Accelerator Program. This allows a Social Equity Licensee to partner with an existing Regulated Marijuana Business that has been issued an "Accelerator Endorsement." The Regulated Marijuana Business endorsed to serve in this capacity will "host" the Social Equity Licensee on the same premises (or may provide a separate premises, subject to state and local approval) and provides other technical, compliance, and/or capital assistance pursuant to an “equity partnership agreement.” Social Equity Licensees participating in the Accelerator Program can apply to operate as an Accelerator Cultivator, Accelerator Manufacturer, or Accelerator Store.
- Independent Operations (Can Apply for Any Medical or Retail Marijuana Business License): A person eligible under the Social Equity criteria may apply to independently own and operate a Regulated Marijuana Business license entirely separate from the Accelerator Program. A Social Equity Licensee seeking to operate independently can select from any of the state’s Medical and Retail Marijuana Business licenses.

The MED recommends applicants verify any local application and approval requirements prior to submitting an application to the MED.

FEES

11. As a Social Equity applicant what fees should I expect to pay?

A Social Equity Applicant will need to pay the fee for a finding of suitability, and the fees for the relevant Regulated Marijuana Business Licenses and permits.

ACCELERATOR PROGRAM

12. If I’m not a Social Equity Licensee can I still apply for an Accelerator License?

No, you must be a Social Equity Licensee to qualify for an Accelerator License.

13. Is the Accelerator program available for Medical Marijuana?

No, the Accelerator program is only available for Retail Marijuana Manufacturers, Cultivators, and Stores. However, Social Equity Licensees may also apply for any type of Medical Marijuana Business license available under the Medical Marijuana statutes.

14. Do I need Local Licensing Authority approval for a Accelerator License that is operating on a shared premise?

This will depend on whether or not the Local Jurisdiction requires approval and/or licensing for

Accelerator Licenses. The Marijuana Code permits, but does not require Local Jurisdiction licensing for Retail Marijuana Business licenses which include Accelerator Licenses. If the Local Jurisdiction requires approval and/or licensing, you will need to show that you have their approval or have met their licensing requirements.

15. Do I need Local Licensing Authority approval for an Accelerator License that is operating on a separate premise?

This will depend on whether or not the Local Jurisdiction requires approval and/or licensing for Accelerator Licenses. The Marijuana Code permits, but does not require Local Jurisdiction licensing for Retail Marijuana Business licenses which include Accelerator Licenses.

16. Where can I find a list of Accelerator-Endorsed Licensees?

As of the date of this bulletin, the MED has not yet issued an Accelerator-Endorsement to a Regulated Marijuana Business. Upon issuance, a list of Accelerator-Endorsed Licenses will be published on the MED's [Social Equity webpage](#).

17. Can an Accelerator Store apply for a delivery permit?

An Accelerator Store can apply for a retail marijuana delivery permit. See Rule 6-1110(E)-(F), 1 CCR 212-3.

MISCELLANEOUS

18. Where can I find more information?

You can find more information, program updates and events at [Marijuana Enforcement Division's Social Equity webpage](#). You can also find recordings of the Marijuana Enforcement Town Halls on the [Division's Town Hall webpage](#).

19. Who can I contact if I still have questions?

Please reach out to Danielle Henry, MED Policy Advisor at danielle.henry@state.co.us