

SOCIAL EQUITY: INITIAL ESTABLISHMENT APPLICATION QUICK RESOURCE GUIDE

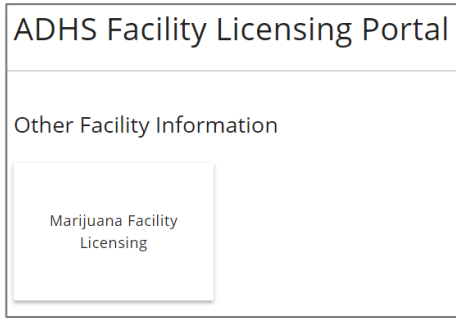


Social Equity Application Form

This section will guide users through the application process for Social Equity Establishment Applications.

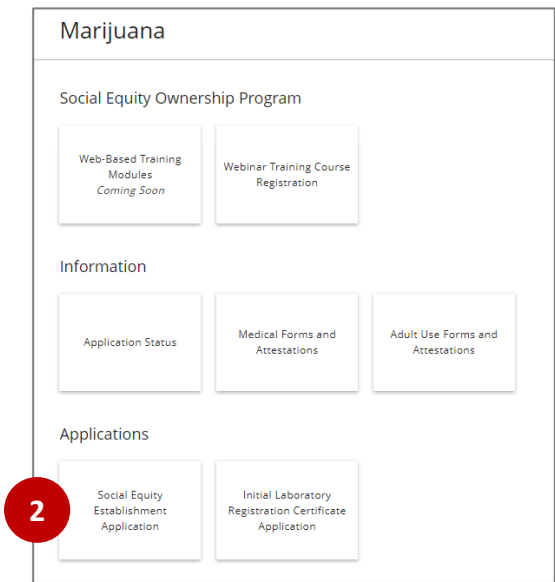
Main Menu

1. Upon logging in, select the **Marijuana Facility Licensing** tile



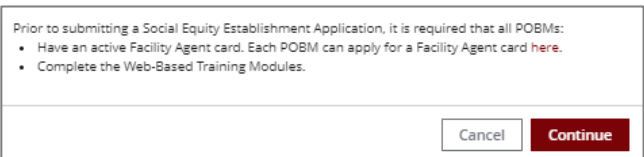
Marijuana Main Page

2. Select the **Social Equity Establishment Application** tile to open the application



POBM Notification Pop-up

3. A notification pop-up will display reminding applicants of requirements for POBMs on the application



Agreement Page

- The first page of the application is the Agreement Page – this section will outline all required documents and qualifications

NOTE: Be sure to review all requirements and associated resources linked on the page

- Select the **Agree** button to proceed

Marijuana Social Equity Establishment Application

User Agreement

You are about to access a system within the Arizona Department of Health Services (ADHS) computer network. Use of this system constitutes users' consent to permit ADHS monitoring of users' activities. Evidence of unauthorized activities obtained during monitoring can and will be used by ADHS for criminal prosecution as permitted by law.

Pursuant to Arizona Revised Statutes (A.R.S.) Title 36, Chapter 28.2, as applicable and Arizona Administrative Code (A.A.C.) Title 9, Chapter 18, as applicable, all requirements listed below must be submitted before a license can be issued by the Department.

The account used to complete the application must be an account for a Principal Officer or Board Member (POBM). The person completing the application is considered the designated POBM and as such will receive all email communications related to the application.

Each Principal Officer and each Board Member (POBM) according to R9-18-301 must have completed the Department-provided educational training course in the [Facility Licensing Portal](#). (NOTE: The training courses are not available after November 17, 2021.)

☒ In the event of an error on my application that would prohibit my application from being approved, I agree to receive one or more notices from the department to inform me of the error.

Before beginning the application process, be sure you have the following items in a digital format ready for upload (where applicable).

