## Thank you for joining, we will begin shortly...



# Welcome to the Informational Webinar for the Cannabis Social Equity Trust Fund FY26 Social Equity Grant Program

- This webinar will be recorded. A copy of the recording will be posted on the program's webpage.
- Questions will be answered after the presentation, as time allows. Questions may also be aggregated and posted in a FAQ document on the program's webpage.
- General questions may be submitted at any time during this presentation via the Zoom
   Q&A feature. Project-specific questions should be submitted to CannabisEquityFund@mass.gov.

For the most up to date information about the CSE Trust Fund, including this program, please visit <a href="https://www.mass.gov/info-details/cannabis-social-equity-trust-fund">https://www.mass.gov/info-details/cannabis-social-equity-trust-fund</a>



### FY26 Social Equity Grant Program

The FY26 Social Equity Grant Program builds on the success of the FY25 Social Equity Grant Program to support cannabis entrepreneurs at various stages of the licensing process, including Pre-Licensed Cannabis Business, Pending Provisional Licensees and cannabis businesses with a Provisional or Final License issued by the Cannabis Control Commission (CCC).

Eligible applicants may apply for funds for past and future expenses in a wide range of categories to support entry into the regulated cannabis industry, the acquisition of licensure, commencement or continuation of business operations, or to improve or expand the business

# Key Dates

- ➤ NOFA Published: October 31, 2025
- > Application Deadline: December 11 @ 11:59PM
- ➤ Notification of Award Decisions: **January 2026**
- Performance Periods:

Tiers 1 and 2 Projects Completed by June 30, 2026

Tiers 3 and 4 Projects Completed by December 31, 2026

# NOFA Overview

<b>Grant Award Size</b>	Grants will range from \$25,000 to \$300,000.
Eligible Applicants	<ul> <li>Pre-Licensed Cannabis Businesses;</li> <li>Pending Provisional Licensees;</li> <li>Provisional Licensees;</li> <li>Final Licensees</li> </ul>
Allowable Use of Funds	Past and future expenses that support entry into the regulated cannabis industry, the acquisition of licensure, commencement or continuation of business operations, or to improve or expand the business.
Evaluation Criteria	Applicant business eligibility, social equity status and ownership, clear project description and realistic timeline, demonstrated need and readiness to deploy financial assistance.

### FY26 Social Equity Grant Program Updates

- Eliminating match grant requirements and timing restrictions on past expenses.
- Expediting reimbursement requests to ensure the timely allocation of grant funds.
- Increased prioritization for existing and operating licensed cannabis businesses, including businesses with Economic Empowerment Priority Applicant status and applicants that did not receive a grant in the FY25 Social Equity Grant Program round.
- New support for businesses that have submitted a license application to the Cannabis Control Commission and are awaiting approval for Provisional Licensure.
- Ensuring the equitable distribution of available grant funds by limiting each business, as well as each majority owner of a business, to one application submission.

## Eligibility

### **Applicants Must:**

- 1. Be a duly organized business entity in good standing and located in Massachusetts;
- 2. Be designated by the CCC as an Economic Empowering Priority Applicant of have a majority of ownership comprised of individuals that are Economic Empowerment Priority Applicants or Social Equity Program Participants; AND
- 3. Qualify within 1 of 4 available Tiers, depending on CCC license status.

## Eligibility

Each business entity, or majority owner of such entity, may submit one application for a grant based on the applicant's license status:

Tier / License Status	Description of Support	Max Grant Size
Tier 1 - Pre-Licensed Cannabis Business	Support entry into regulated cannabis industry	\$25,000
Tier 2 - Pending Provisional Licensee	Support acquisition of Provisional License	\$50,000
Tier 3 - Provisional License or Final License <u>without</u> Notice to Commence Operations	Support acquisition of Final License or commencement of business operations	\$200,000
Tier 4 – Final License with Notice to Commence Operations	Support continuation of business operations or to improve or expand business	\$300,000

### Tier 1 — Pre-Licensed Cannabis Businesses

**Description of Eligibility** - A business that is not currently licensed by the CCC, does not have an application pending with the CCC, and intends to apply for a Marijuana Establishment or Marijuana Medical Treatment Center License

**Maximum Grant Size** - \$25,000

**Description of Support** - Past and future expenses that directly support entry into regulated cannabis industry

- Professional Fees Professional services such as legal, accounting, architectural, consulting, etc.
- Facility Fees Lease or mortgage payments, utilities (e.g. waste management, water, electric, gas);
- Regulatory and Compliance Fees Permitting and site assessment; bank fees to establish or maintain financial
  accounts for the applicant business; licensing or regulatory fees that support license application preparation.

