

Commonwealth of Massachusetts  
EXECUTIVE OFFICE OF ECONOMIC DEVELOPMENT

**Social Equity Grant Program**  
Cannabis Social Equity Trust Fund  
**FREQUENTLY ASKED QUESTIONS (FAQ)**  
*Updated 11/13/25*

**General Questions**

**Q: Where can applicants find the Notice of Funding Availability (NOFA) that sets forth the FY26 Social Equity Grant Program guidelines and application requirements?**

A: The FY26 NOFA is available at: <https://www.mass.gov/doc/nofa-fy26-social-equity-grant-program/download>

**Eligibility Requirements**

**Q: I received a grant award under the FY25 Social Equity Grant Program. Can I apply to the FY26 Social Equity Grant Program for a grant award?**

A: Yes, applicants that received a grant award under the FY25 Social Equity Grant Program may apply for FY26 funding as long as they are eligible under the program guidelines. However, all grant awards are contingent upon the successful closeout of the prior FY25 grant contracts.

**Q: Can my business entity submit more than one grant application if it holds several different CCC licenses?**

A: No, regardless of how many CCC licenses a business entity has, it may only apply for one grant award. This is to ensure the broader distribution of grant funds.

**Q: If I own a majority interest in two separate business entities, can each business entity apply for a grant award?**

A: Unfortunately, no. To ensure the broader distribution of grant funds, any individual or entity that holds a majority interest in more than one business entity may only apply for one grant award. Majority ownership is defined as having an ownership interest of more than 50%.

**Q: Can my business entity apply for grant funds from multiple tiers?**

A: No, applicants may only apply for grant funds from one tier, determined by the license held at the time of submitting an application.

**Q: Can a business entity with less than 50% of the interest holders designated as having CCC social equity status apply for grant funds?**

A: No, the applicant business must have a majority of interest holders (more than 50%) designated as Economic Empowerment Priority Applicants or Social Equity Program Participants to be eligible to apply for a grant (or the business is designated as an Economic Empowerment Priority Applicant).

**Q: If my business is currently in the process of a change of ownership, how should I indicate this on the application?**

A: Ownership interests of the business must be finalized prior to the submission of grant applications and reflected in the application by submitting fully executed and dated documentation reflecting 100% ownership interest (such as bylaws, operating agreements or most recent CCC license documentation). Applicants must ensure ownership documents are up to date and verifiable. Please also be advised, stated ownership interests may not be changed after the submission of an application except in connection with a bona fide, arms-length transaction that reflects a transfer for value. Misrepresentation of ownership interests to establish eligibility for a grant will be deemed an attempt to perpetrate fraud and will be reported to the CCC.

**Q: Are ancillary businesses eligible to apply?**

A: No. Only social equity businesses with a Marijuana Establishment or Medical Marijuana Treatment Center license from the Cannabis Control Commission, or those intending to apply for such licenses, are eligible to apply for grant funds.

**Q: My CCC license expires in 2026. Do I need to renew it for the entire year to qualify?**

A: Yes, the CCC license for the business entity applying for grant funds must be active at the time of application to be eligible (unless you are applying under Tiers 1 or 2). Additionally, you must maintain an active license for the entire duration of the grant contract period.

**Q: My licensing status is subject to change during the application period, what Tier should I apply for?**

A: Eligibility is determined by the license held at the time of submitting an application. All applicants will need to provide evidence of the business entity's license issued by the Cannabis Control Commission at the time of submitting the application.

**Q: If an applicant's license status changes after submitting the application, will they be considered for a different Tier?**

A: Unfortunately, no. Eligibility is determined by the type of license held at the time of submitting an application. Any changes to the licensing status after submitting an application cannot be considered for eligibility purposes.

**Q: Can I apply for a Tier 3 grant if the CCC has voted and approved the business entity's application for a Provisional License, but I have not received a Provisional License?**

A: Unfortunately, no. Tier 3 requires applicants to provide evidence of a Provisional License as part of the application. Such applicants can apply for a Tier 2 grant.

**Q: If a business is not yet licensed but has applied to the CCC for a Provisional License, which tier should they apply for?**

A: Applicants that have submitted an application to the Cannabis Control Commission for a Provisional License and have received notice that the application is deemed complete may be eligible to apply for grant funds under Tier 2 - Pending Provisional Licensee. If the business has not yet received notice their application is deemed complete, they may apply for grant funds under Tier 2, but any award will be contingent upon receiving notice from the CCC that the license application is deemed complete.

**Applications**

**Q: Can you clarify the 30-day requirement for the letters of good standing from the Massachusetts Secretary of Commonwealth, Department of Revenue, and Department of Unemployment Assistance?**

A: Applicants are required to upload Certificates of Good Standing that were issued no more than 30 days prior to the date the application is submitted.

