

# QUALIFYING AS A SOCIAL EQUITY APPLICANT

## Overview

*The Medical Cannabis Amendment Act of 2022* requires that at least 50% of all new Cultivation Center, Manufacturer, Retailer, Internet Retailer, and Courier licenses be set aside for social equity applicants.

To qualify, an applicant must meet two of the following three criteria. Applicants must have at least one owner who is a DC resident, individually or collectively owns at least 50% of the business, and is/has:

- 1) A returning citizen.
- 2) Married to or in a civil union, has a child, or is the child of a person or has a non-parent legal guardian, or a grandparent or a sibling who is or has been arrested, convicted, or incarcerated in DC or in any other jurisdiction for a cannabis or drug-related offense.
- 3) An income that does not exceed 150% of the median family income as set forth by US HUD, adjusted for household size, at the time of application submission (see page 2 for table).

## Measure Information

Under each of the three measures, the term “District resident” does not require that an individual have lived in the District of Columbia for a specific period of time. However, under D.C. Code §4-205.03, a voluntarily and not for a temporary purpose (e.g., only to file a medical cannabis business application).

Under the first measure, the term “returning citizen” is defined as “a District resident who was arrested, convicted, or incarcerated for a cannabis or drug-related offense”. The arrest, conviction, or incarceration may have taken place in either the District or another jurisdiction in any year provided that the arrest, conviction, or incarceration occurred prior to the filing of the medical cannabis business application with ABCA.

Under the second measure, the eligibility of a qualifying person referenced in a submitted application was expanded in *The Medical Cannabis Clarification and Non-Resident Patient Access Emergency Amendment Act of 2023* that took effect on July 31, 2023, to include grandparents and siblings and now also considers arrests and convictions of qualifying family members.

Under the third measure, the income limit that at least one owner owning 50% or more of the business must be under is based upon the owner’s household size at the time the application is submitted to ABCA. Specifically, as of May 1, 2023, the income limits to satisfy measure three are as follows:

**Median Family Income for District of Columbia**

<b><u>Household Size</u></b>	<b><u>Median Family Income</u></b>	<b><u>150% of the Median Family Income</u></b>
1	\$99,700	<b>\$149,550</b>
2	\$113,900	<b>\$170,850</b>
3	\$128,100	<b>\$192,150</b>
4	\$142,300	<b>\$213,450</b>
5	\$153,700	<b>\$230,550</b>
6	\$165,100	<b>\$247,650</b>
7	\$176,500	<b>\$264,750</b>
8	\$187,900	<b>\$281,850</b>

The submission of a copy of the qualifying applicant’s filed income taxes or withholdings in the District of Columbia for calendar year 2022 must be submitted by a qualifying applicant to establish that the individual satisfies the median family income limits set forth in measure three.

If not possible to obtain, an applicant must submit a notarized statement of net income anticipated to be received within the next (12) months, based on the previous twelve (12) months and an explanation of the reason for failing to obtain and submit the applicant’s filed income taxes or withholdings in the District of Columbia for calendar year 2022.