Social Equity Establishment Application Required Information & Documents:

- POBM Social Equity Establishment Attestation for this POBM
- All Principal Officers and Board Members must have an ADHS [Individual Licensing Portal](#) account created prior to starting the application. If the owner is also a Principal Officer or Board Member, make sure the account is the same one used to participate in the required training.
- All Principal Officers and Board Members for the applying entity must have an active Facility Agent License. Each Principal Officer or Board Member can apply for a Facility Agent License from the ADHS [Individual Licensing Portal](#).
- For each owner who is not a Principal Officer or Board Member and who owns 10% or more of the business organization, the name, residence address, and date of birth.
- Each Principal Officer or Board Member (POBM) must provide:
 - An attestation that all information provided in the application is true and accurate. Signed and dated by the POBM [POBM Social Equity Establishment Attestation](#)
 - The name, residence address, and date of birth of each POBM;
 - Documentation of each POBM's marijuana facility agent license. The applicant will need the email address used to access the portal for each POBM.
- Documentation that the applicant is in good standing with the Arizona Corporation Commission

Social Equity Criteria & Required Documents

- The principal officers or board members that make up 51% of the corporation must meet 3 of the 4 criteria below and upload documentation to support the criteria claimed.
- Criteria 1: Annual household income in at least three of the years 2016 through 2020 that, for the respective year, was less than 400% of the poverty level as demonstrated by:
 - The applicable portion of an income tax return or transcript of an income tax return submitted to the U.S. Internal Revenue Service by the individual or an adult in the individual's household, as defined for the individual in A.A.C. R9-6-401, for the applicable tax year; or
 - If neither the individual nor an adult in the individual's household was required to file an income tax return for an applicable year, documentation showing the amount and source of all monetary payments received by the individual and each adult in the individual's household for the applicable tax year.
- Criteria 2: Has been adversely affected by the enforcement of previous marijuana laws because the individual:
 - Has been granted expungement pursuant to A.R.S. § 36-2862, as demonstrated by a copy of the expungement issued by the prosecuting state or jurisdiction; or
 - Was convicted in Arizona of a violation of federal or state law related to marijuana or marijuana paraphernalia, as demonstrated by a copy of the court's conviction document issued by the prosecuting state or jurisdiction.
- Criteria 3: Has been adversely affected by the enforcement of previous marijuana laws because the individual is or was related during the time-frame specified to another individual who:
 - Was convicted in Arizona of a violation of federal or state laws related to marijuana or marijuana paraphernalia, or is or was eligible for expungement pursuant to A.R.S. § 36-2862, as demonstrated by court documents for the other individual issued by the prosecuting state or jurisdiction; and
 - Is one of the following, as demonstrated by applicable documentation, specified by the Department, verifying the individual's relationship to the other individual on the date of application or at the time of conviction or the event making the other individual eligible for expungement pursuant to A.R.S. § 36-2862:
 - Spouse, defined as an individual who is currently married to the other individual;
 - Surviving spouse, defined as an individual to whom a deceased other individual was married at the time of the deceased other individual's death;
 - Parent, defined as a biological, an adoptive, or a foster mother or father, including a stepmother or stepfather, whose parental rights are not terminated under A.R.S. Title 8, Chapter 4, Article 5;
 - Child, defined as a parent's biological, adoptive, or foster child, including stepchild;
 - Sibling, defined as a full- or half-, biological, adoptive, or foster sister or brother, including a stepmother or stepbrother; or
 - Legal guardian, defined as a person appointed by a court of competent jurisdiction under A.R.S. Title 8, Chapter 4, Article 12; A.R.S. Title 14, Chapter 5; or another state's laws for the protection of minors and incapacitated persons; or
- Criteria 4: Has lived for at least three of the years 2016 through 2020 at a physical address in an area that has been identified by the Department as being disproportionately affected by the enforcement of Arizona's previous marijuana laws, as demonstrated by applicable documentation specified by the Department: [Link to Department-acceptable documentation](#)
- Application Fee: \$4,000.00. Please note: The total amount must be submitted in one payment by one credit card, debit card, or electronic check. The Department cannot accept multiple partial payments.
- According to A.A.C. R9-18-102(C), please be aware that the fees paid on this application are non-refundable.

Pursuant to A.R.S. 541-1030(B)(D)(E)(F)

B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

D. This section may be enforced in a private civil action and relief may be awarded against the state. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against the state for a violation of this section.

E. A state employee may not intentionally or knowingly violate this section. A violation of this section is cause for disciplinary action or dismissal pursuant to the Agency's adopted personnel policy.