**Q: Does a Tier 1 applicant (Pre-Licensed Business) need a Certificate of Good Standing from the Department of Revenue?**

A: Yes. All applicants, regardless of their Tier, are required to submit a valid Certificate of Good Standing from the Massachusetts Department of Revenue (DOR) issued no more than 30 days prior to the date of submitting their grant application. There are limited exceptions for Tier 3 and 4 applicants applying for grant funds to resolve delinquent DOR taxes. Such applicants must submit an attestation explaining the tax delinquency and amount owed. Upon payment of delinquent state taxes, the award recipient must submit a DOR Certificate of Good Standing to EOED.

**Q: Does my business entity's organizing document (e.g. Articles or Certificate of Organization) filed with the Secretary of the Commonwealth need to include the word "cannabis"?**

A: The business entity's organizing document does not necessarily need to include the term "cannabis," but the "general character of the business" as stated in the Articles or Certificate of Organization (the document that created the business entity and is filed with the Secretary of Commonwealth's office) of the entity must relate to cannabis operations to be eligible for a grant.

**Q: Can an individual or sole proprietorship apply for a grant award?**

A: No, only duly organized business entities may apply for grant funds and that entity must be in good standing with the Secretary of Commonwealth.

**Q: Is a specific budget table required for submission?**

A: Yes. The application includes a budget table that applicants must complete to outline their proposed budget.

**Q: Does a Letter of Intent suffice as a proof of occupancy where the applicant conducts its licensed business?**

A: Yes, a Letter of Intent can be used to evidence proof of occupancy for the purposes of the application.

## **Grant Awards**

**Q: Does receiving a grant award impose any constraints on selling the business?**

A: Yes. Business entities that receive a grant are prohibited from selling, transferring or relocating the Marijuana Establishment or Medical Marijuana Treatment Center license during the contract term, except with prior written approval by the Executive Office of Economic Development. Additionally, any asset with a market value in excess of \$5,000 acquired in whole or in part using the grant funds may not be sold, conveyed, transferred, pledged or otherwise encumbered during the contract term and 3 years following the contract commencement date, unless otherwise approved by the Executive Office of Economic Development (see definition of "Restricted Asset" in 400 CMR 8.02 and Section (F) Limitations of Funds in Notice of Funding Availability).

**Q: When do you anticipate grant funds will be disbursed to those awarded?**

A: Grant funds will be disbursed after contracts are executed, which typically takes about one month. Award announcements are expected in January 2026, and disbursement will follow the tier-specific process outlined in the NOFA.

**Q: Are all grant funds for Tier 3 and Tier 4 reimbursement-based?**

A: Yes, however 25% of the total award amount will be disbursed to the grantee upon executing the contract. Grantees are required to submit documentation evidencing that initial disbursement is expended for allowable use of funds in accordance with their contract. Subsequent disbursements are made on a cost-reimbursement basis upon submission and approval of reimbursement requests documenting eligible expenses, continuing until the full award has been expended.

**Q: Is there a limit to how much can be reimbursed at once?**

A: There is no maximum per reimbursement submission beyond the total award amount, but applicants can only request reimbursement for expenses they have already incurred and properly documented. Grantees may submit reimbursement requests on a rolling basis (no more than one request per month) once they have documented at least \$50,000 in eligible expenses, unless the total grant amount awarded or remaining is less than \$50,000.

**Q: Can a Tier 3 or 4 grantee submit a reimbursement request for their total grant award amount in the first reporting period?**

A: Yes. If a grantee has made all eligible expenditures as defined in their contract, they may request reimbursement for the total award amount provided they submit all required documentation evidencing the eligible use of funds.

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

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

**Online application portal**

**Q: What information will applicants need to have available when creating their account on Submittable?**

A: Applicants only need to provide a name and email to create an account.

**Q: Is there an application fee?**

A: No, there are no application fees required to apply for the Social Equity Grant Program.

**Q: Can multiple users access the application portal?**

A: Yes, multiple users can access a Submittable application using the Collaboration Tool. (Sharing the same login is not advised, as this may result in session conflicts and inadvertent deletion of responses already entered.) Once the application is started, you can use the “invite collaborators” tool to add team members.

**Q: Would I be able to make corrections and/or submit additional documents or information after the application deadline has passed?**

A: No. Except in cases where the NOFA indicates otherwise, EOED will not be able to accept any additional documents or information after the deadline (December 11, 2025 @ 11:59 PM). Late or incomplete submissions will not be accepted.

**Q: Some of my documents have multiple pages. Will I be able to upload them as multiple attachments?**

A: No. The system will allow for one upload for each of the required documents. Applicants should scan all responsive documents into one PDF to upload.

### **Eligible Use of Funds**

**Q: What expenses am I able to cover with a grant from this program?**

A: Eligible expenses differ based on the Tier. Refer to the [NOFA](#) for details about which expenses are eligible and covered by each Tier.

