



Office of Social Equity: Advancing Equity and Economic Opportunity in Maryland's Cannabis Industry

Briefing for the Senate Finance Committee

HELPING COMMUNITIES

Learn, Grow, Build
& Heal

January 27, 2026

Agenda

1. About the Office of Social Equity
2. Maryland's First Social Equity Licensing Round
3. Investing Back in Community
4. Two Years of Progress and Measuring Impact
5. Next Steps and Strategic Priorities
6. Closing Reflection



**ABOUT
THE OFFICE OF
SOCIAL EQUITY**



Establishment and Statutory Mandate

- ▶ The **Office of Social Equity (OSE)** was established by the *Cannabis Reform Act of 2023* as an independent executive agency that works in partnership with the Maryland Cannabis Administration. In 2024, HB 1253 established the Department of Social and Economic Mobility, and OSE now operates within that department.
- ▶ Our mission is **to promote economic opportunity and equity in Maryland's adult-use cannabis market through programs, resources, and advocacy.**
- ▶ We exist **to help Maryland communities learn, grow, build, and heal**, especially as it relates **to historically disadvantaged individuals and businesses** seeking to enter the Maryland adult-use cannabis industry.



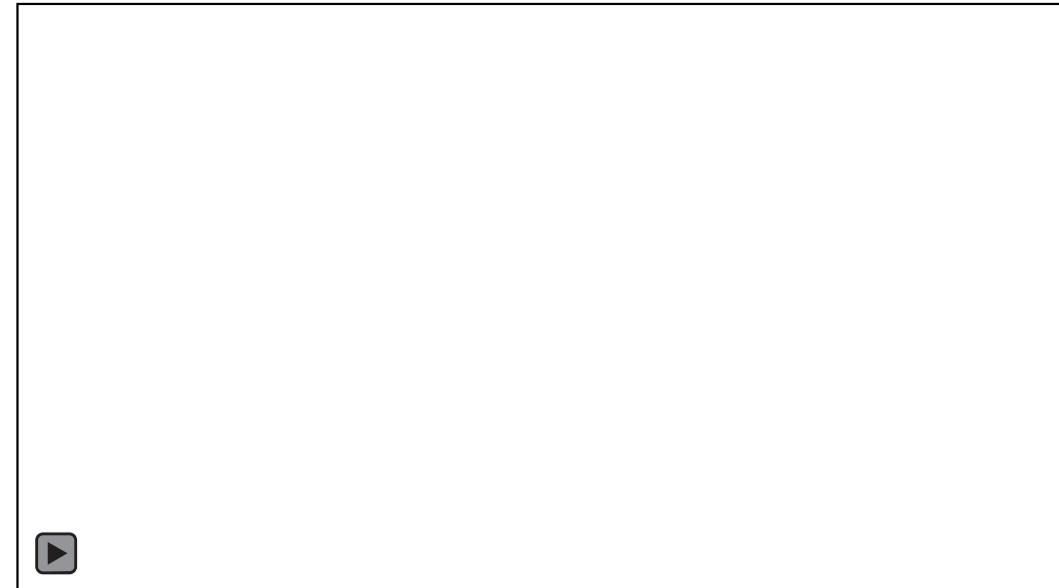
Our Framework for Impact

Our Key Objectives Are:

- ▶ Ensuring **diverse participation** in the cannabis market
- ▶ Providing **resources and support** for social equity applicants and licensees
- ▶ Addressing the **impact of past cannabis prohibition** on communities

Our Core Responsibilities 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



- ▶ Administering key programs, including the **Community Reinvestment and Repair Fund**



**MARYLAND'S
FIRST SOCIAL
EQUITY
LICENSING
ROUND**



Groundbreaking Social Equity License Round

The inaugural social equity licensing round closed on December 12, 2023, with 1,708 applications submitted across all license categories (Dispensary, Grower, Processor).

On Thursday, March 14, 2024, the Maryland Cannabis Administration awarded a total of 179* social equity business licenses from the state's first dedicated social equity licensing application round.