F. This section does not abrogate the immunity provided by section 12-820.01 or 12-820.02.

5

I Agree



Establishment Information

6. Enter all required fields for the **Applying Entity** – The applying entity is the company information applying for the license

NOTE: Address must be an Arizona address

7. From the Address Validation pop-up, select **Confirm**
If suggested address(es) are not correct and the address entered is desired, select the **Keep address as entered**
8. Select Save & Continue to proceed

The screenshot shows the 'Marijuana Social Equity Establishment Application' form. At the top, there are four tabs: 'ESTABLISHMENT INFORMATION' (highlighted in red), 'OWNERSHIP INFORMATION', 'UPLOAD DOCUMENTS', and 'REVIEW & SUBMIT'. Below the tabs, the title 'Establishment Information' is displayed. The form contains the following fields: 'Applying Entity Information' with a sub-label 'Full Legal Name of Applying Entity (Business organization)*' and a text input field; 'Entity Type of Business*' with a dropdown menu showing '--None--'; 'Mailing Address*' with a text input field; 'City*' with a text input field; 'State*' with a dropdown menu showing 'AZ'; 'Zip Code*' with a text input field; 'County*' with a dropdown menu showing '--None--'; 'Suite, Unit, etc.' with a text input field; and 'Phone Number*' with a text input field. At the bottom right, there is a red circle with the number '8' and two buttons: 'Save & Exit' and 'Save & Continue'.

The screenshot shows the 'Address Confirmation' pop-up window. It has two columns: 'Address As Entered' and 'Address Suggestions'. The 'Address As Entered' column contains the text '400 E Windsor Ave, Phoenix, AZ, 85004, United States'. The 'Address Suggestions' column contains the text '400 E Windsor Ave, Phoenix, Arizona, 85004, Maricopa County'. Below the suggestions, there is a red button with a checkmark and the text 'Selected'. Below this, there is a red dashed line and the text 'Keep address as entered'. At the bottom right, there is a red circle with the number '7' and a red button with the text 'Confirm'.



Owner Information

9. Select the **Add POBM** button to add a POBM to the application

10. The POBM details pop-up form will display

The screenshot shows the 'Marijuana Social Equity Establishment Application' form. The 'Ownership Information' section is active. A red circle with the number 9 highlights the 'Add POBM' button. Below this, there is a table for 'Non-POBM Owner Information' and a 'PRINCIPAL OFFICER AND BOARD MEMBER ATTESTATION' section.

POBM Information Form - Designated Owner & POBM pop-up section is used to enter all required details for each POBM on the application

11. Select the drop-down menu to identify which criteria the POBM qualifies for

12. If **No** is selected at this point, no other details are required – select the **Add** button to continue

The screenshot shows the 'Complete POBM Information' form. The 'Designated Owner & POBM' section is active. A red circle with the number 11 highlights the 'Do you meet three (3) of the four (4) social equity criteria' drop-down menu, which is currently set to 'No'. A red circle with the number 12 highlights the 'Add' button at the bottom right.



13. If **Yes** is selected, the qualifying criteria are available to choose from

To make a selection, click the criteria from the box on the left and then click the right (►) arrow. The selected criteria will display in a box to the right.

To remove a selection, click the criteria from the box on the right and then click the left (◄) arrow.

14. Select at least three (3) criteria to proceed – if the following criteria are selected, the appropriate requirements will display on the application:

Complete POBM Information

You as the Designated POBM will receive all email communications related to this application.

Username: zabaladaniel@yahoo.com Legal First Name: Daniel Legal Middle Name: Legal Last Name: Zabela

Do you meet three (3) of the four (4) social equity criteria listed below?

- Criteria 1: Annual household income in at least three of the years 2016 through 2020 that, for the respective year, was less than 400% of the poverty level
- Criteria 2: Has been adversely affected by the enforcement of previous marijuana laws
- Criteria 3: Has been adversely affected by the enforcement of previous marijuana laws because the individual is or was related during the time-frame specified to another individual
- Criteria 4: Has lived for at least three of the years 2016 through 2020 at a physical address in an area that has been identified by the Department as being disproportionately affected by the enforcement of Arizona's previous marijuana laws, as demonstrated by applicable documentation specified by the Department

Yes

Select the three (3) social equity criteria that this POBM meets. To make a selection, click the criteria from the box on the left and then click the right (►) arrow. The selected criteria will display in a box to the right. To remove a selection, click the criteria from the box on the right and then click the left (◄) arrow.

