



January 21, 2025

**Industry Bulletin: 25-01**

**RE: Social Equity License Eligibility Criteria Changes**

Dear Interested Parties:

This bulletin outlines the new Social Equity License eligibility criteria, adopted through SB 24-076, and highlights the most impactful criteria changes that will become effective on February 1, 2025. These new criteria established by SB 24-076 will apply to applications for a Finding of Suitability as a Social Equity Licensee submitted on and after February 1. For additional information, stakeholders can access the complete [Final Adopted Rules](#) on the [MED Rules webpage](#), [SB 24-076](#) on the [General Assembly webpage](#), and recordings of all rulemaking stakeholder meetings and the permanent hearing on the [MED Rulemaking webpage](#).

**New Social Equity Eligibility Criteria**

*Effective February 1, 2025*

- **§ 44-10-308(6)(a) C.R.S. and Rule 2-235(B.6)(1)(a)** The Applicant has not been the Beneficial Owner of a License subject to administrative action issued by the State Licensing Authority resulting in the revocation of a license issued pursuant to the Marijuana Code.
- **§ 44-10-308(6)(c) C.R.S. and Rule 2-235(B.6)(1)(c)** The Applicant for a Social Equity License, or collectively one or more Social Equity Licensees, holds or will hold, at least fifty-one percent (51%) of the Beneficial Ownership of the Regulated Marijuana Business License.
- **§ 44-10-308(7)(a) and (b) C.R.S. and Rule 2-235(B.6)(1)(d)** The Applicant is not a Controlling Beneficial Owner of more than any combination of three Retail Marijuana Store Licenses, Medical Marijuana Store Licenses, Retail Marijuana Cultivation Facility Licenses, or Medical Marijuana Cultivation Facility Licenses unless the Beneficial Ownership of the listed Licenses for which the Applicant is a Controlling Beneficial Owner are at least fifty-one percent (51%) held by the Applicant as a Social Equity Licensee, or collectively one or more Social Equity Licensees.
  - Co-located Retail Marijuana Store and Medical Marijuana Store Licenses, or co-located Retail Marijuana Cultivation Facility and Medical Marijuana Cultivation Facility Licenses constitute one license.
- **And at least one of the following:**

<b>Statutory language</b> § 44-10-308(6), C.R.S.	<b>How to demonstrate eligibility</b> Rule 2-235(B.6)(2)
<p><b>(b)(l)</b></p> <p><b>(A)</b> The applicant has resided for at least <b>any five years of the thirty-year period prior to the application</b> and for which data is available, in a census tract designated by the Office of Economic Development and International Trade as an <b>opportunity zone</b> or</p>	<p><b>(a)</b> Provide information or documents including, but not limited to:</p> <ul style="list-style-type: none"> <li>● a copy of school records,</li> <li>● rental agreements,</li> <li>● lease agreements,</li> </ul>

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<b>Statutory language</b> § 44-10-308(6), C.R.S.	<b>How to demonstrate eligibility</b> Rule 2-235(B.6)(2)
<p>designated as a <b>Disproportionate Impacted Area</b> as defined by Rule pursuant to section § 44-10-203(1)(j) C.R.S.</p> <p>or</p> <p><b>(B)</b> The applicant has resided for at least <b>any five of the thirty years prior to the application, in housing with funding provided pursuant to section 8 or 9</b> of the federal “United States Housing Act of 1937”, 42 U.S.C. sec. 1437f and 1437 g, as amended.</p> <p>or</p> <p><b>(C)</b> The applicant has resided for at least <b>any five years between 1980 and 2021</b>, in housing with funding from <b>federal low-income housing tax credits, Colorado affordable housing tax credits, or funding provided pursuant to any federal, state, or local program that restricts maximum rents for natural persons of low to moderate income</b> that, at the time of residence, was subject to a use restriction that was monitored to ensure compliance by the federal government, the state government, a county government, or a municipal government, or by a political subdivision or designated agency of the federal government, the state government, a county government, or a municipal government</p>	<ul style="list-style-type: none"> <li>● utility bills,</li> <li>● mortgage statements,</li> <li>● loan documents,</li> <li>● bank records,</li> <li>● tax returns, or</li> <li>● any other document that proves the relevant individual’s place of residence;</li> </ul> <p>or</p> <p>Affirm, under penalty of perjury, the applicant’s, or relevant individual’s, place of residence and provide the name(s) and contact information for at least one individual who can verify the applicant’s, or relevant individual’s, place of residence during the time period at issue.</p>
<p><b>(b)(II)</b> The <b>applicant</b> or the applicant’s <b>spouse, parent or legal guardian</b> was arrested for <b>and convicted</b> of a marijuana offense</p>	<p><b>(c)</b> Provide court or other documents demonstrating the <b>applicant’s arrest and conviction</b> for a marijuana offense.</p> <p>or</p> <p>Provide affirmation of the <b>familial relationship and</b> court or other documents demonstrating the <b>family member’s arrest or conviction</b> for a marijuana offense.</p>
<p><b>(b)(III)(A)</b> The <b>applicant’s sibling or child or a minor in the applicant’s guardianship</b> was arrested for <b>or convicted</b> of a marijuana offense and resided in a <b>Disproportionate Impacted Area</b>, as defined by Rule pursuant to section § 44-10-203(1)(j) C.R.S., for <b>five years between 1980 and 2021</b></p>	<p><b>(d)(i)</b> Provide affirmation of the <b>familial relationship and</b> court or other documents demonstrating the <b>family member’s arrest or conviction</b> for a marijuana offense.</p> <p>and</p> <p>Provide information or documents including, but not limited to:</p>