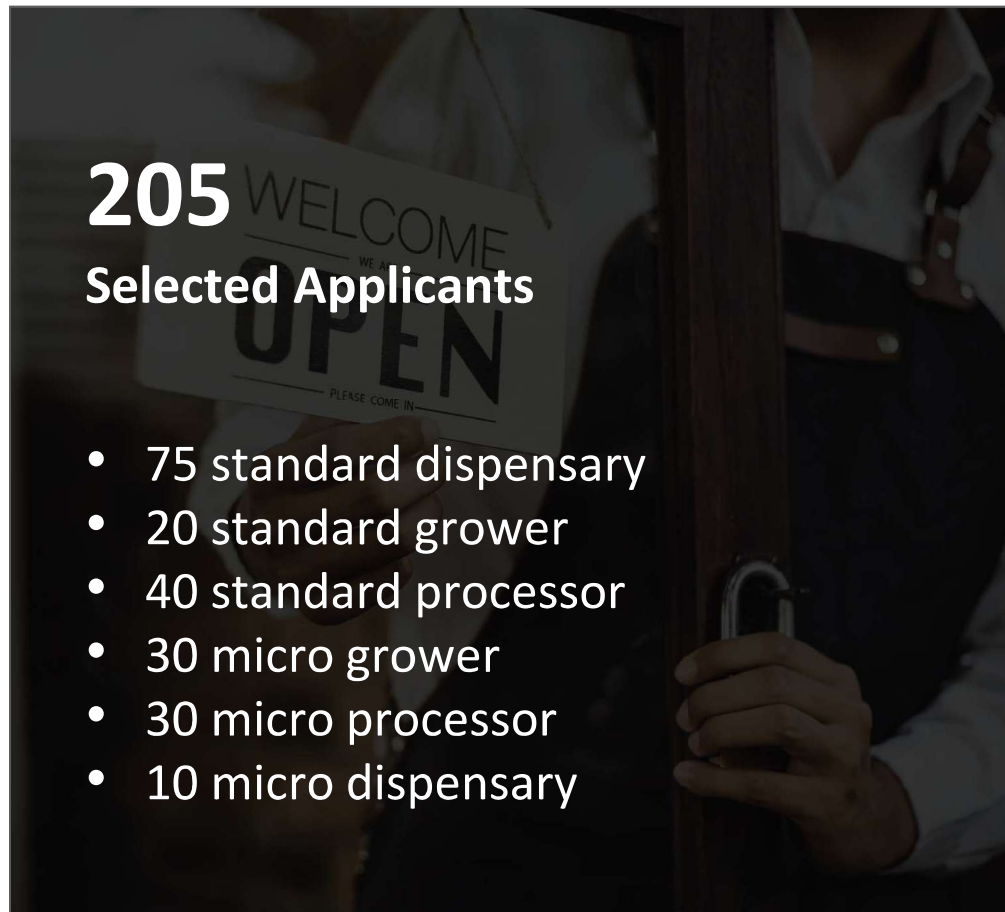
June 28, 2024, the Maryland Cannabis Administration awarded 26 additional business licenses increasing the total number of licenses to 205.

**Awarded 174 social equity business licenses + 5 licenses were withheld due to litigation.*



205 Selected Applicants

- 75 standard dispensary
- 20 standard grower
- 40 standard processor
- 30 micro grower
- 30 micro processor
- 10 micro dispensary



Ensuring Inclusion

Lottery results affirm **our commitment to fostering diversity and inclusion** within Maryland's cannabis industry.

Demographic Breakdown of License Recipients:

53.7% African American

23.9% White

13.2% Asian

3.9% Hispanic or Latino

0.5% American Indian or Alaskan Native

4.9% Two or more races

36.5% Women

	COUNT– ALL TYPES	PERCENT OF TOTAL
American Indian or Alaskan Native	1	0.5%
Female	0	0.0%
Male	1	0.5%
Asian	27	13.2%
Female	9	4.4%
Male	18	8.8%
Black or African American	110	53.7%
Female	42	20.5%
Male	68	32.2%
Hispanic or Latino	8	3.9%
Female	3	1.5%
Male	5	2.4%
Two or More Races	10	4.9%
Female	3	1.5%
Male	7	3.4%
White	49	23.9%
Female	18	8.8%
Male	31	15.1%
TOTAL	205	



Tracking Progress: Adequate Capitalization Insights and Early Operational Success

To date, **145 state's conditional licensees** have met the **adequate capitalizations milestone**, while 47 are still working toward that goal.