Available: Criteria 1, Criteria 2, Criteria 3, Criteria 4

Chosen:



Criteria 1 – Annual Household Income

15. Upload documentation – select the **Upload Files** button
16. Select desired file(s) from computer – multiple files can be selected and uploaded at the same time – Select the Open button to upload the file(s)
17. Enter three (3) years of income – select the **Add** button
18. Enter **Year**, **Income** and **Number** in Household for the three years
19. Select **Save** for each year

Criteria 1: Annual household income in at least three of the years 2016 through 2020 that, for the respective year, was less than 400% of the poverty level as demonstrated by:

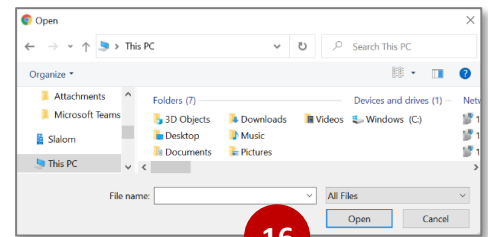
- The applicable portion of an income tax return or transcript of an income tax return submitted to the U.S. Internal Revenue Service by the individual or an adult in the individual's household, as defined for the individual in A.A.C. R9-6-401, for the applicable tax year; or
- If neither the individual nor an adult in the individual's household was required to file an income tax return for an applicable year, documentation showing the amount and source of all monetary payments received by the individual and each adult in the individual's household for the applicable tax year

Upload Files Or drop files

Provide the following required information for Criteria 1. To add, click the "Add" button. To edit, click the dropdown arrow and click "Edit". To delete, click the dropdown arrow and click "Delete".

Add

Year	Income	Number of People in Household
------	--------	-------------------------------



Complete Information for Criteria 1

For one of the years 2016 through 2020, provide the annual income and the number of people in the household.

Year *	Income *	Number of People in Household *
--None--		

Cancel Save

Criteria 2 – Adversely affected by the enforcement of previous marijuana laws

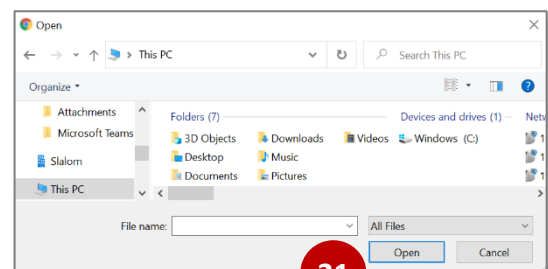
20. Upload documentation – select the **Upload Files** button
21. Select desired file(s) from computer – multiple files can be selected and uploaded at the same time – Select the **Open** button to upload the file(s)

Provide the following required documentation for Criteria 2:

Criteria 2: Has been adversely affected by the enforcement of previous marijuana laws because the individual:

- Has been granted expungement pursuant to A.R.S. § 36-2862, as demonstrated by a copy of the expungement issued by the prosecuting state or jurisdiction; or
- Was convicted in Arizona of a violation of federal or state law related to marijuana or marijuana paraphernalia, as demonstrated by a copy of the court's conviction document issued by the prosecuting state or jurisdiction

Upload Files Or drop files



Criteria 3 –Adversely affected by the enforcement of previous marijuana laws

22. Upload documentation – select the **Upload Files** button

23. Select desired file(s) from computer – multiple files can be selected and uploaded at the same time – Select the **Open** button to upload the file(s)

24. Enter **Full Name of Impacted Family Member**

25. Select **Relationship to Applicant**

Criteria 3: Has been adversely affected by the enforcement of previous marijuana laws because the individual is or was related during the time-frame specified to another individual who: *

