

**SOCIAL EQUITY PLAN (SEP)  
CRITERIA  
FINAL DRAFT**

*Final License (§ 35(j)-(l))*

The act requires final license applications to be submitted on a form and in a manner the DCP commissioner approves and to include the information required thus far in the application process, as well as evidence of the following:

1. a contract with an entity providing an approved electronic tracking system (see § 56),
2. a right to occupy the location where the cannabis establishment will be located,
3. any necessary local zoning approval for the establishment's operation,
4. a certification by the applicant that a project labor agreement (see § 103) will be entered into before construction of any facility the establishment uses for operations,
5. ***a Social Equity Council-approved social equity plan and workforce development plan,***
6. written policies for preventing diversion and misuse of cannabis and sales to underage people,
7. all other security requirements DCP sets based on the specific license type, and
8. a labor peace agreement entered into between the cannabis establishment and a bona fide labor organization (see § 102).

Once an applicant receives a provisional license, the applicant has 14 months to find a site, obtain zoning approval, submit a security plan, enter into a labor peace agreement, and submit a social equity plan. The applicant will then receive a final license.

**RECOMMENDATIONS:**

The Social Equity Plan(SEP) should outline the mission, goals, programs, and measurements of success that the entity plans to accomplish. It is important that applicants create a timeline to ensure they can accomplish their goals through stated programs, and measured performance. The SEP should be updated annually and resubmitted at the time of license renewal.

The following is list of minimum criteria for an acceptable SEP:

**Statement of Purpose**

- Applicants should provide a statement in 300 words or less, that expresses the entity's overall goal to promote diversity and inclusivity in the cannabis industry and in the DIA's that make up the community they are located in. The statement should demonstrate an understanding of the value of diversity and inclusion and align with the goals and strategies the applicant intends to implement once licensed.

**Goals**

- Applicants are required to demonstrate a minimum of two (2) goals relating to Social Equity; however, more goals are encouraged. Each Social Equity goal should be measurable and tailored to address current issues of the DIA community
- Applicants should include a process for receiving feedback from the DIA stakeholders, and how they will communicate the goals to employees in the company and the community.

- Applicants should set goals that can be measured and accomplished.
- Number and type of diversity-focused informational sessions held or participated in, with supporting documentation, including duration of events, number of participants, and demographic information about attendees if available.

### **Strategies/Programs**

- The applicant should detail the strategies and programs it will use to effectuate each listed goal, which should include the realistic timeline and targeted audience of each program.
- Applicants will be required to demonstrate progress or success annually starting one (1) year after they are fully licensed.
- Social Equity plan must be updated annually and approved by the SEC
- A six-month progress report must be submitted to the Office of the SEC for review. The six-month progress report must include total payments made to MBE firms and what these are as a percentage of total payments made to all outside firms.
- Updated Social Equity plans must be submitted as a part of the annual license renewal documentation.

### **Measurements**

- Applicants should include the metrics they intend to use to assess the progress and success of the plan's goals that are specifically tailored to addressing issues of the DIA.
- These metrics should include the methods for tracking data, intended frequency of evaluating the plan's progress, and the team member responsible for the plan.
- During the annual renewal process, all licensees must document the progress and success made towards their Social Equity plan, regardless of their license status. Progress and success of the Social Equity plan should be reported in the of the renewal application. The status report can include letters, emails, articles, or any other supporting documents that show progress towards the stated goal(s).

### **Acknowledgments**

- Each applicant shall provide a contact list of community stakeholders that were interviewed and contributed to the development of the Social Equity plan.
- Each applicant shall provide 5 letters of support for the programs/goals of Social Equity plan

### **Supplier and Vendor Diversity**

- Social Equity plans must include strong, measurable goals and a commitment to purchasing goods and services from business located in local DIA's or business registered as MBEs\* in the State of Connecticut. Plans should also outline how the applicant will purchase ancillary services and products from business located in local DIA's or business registered as MBEs in the state of Connecticut.

- Examples of ancillary businesses include electricians, plumbers, cleaning companies, contractors, office supply product sales companies, printing and marketing services, and financial and accounting services, among many others.

*( \*Minority Business Enterprises (MBEs) owned and operated by people of color, particularly Black, African American, Latino, and Indigenous people)*

If the licensee has not made progress towards the approved SEP, applicants are required to.

- Revise and update its previously approved SEP. Submit to SEC for review and approval
- Update the SEP timeframe once full license has been issued and prior to commencing operations.
- A licensee should make changes to its plan and note those updates during the annual renewal process.
- Contact identified organizations in its SEP to ensure existing agreements remain effective once its establishment commences operation.