192 Social Equity Licensees have been awarded conditional licenses.

Twelve Social Equity Licensees are now operational statewide — including **eight standard dispensaries** (Kent, Caroline, Wicomico, Baltimore, Carroll, Washington, Anne Arundel, and Allegany counties), **one micro grower** (Eastern region), **one micro processor** (Western region) **one standard processor** (Eastern region), and **one standard grower** (Western region)— marking early momentum in Maryland's emerging market.



192 Social Equity Licensees

- 71 standard dispensary
- 21 standard grower
- 36 standard processor
- 8 micro dispensary
- 28 micro grower
- 28 micro processor



Investing in Social Equity: Financial Resources and Grant Support

- ▶ **Application Cost Reimbursement (2024):** Through the *Cannabis Business Assistance Fund* Round 3, applicants received reimbursement for up to 50 percent of eligible application preparation expenses—capped at \$5,000.
- ▶ **Technical Assistance Grants (2024, 2025):** OSE awarded 168 grants valued at \$14,000 each, totaling \$2.3 million, to strengthen business readiness and operational capacity among social equity lottery selected applicants.
- ▶ **Start Up Costs (2025):** The *Cannabis Business Assistance Fund* Round 4 providing milestone-based startup capital—ranging from \$131,000 to \$525,000 for standard licenses and \$43,000 to \$175,000 for micro licenses.



Legislative and Regulatory Engagement: Advancing Equity Through Policy

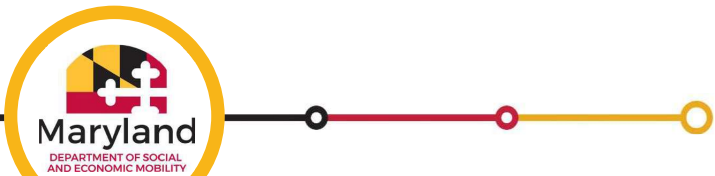
2024 Legislative Session Achievements :

- ▶ **Amendments to HB253 (MCA's Departmental Bill):** Prohibited local zoning laws that are more restrictive than state cannabis law. Streamlined CRRF reporting by shifting responsibility from local jurisdictions to OSE for consistent biennial reporting and public input collection.
- ▶ **280E Tax Subtraction Fix:** Removed "medical" reference to ensure adult use businesses qualify for tax relief under state law.

2025 Legislative Session Achievements:

- ▶ **SB222 / HB46 – Cannabis Public Health Advisory Council:** Added OSE Executive Director to council; expands equity voice in public health recommendations.
- ▶ **SB215 – Cannabis Onsite Consumption & Events:** Onsite license issuance delayed to post-2028 (Round 3). Clarifies zoning defaults if local rules not adopted. Expands ownership transfer options to ESOPs; promotes workforce stability.

- ▶ **HB413 – "Brownie Bill":** Legalizes personal-use cannabis products at home (non-volatile). Expands fairness in law enforcement and supports equitable reform.
- ▶ **SB894 – CRRF Oversight & Accountability:** Empowers OSE to train fund recipients and cap admin costs at 15%. Promotes transparency, targeted impact, and equity-driven spending.
- ▶ **HB1253 – Establishes New Department of Social & Economic Mobility:** Consolidates OSE, GOSBA, and MDOT-OMBE into one agency for greater coordination, impact, and efficiency.
- ▶ **SB299 – Streamlined Security Background Checks:** Removes redundant checks for registered cannabis security personnel.
- ▶ **SB214 – Intoxicating THC Product Regulation:** Aligns packaging, labeling, and enforcement for Delta 8/10 with legal cannabis standards.
- ▶ **HB352 – Budget Reconciliation Act of 2025:** Raises adult-use cannabis sales tax from 9% to 12%. Authorizes Social Equity Partnership Grant Program and requires reporting on cannabis incubator community engagement.