- Was convicted in Arizona of a violation of federal or state laws related to marijuana or marijuana paraphernalia, or is or was eligible for expungement pursuant to A.R.S. § 36-2862, as demonstrated by court documents for the other individual issued by the prosecuting state or jurisdiction; and
- Is one of the following, as demonstrated by applicable documentation, specified by the Department, verifying the individual's relationship to the other individual on the date of application or at the time of conviction or the event making the other individual eligible for expungement pursuant to A.R.S. § 36-2862:
 - Spouse, defined as an individual who is currently married to the other individual;
 - Surviving spouse, defined as an individual to whom a deceased other individual was married at the time of the deceased other individual's death;
 - Parent, defined as a biological, an adoptive, or a foster mother or father, including a stepmother or stepfather, whose parental rights are not terminated under A.R.S. Title 8, Chapter 4, Article 5;
 - Child, defined as a parent's biological, adoptive, or foster child, including stepchild;
 - Sibling, defined as a full- or half- biological, adoptive, or foster sister or brother, including a stepsister or stepbrother; or
 - Legal guardian, defined as a person appointed by a court of competent jurisdiction under A.R.S. Title 8, Chapter 4, Article 12; A.R.S. Title 14, Chapter 5; or another state's laws for the protection of minors and incapacitated persons; or

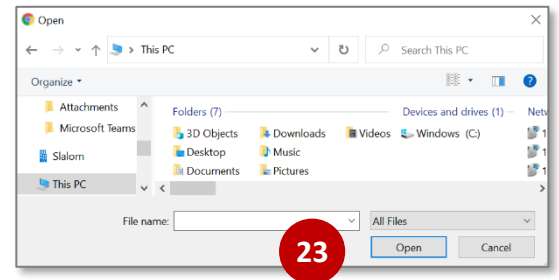
22

Full Name of Impacted Family Member Relationship to Applicant*

24 25

Provide the following required documentation for Criteria 4:

Criteria 4: Has lived for at least three of the years 2016 through 2020 at a physical address in an area that has been identified by the Department as being disproportionately affected by the enforcement of Arizona's previous marijuana laws, as demonstrated by applicable documentation specified by the Department: [Link to Department-acceptable documentation*](#)



Criteria 4 – Has lived for at least three of the years 2016 through 2020 at a physical address in an area adversely affected by previous marijuana laws – as identified by the Department

26. Upload documentation – select the **Upload Files** button

27. Select desired file(s) from computer – multiple files can be selected and uploaded at the same time – Select the **Open** button to upload the file(s)

28. Provide residence / physical address details – Select **Add** button

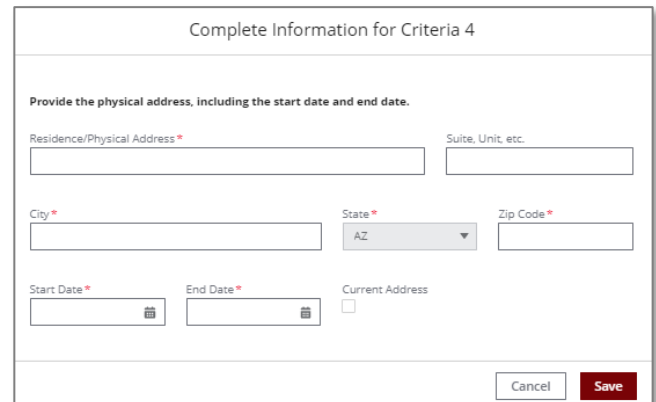
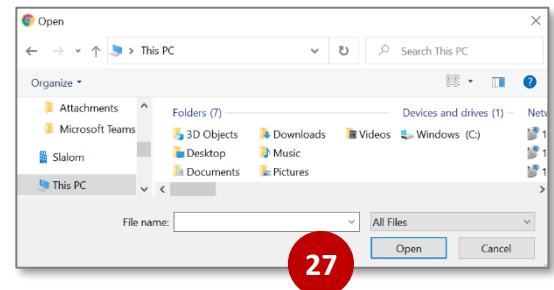
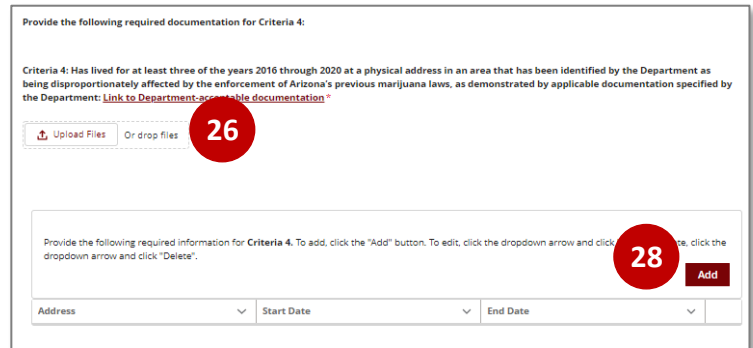
NOTE: Address must be in Arizona and duration must total 3 years