## Tier 2 – Pending Provisional Licensees

**Description of Eligibility** - A business that has submitted a Marijuana Establishment or Medical Marijuana Treatment Center license application to the CCC, received notice the application is deemed complete, and is awaiting provisional license approval

**Maximum Grant Size** - \$50,000

**Description of Support** - Past and future expenses that directly support the acquisition of a provisional license

- Professional Fees Professional services such as legal, accounting, architectural, consulting, etc.
- Facility Fees Lease or mortgage payments, utilities (e.g. waste management, water, electric, gas), etc.;
- Regulatory and Compliance Fees Permitting and site assessment; bank fees to establish or maintain financial
  accounts for the applicant business; licensing or regulatory fees that support license application preparation.

### Tier 3 – License Acquisition and Commencement of Business Operations

**Description of Eligibility** - A business with a Provisional License or Final License without a notice to commence operations from the CCC

**Maximum Grant Size** - \$200,000

**Description of Support** - Past and future expenses that directly support the acquisition of final licensure or commencement of business operations

- Professional Fees
- Facility Fees
- Regulatory Fees
- Debt Service
- Equipment Capital Expenses
- Facility Capital Expenses
- Business Related Insurance Fees (excluding any insurance related to payroll costs)
- Delinquent Massachusetts Department of Revenue Taxes;
- Vehicle Expenses (up to \$25,000)

### Tier 4 – Existing Business Support

**Description of Eligibility** - A business with a Final License that has received notice to commence operations from the CCC

**Maximum Grant Size** - \$300,000

**Description of Support** - Past and future expenses that directly support the continuation of business operations or to improve or expand the business

- Personnel Expenses (up to \$50,000)
- Professional Fees
- Facility Fees
- Regulatory Fees
- Debt Service
- Equipment Capital Expenses
- Facility Capital Expenses
- Business Related Insurance Fees (excluding any insurance related to payroll costs)
- Delinquent Massachusetts Department of Revenue Taxes;
- Vehicle Expenses (up to \$25,000)

### Use of Funds

Specific conditions apply to certain uses of the grant funds, including the following. We recommend you read through the NOFA carefully prior to applying:

- Related-Party Transactions Grantees are prohibited from using grant funds to pay for allowable uses
  from any owner, shareholder, member, officer, director or employee of the applicant or their immediate
  family member, or any business entity in which an owner of the applicant business holds a majority
  interest, directly or indirectly, unless such transaction is bona fide transaction.
- Debt Service: Grant funds may be used to pay debt service on existing loans entered into by the applicant entity for allowable use of funds. Loans must be evidenced by a signed and dated written agreement between the borrower and lender. Please see the NOFA for additional conditions.
- Personnel expenses (Tier 4 only) are limited to \$50,000 of the total amount of grant fund request for W-2 employees that are directly engaged in the day-to-day cannabis business operations. Payroll expenditures are available for the first \$30/hour of wages and no more than \$5,000 per employee.

### **Evaluation Criteria**

Applications will be evaluated based on the proposed project and need for financial assistance. The application will be scored on a 100-point scale, in the areas outlined below:

- Clear business description and leadership capacity (up to 20 points)
- Detailed project description, with realistic timeline and outcomes (up to 20 points)
- Compelling statement of need and clearly outlined budget proposal (up to 20 points)
- Applicants that did not receive an FY25 Social Equity Grant Program grant award (15 points)
- Applicants designated by the CCC as an Economic Empowerment Priority Applicant or that have a majority ownership comprised of individuals that are Economic Empowerment Priority Applicants (15 points)
- Cannabis businesses located in Area of Disproportionate Impact (5 points)
- Social equity ownership of 75% or more (5 points)

### Disbursements of Funds

**Contracting** - All applicants awarded a grant are required to enter into a grant agreement with EOED prior to the disbursement of any funds.

Tiers 1 and 2 grantees will receive the grant amount at contract execution

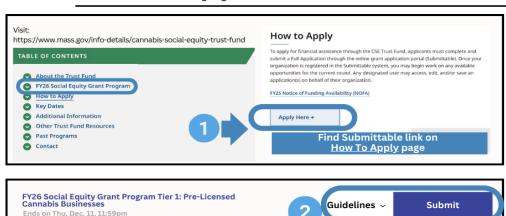
**Tiers 3 and 4 grantees** will receive funds based on cost reimbursement requests. Grantees may submit requests on a rolling basis once they have documented a minimum of \$50,000 in expenses (no more than one request per month)

**Acceptable Documentation for Reimbursement Requests** – Appendix A of the NOFA details acceptable documentation for specific reimbursement requests. Generally, grantees must submit at least two forms of documentation evidencing use of grant funds:

- 1. Invoice or Service Agreement; and
- 2. Proof of payment

# Application Overview: Getting Started

# **Applying: Online Application Platform**







Elia	ibility Screening
Bu	gibility Screening: Before proceeding, please review and confirm eligibility. The Applicant siness must meet, and check, all three of the following eligibility requirements to apply to e Social Equity Grant Program. The Applicant Business is:
A di	uly organized business entity in good standing and located in Massachusetts: (required)
$\circ$	Yes
$\circ$	No
Qua	alified as a social equity cannabis business by one of the following: (required)
0	The business entity has been designated by the CCC as an Economic Empowerment Priority Applicant; or

Answer all Eligibility screening

questions, then click Next

You've started the application! You can save and return at any time.

	on provided in this secti nancial assistance from		
1.1 Business Ent	ty Legal Name *		

# Application Overview

A complete application packet includes the following components with required attachments:

- Section 1: Eligibility confirmation
- Section 2: Information about business entity applying for financial assistance
- Section 3: Information about the Cannabis Business and its licensing status
- Section 4: Project Narrative
- Section 5: Project Funding Request

# Acceptable Application Documents

Appendix A of the NOFA details specific documentation acceptable for the application, including the following:

- Business Ownership Documentation evidencing all current ownership interests in the applicant business may include bylaws, operating agreement, or recent CCC license documentation. Documentation must reflect 100% ownership interest and be fully executed and dated.
- Social Equity Status Documentation evidencing each individual with a current ownership interest in the applicant business identified as an Economic Empowerment Priority Applicant or Social Equity Program Participant may include CCC email confirmation of such status or license documentation reflecting status.
- Proof of CCC Licensure (if applicable) Documentation evidencing licensure status with the Cannabis
  Control Commission may include a copy of the applicant's Provisional or Final License, or an active license
  record printed from the Cannabis Control Commission's public portal.
- **Proof of Occupancy** (if applicable) Documentation evidencing proof of occupancy for the location of the applicant's cannabis business may include a lease agreement, mortgage statement, deed, or a utility or property tax bill.
- Certificates of Good Standing All applicants must submit certificates of good standing or compliance from the Massachusetts Secretary of the Commonwealth, Department of Revenue (DOR) and Department of Unemployment Assistance (DUA) dated within 30 days prior to submitting the application. All required certificates should be in the name of the entity applying for grant funds.

### Technical Issues

### Specific Help Page for Applicants:

https://submittable.help/en/collections/185534-help-for-applicants

### Common technical issues:

- Sharing a login (solution: use the Collaboration tool instead)
- Not completing all required fields (including tables)
- Having multiple windows open that are logged in (solution: log out, close out browser, log back in)

# Frequently Asked Questions

# Q: I received a grant in the previous FY25 SEGP round. Can I apply to the FY26 SEGP round for a grant?

A: Yes. Applicants from a previous round may apply to the FY26 SEGP round. However, any awards made through the FY26 SEGP are conditioned upon the successful closeout of all prior grant awards.

# Q: The FY25 SEGP round prohibited reimbursements requests for expenses incurred prior to a specific date. Are there similar timing constraints on expenses for the FY26 SEGP?

A: No. There are no timing constraints on when expenses are incurred. However, all expenses must be for an allowable use.

# Q: I'm the majority interest holder of two separate licensed businesses. Can each business apply for a grant?

A: No. To ensure the equitable distribution of grant funds, each applicant business entity, including individuals with a majority interest ownership of those businesses, may only submit one application.

# Frequently Asked Questions

Q: My business submitted a license application to the CCC for a Provisional License but has not received notice the application is deemed complete. Can I apply for a grant?

A: Yes, this business may apply for a Tier 2 Pending Provisional Licensee grant. However, any grant award is conditioned upon receiving notice from the CCC the license application is deemed complete prior to contracting.

Q: I'm not able to provide a Certificate of Good Standing from the Department of Revenue because my businesses is delinquent on tax payments. Can I apply for a grant?

A: Yes, Tier 3 and 4 applicants can apply for a grant to pay for outstanding tax obligations by submitting an attestation explaining the delinquency and amount owed. If awarded a grant, the business must submit a Statement of Account from DOR evidencing proof of payment/settlement and submit a Certificate of Good Standing. All other applicants must provide a Certificate of Good Standing from DOR.

Q: Is there a cash match requirement for any of the Tiers?

A: No, there is no cash match requirement this round.

# Frequently Asked Questions

Q: Should I report a grant from the Cannabis Social Equity Trust Fund as taxable income when my business files its tax returns?

A: Yes, government grants are generally considered taxable income under federal and Massachusetts tax laws.

# **Additional Questions?**

## Thank You

Thank you for your interest in the Social Equity Grant Program.

For the most up to date information about the CSE Trust Fund, including this program, please visit Cannabis Social Equity Trust Fund | Mass.gov

Please email questions to: CannabisEquityFund@mass.gov

About the Executive Office of Economic Development, visit <a href="www.mass.gov/eoed">www.mass.gov/eoed</a>