From Application to Operational Readiness: Key Achievements

APPLICATION & SELECTION PHASE JUL 2023 – MAR 2024

- ▶ Established **Social Equity Verification Criteria** (Sep 2023)
- ▶ Hosted five statewide **Pre-Application Opportunity Workshops** (Oct 2023)
- ▶ Hosted two **Financial Forecasting Webinars** (Nov 2023)
- ▶ Hosted four **Application Writing Clinics** (Dec 2023)

CONDITIONAL LICENSING PHASE APR – DEC 2024

- ▶ Developed a **Vendor Directory** with education, technical assistance, and professional services providers (Apr 2024)
- ▶ Provided complimentary **NECANN Baltimore Tickets** to social equity licensees (May 2024)
- ▶ Conducted **Two-Day Intensive Orientation** with industry experts (May 2024)
- ▶ Disbursed **\$14,000 Technical Assistance Grants** (Aug 2024)
- ▶ Set up **Equity Exchange**—online platform for social equity licensees—to foster community, network, and support each one another (Sep 2024)
- ▶ Launched **The Bud Bulletin Newsletter** (Dec 2024)



From Application to Operational Readiness : Key Achievements

CAPITALIZATION & OPERATIONAL READINESS PHASE

JAN 2025 – TO DATE

- ▶ Launched **Trailblazers Leadership Series** (Jan 2025)
- ▶ Hosted social equity focused **Workshop at the Women Grow Conference** (Feb 2025)
- ▶ Accepted **2025 Social Impact Award on behalf of Governor Wes Moore** for his commitment to pardoning cannabis possession charges (Feb 2025)
- ▶ Kicked off virtual **Huddles** (Mar 2025)
- ▶ Hosted **Roots & Remedies Legislative Event** with Maryland Department of Agriculture (Mar 2025)
- ▶ Received **Legislative Black Caucus of Maryland Recognition Certificate** for cannabis equity program (Mar 2025)
- ▶ Hosted in-person **Regional Open Houses** (Apr 2025)
- ▶ Provided complimentary **NECANN Baltimore Tickets** to social equity licensees (May 2025)
- ▶ Kicked off **Cannabis Business Masterclasses** (May 2025)
- ▶ Kicked off **CEO Accelerator: NU Project Capital Readiness Program** (May 2025)
- ▶ Hosted 1st **From Seed to Success Vendor Fairs** (Jun 2025)
- ▶ Hosted **HBCU Convening** (Aug 2025)
- ▶ Hosted 2nd **From Seed to Success Vendor Fairs** (Oct 2025)
- ▶ Hosted listening sessions on the **Social Equity Partnership Grant Program** (Oct 2025)



In the Spotlight: Amplifying Maryland's Social Equity Story

Highlights of media coverage, features, and public recognition of OSE's work statewide and nationally.

Appointees named to new social equity office, cannabis advisory panel

BY BRYAN P. BEARDS - JULY 19, 2023 6:30 AM



Maryland cannabis market hits \$100 million in a month, taxes reach \$22 million for Q2

Maryland Regulators Release Eligibility Requirements for Social Equity Applicants

The Office of Social Equity established the criteria for social equity applicants for the upcoming fall 2023 cannabis license application period.



Maryland Office of Social Equity Seeks Community Input for Cannabis Reform Fund Allocation

Office of Social Equity:
Community Reinvestment and Repair Fund Survey

WELCOME TO THE OPEN



Share Your Voice!

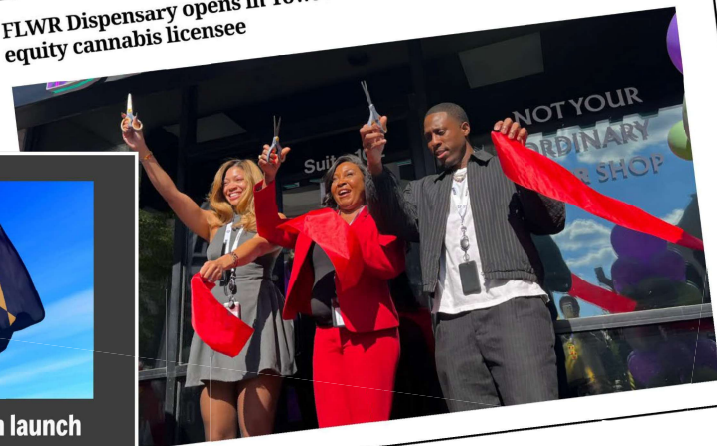
Your community. Your voice. Your future. Join Marylanders helping direct cannabis tax community programs. 5-minute survey