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	<ul style="list-style-type: none"> <li>● a copy of school records,</li> <li>● rental agreements,</li> <li>● lease agreements,</li> <li>● utility bills,</li> <li>● mortgage statements,</li> <li>● loan documents,</li> <li>● bank records,</li> <li>● tax returns, or</li> <li>● any other document that proves the relevant individual's place of residence;</li> </ul> <p>or</p> <p>Affirm, under penalty of perjury, the relevant individual's place of residence and provide the name(s) and contact information for at least one individual who can verify the relevant individual's place of residence during the time period at issue.</p>
<p><b>(b)(III)(B) The applicant's sibling or child or a minor in the applicant's guardianship was arrested for or convicted of a marijuana offense and has received assistance from at least one of the programs listed in section § 44-10-308(6)(b)(IV) C.R.S., for at least five years between 1980 and 2021</b></p>	<p><b>(d)(ii) Provide affirmation of the familial relationship and court or other documents demonstrating the family member's arrest or conviction for a marijuana offense.</b></p> <p>and</p> <p>Provide information or documentation, including, but not limited to:</p> <ul style="list-style-type: none"> <li>● a copy of a benefit verification letter,</li> <li>● award letter, or</li> <li>● other official communication from the program providing assistance during the time period at issue;</li> </ul> <p>or</p> <p>Affirm, under penalty of perjury, the relevant individual's participation in an appropriate government assistance program during the time period at issue.</p>
<p><b>(b)(IV) The applicant has received assistance from at least one of the following programs for</b></p>	<p><b>(b) Provide information or documentation, including, but not limited to:</b></p>

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<p><b>at least five of the ten years prior to submitting an application:</b></p> <p>(A) The Low-Income Energy Assistance Program created in § 40-8.7-101, <i>et seq.</i>, C.R.S.;</p> <p>(B) The Supplemental Nutrition Assistance Program described in § 26-2-301, <i>et seq.</i>, C.R.S.;</p> <p>(C) Temporary Assistance for Needy Families, as defined in § 26-2-703 (19), C.R.S.;</p> <p>(D) The Special Supplemental Nutrition Program for Women, Infants, and Children, created pursuant to 42 U.S.C. src. 1786; or</p> <p>(E) The “Colorado Medical Assistance Act”, §§ 25.5-4-101, <i>et seq.</i>, through 25.5-6-101, <i>et seq.</i>, C.R.S.</p>	<ul style="list-style-type: none"> <li>• a copy of a benefit verification letter,</li> <li>• award letter, or</li> <li>• other official communication from the program providing assistance during the time period at issue;</li> </ul> <p>or</p> <p>Affirm, under penalty of perjury, the relevant individual’s participation in an appropriate government assistance program during the time period at issue.</p>

**Additional Information:**

The summary, below, lists which eligibility criteria were changed through SB 24-076:

- Colorado residency is no longer a criterion.
- Timeframes for residing in a Disproportionate Impacted Area / Opportunity Zone have changed.
- Applicants can no longer qualify based on their income.
- Marijuana arrest or conviction criteria have been modified and separated into two different criteria.
- New criterion for residing in low-income housing.
- New criterion for receiving assistance from government programs.
- New criterion limiting eligibility of existing Regulated Marijuana Business Owner Licensees.

*Please be sure to check with your local licensing authority, as they may have separate requirements for Social Equity eligibility at their level.*

Visit the Division’s [Social Equity criteria webpage](#) for additional information and resources.