**Q: What types of expenses are not eligible for grant funding?**

A: Ineligible expenses include, but are not limited to, marijuana products, personal or non-business-related expenses, and any expenses already covered by other financial aid sources. Please refer to the [NOFA](#) for a full list of prohibited uses.

**Q: Can I apply for funds to cover past expenses?**

A: Yes, there are no timing restrictions on past expenses, however funds must be used for allowable uses within the respective Tier for which you are applying. The FY25 Social Equity Grant Program round placed limitations on expenses if they were incurred prior to a certain date. For this round, we have removed that restriction.

**Q: Can I apply for a grant to reimburse a loan made under my name (as an individual) as the borrower if it was used for the business?**

A: No. Individuals that are borrowers on loan agreements are not eligible for reimbursement of debt service. Tier 3 and 4 grantees may be eligible to receive grant funds to pay debt service on existing loans, only if such loan was entered into by the applicant businesses entity. Loans must be evidenced by a written agreement between the borrower (applicant business entity) and lender and must be executed prior to the submission of the grant application. Loans originated after the submission of an application, including those pursued in anticipation of grant funding, are not eligible. The conditions to apply for grant funds to service debt is outlined in Section F of the NOFA.

**Q: If purchases are made in the majority owner's personal name, rather than the business name, can they be eligible for reimbursement?**

A: No, expenditures are only eligible for reimbursement if purchased by the business entity awarded grant funds. Grantees are required to submit documentation evidencing the use of grant funds by the business entity only.

**Q: Are building materials purchased by the applicant but installed by a contractor eligible under a grant award?**

A: If an applicant business entity purchased building materials from a third-party vendor, they may be eligible. However, any construction work must be performed by a third-party contractor to be eligible for reimbursement. Please be advised, if awarded, the grantee will be required to provide two forms of documentation to evidence the use of funds - (1) invoice or service agreement; and (2) proof of payment. Additionally, construction services require submission of at least two bids evidencing market rate costs.

**Q: Is the vehicle funding cap \$25,000 per vehicle or \$25,000 total?**

A: The funding cap is \$25,000 for the total grant award, not per vehicle. Only Tiers 3 and 4 may apply for vehicle expenses.

**Q: What type of licensees are eligible to apply for grant funds for vehicle expenses?**

A: Businesses with a Marijuana Transporter, Delivery Operator or Courier license from the Cannabis Control Commission are eligible to apply for grant funds for vehicle expenses.

**Q: Does a vehicle need to be registered in the applicant business entity's name to qualify for vehicle expenses?**

A: Yes, if requesting grant funds for vehicle expenses, the vehicle must be registered in the applicant business entity's name and have a Marijuana Transporter, Delivery Operator or Courier license from the CCC.

**Q: Is an auto loan an eligible expense?**

A: An auto loan may be an eligible debt service expense if the applicant entity is the borrower, there is a written loan agreement between the borrower and lender and the loan was originated prior to submitting the grant application (and not pursued in anticipation of grant funding).

**Q: Can funds be used to pay staff on a monthly basis?**

A: Yes. However, personnel expenses are limited to Tier 4 grantees with a maximum limit of \$50,000 for the total grant award. Payroll expenses are capped at \$5,000 per W-2 employee for the first \$30 per hour of wages. For full details on personnel expense limitations, see Section F of the FY26 Notice of Funding Availability.

**Q: The NOFA prohibits use of grant funds for "Related-Party Transactions" unless it is a bona fide transaction. What does this mean?**

A: A Related-Party Transaction is any financial transaction paid with grant funds to an owner, shareholder, member, officer, director or employee of the applicant business entity (or their immediate family member), or any business entity in which an owner of the applicant business holds a majority interest, directly or indirectly. These transactions are prohibited unless it is a "bona fide transaction," meaning it is a legitimate, fair market value transaction.

For example, if a business leases equipment from a company partially owned by the same owner, the lease agreement must reflect standard market rates and terms. All transactions must be fully documented to demonstrate they are legitimate and necessary for business operations.

**Q: Can I apply for funds to be reimbursed as a consultant on my own project?**

A: No, professional fees are only eligible for payments to third-party vendors evidenced by a service agreement.

**Other Considerations**

**Q: Could there be penalties or a recapture of grant funds?**

A: Yes, if a grantee does not comply with the terms of the grant contract, such as using funds for unauthorized purposes, the grant may need to be repaid, and further penalties could apply. Please refer to 400 CMR 8.00, the NOFA, and your grant Contract once approved.

**Q: How will the grant funds be disbursed?**

A: All grant funds will be disbursed via Electronic Funds Transfer (EFT). Recipients will need to establish a state vendor code and complete EFT enrollment if not already set up.

**Q: Can items approved for the use of funds be changed later?**

A: Any changes to the approved use of funds must be requested and approved by the program administrators. Adjustments will be considered on a case-by-case basis and must be for an allowable use of funds within the grantee's approved Tier.

**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.