Open through November 25, 2024

Maryland to cultivate economic opportunity with "From Seed to Success" Cannabis Vendor Fair



FLWR Dispensary opens in Towson as Baltimore County's first social equity cannabis licensee



Maryland focuses on cannabis equity with launch of CEO accelerator program

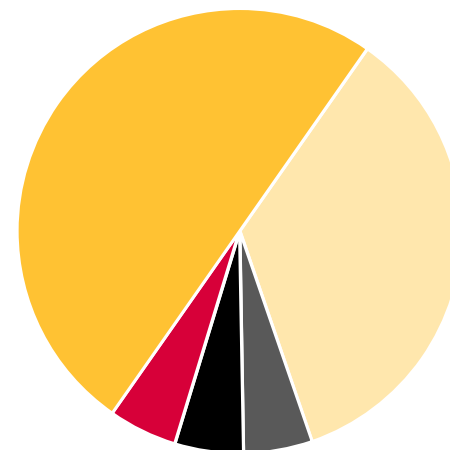


INVESTING BACK IN THE COMMUNITY



Community Reinvestment & Repair Fund (CRRF): How It Works

- ▶ **Purpose** – Provides dedicated funding for Maryland’s local jurisdictions to support communities most harmed by cannabis prohibition.
- ▶ **Revenue Source** – Funded through the state’s cannabis sales tax (currently 12%), with 35% of proceeds allocated to the CRRF.
- ▶ **Distribution:** Disbursed by the Comptroller’s Office to all 24 jurisdictions on a statutory formula.
- ▶ **Requirements** – Each county must pass a local law to establish how funds are managed, with oversight and transparency.
- ▶ **Allowable Uses** – Can be used for community-based initiatives that serve low-income and disproportionately impacted areas, as defined by statute, along with related administrative expenses.
- ▶ **OSE Engagement** – Statewide surveys and town halls conducted to track priorities, ensure accountability, and highlight impact.



- 35% to the Community Reinvestment and Repair Fund
- 5% to Maryland Counties
- 5% to Cannabis Public Health Fund
- 5% to the Cannabis Business Assistance Fund
- Remaining balance to the state general Fund



Progress and Oversight: Strengthening Maryland's Reinvestment Promise

Engaging Communities, Informing Policy, and Ensuring Transparent Reinvestment

Progress & Achievements:

- ▶ Conducted **2023 and 2024 statewide public opinion surveys** to identify local reinvestment priorities
- ▶ Submitted **2023 and 2024 CRRF Reports** to the Maryland General Assembly
- ▶ Hosted **8 regional town halls in 2024** to increase awareness and gather feedback
- ▶ Hosted 1 virtual statewide town hall in 2025 to provide updates and goals, and share how counties are spending funds
- ▶ Integrated public feedback into CRRF recommendations for equitable fund deployment

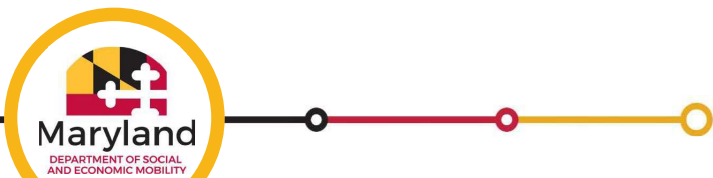
Legislative & Oversight Goals:

- ▶ **Expand OSE's role** to include oversight, monitoring, and accountability for CRRF implementation
- ▶ **Draft regulations** to provide clear, actionable guidance for jurisdictions to implement and align CRRF with local initiatives
- ▶ **Optimize resources** for integration with existing funds i.e. Blueprint for Maryland's Future, ENOUGH Initiative, and Opioid Restitution Fund to maximize impact
- ▶ **Raising awareness** to improve communication so CRRF feels real and accessible to communities
- ▶ **Develop reporting framework** for greater transparency in fund distribution, and outcomes statewide reinvestment impact



Strengthening Maryland: Reinvestment, Repair, Results

- ▶ Over **140 participants** joined the September 17th statewide virtual town hall.
- ▶ Featured **Anne Arundel County and Harford County**, sharing how they've structured their programs and begun distributing funds.
- ▶ Participants included **community organizations across all regions** of Maryland, eager to learn how to access the fund.
- ▶ Showcased real examples of funding at work – from local commissions to early investments in community programs.
- ▶ Reinforces commitment to **transparency and equity** as funds as deployed statewide.



Community Reinvestment and Repair Fund Virtual Town Hall

Maryland
OFFICE OF
SOCIAL EQUITY

Audrey Johnson,
Executive Director
Office of Social Equity

Courtney Davis,
Deputy Director
Office of Social Equity

James Ritchin,
Special Assistant to the Anne
Arundel County Executive

Marcus D. Webster II,
Harford County
Administrator

September 17th, 2025
10-11 a.m. (ET)

Registration Link
bit.ly/JoinCRRFTownHall

"Your Voice, Your Community"

**\$90M Allocated
Across Maryland**

TWO YEARS OF PROGRESS AND MEASURING IMPACT



Cannabis Reform Act: Delivering Results

- ▶ **Dedicated Social Equity Round** – 192 licensees equipped with resources, training, and connections to succeed.
- ▶ **Social Equity Programs & Technical Assistance** – 22 programs and events advancing equity in Maryland's cannabis industry.
- ▶ **Cannabis-Related Pardons** – 181,938 pardons restoring opportunity through Governor Moore's historic action.
- ▶ **Cannabis Business Assistance Fund** – \$45M invested to launch and support new market entrants.
- ▶ **Community Reinvestment and Repair Fund** – \$99M fueling opportunity in all 23 jurisdictions and Baltimore City.
- ▶ **Maryland Cannabis Market Growth** – More than \$2.2B in total sales as of June 2025.



2 YEARS OF PROGRESS

Celebrating the
Cannabis Reform Act Anniversary

192
SOCIAL EQUITY
LICENSEES

MORE THAN

\$45M
TO SUPPORT NEW
ENTRANTS INTO
CANNABIS MARKET

22
SEL PROGRAMS,
RESOURCES, AND
FOCUSED EVENTS

AVAILABLE FOR
CRRF

181,938
CANNABIS RELATED
PARDONS

MORE THAN

\$2.2B
IN TOTAL
SALES

NEXT STEPS AND STRATEGIC PRIORITIES



Deepening Roots. Expanding Reach. Sustaining Impact.

Continuing to Strengthen Maryland's Social Equity Ecosystem Through Support, Investment, Education and Partnership

1. Strengthening Industry Readiness & Support:

- ▶ Continue **targeted technical assistance** for social equity licenses
- ▶ Continue **local government engagement strategies** to address permitting and zoning barriers
- ▶ Advancing **workforce development initiatives** connecting impacted residents to cannabis industry careers

2. Building Long-Term Investment & Sustainability:

- ▶ Developing a **comprehensive investment strategy and market analysis** to attract capital and expand grant-making
- ▶ Designing **financial roadmaps** to stabilize equity-owned businesses and strengthen Maryland's cannabis ecosystem

3. Expanding Education, Awareness & Justice Reform:

- ▶ Deepening **HBCU partnerships** for cannabis education and career pipelines
- ▶ Launching public education and stigma-reduction campaigns, **including a mobile community education center** that delivers outreach, training, and restorative programming across Maryland communities
- ▶ Exploring **justice reform strategies**, including expungement and second-chance initiatives



CLOSING REFLECTION

“Maryland is turning a new leaf – moving from prohibition to possibility, and from harm to healing.”

HELPING COMMUNITIES

Learn, Grow, Build & Heal.