29. To add multiple addresses, select the **Save** button on the current form – then select **Add** again – Enter all required details

30. Enter percent of ownership for the POBM

NOTE: Total of all qualifying (meets at least 3 of the criteria) POBM ownership must be 51% or more

31. To finalize adding the POBM, select the **Add** button



32. To add additional POBMs, select the **Add POBM** from the main form page and repeat the outlined steps

33. To add non-POBM Owner, select the **Add Non-POBM Owners** button

34. To edit a POBM or Non-POBM, select the down carrot (▼) next to the POBM and select either **Delete** or **Edit**

The screenshot shows the 'Ownership Information' section of the 'Social Equity Establishment Application'. It includes a table for POBM Information with columns for Username, Full Name, Designated POBM?, Meet Social Equity Criteria?, and % Ownership of Applying Entity. There are buttons for 'Add POBM' and 'Add Non-POBM Owners'. A 'Principal Officer and Board Member Attestation' section is also visible, followed by a signature line and a 'Validate Address' button. Red callout numbers 32, 33, and 34 point to the 'Add POBM' button, the 'Add Non-POBM Owners' button, and the 'Validate Address' button respectively.

35. Enter all required fields – Once address is entered, select the **Validate Address** button to verify the address

36. From the Address Validation pop-up, select **Confirm**

37. If suggested address(es) are not correct and the address entered is desired, select the **Keep address as entered**

38. Select the **Add** button once the POBM details are completed

The screenshot shows the 'Complete Non-POBM Owner Information' form. It includes fields for Legal First Name, Legal Middle Name, Legal Last Name, Residence/Physical Address, Suite, Unit, etc., City, State, Zip Code, and Country. There is a 'Validate Address' button and a 'Date of Birth' field. Red callout numbers 35 and 38 point to the 'Validate Address' button and the 'Add' button respectively.

The screenshot shows the 'Address Confirmation' pop-up. It displays the 'Address As Entered' and 'Address Suggestions'. The 'Address As Entered' is '400 E Windsor Ave, Phoenix, AZ, 85004, United States'. The 'Address Suggestions' list the same address. There is a 'Keep address as entered' button and a 'Confirm' button. Red callout numbers 36 and 37 point to the 'Keep address as entered' button and the 'Confirm' button respectively.

39. Once all POBMs and Non-POBMs are entered, applicants can digitally sign the application by using the cursor and holding down the left key and drawing their signature

40. Select **Accept** to confirm the signature or **Clear** to clear the signature and re-sign

41. If opting out of digital signature, uncheck the **“I consent to sign electronically”** box – applicant will be required to upload an attestation document

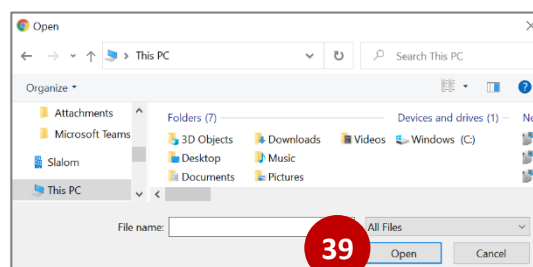
42. Select the **Save & Continue** button to proceed

Upload Documents Section - Upload required documentation from Arizona Corporation Commission

43. Upload documentation – select the **Upload Files** button

44. Select desired file(s) from computer – multiple files can be selected and uploaded at the same time – Select the **Open** button to upload the file(s)

45. Select **Save & Continue** to proceed



Review and Submit Page - Review and verify all details entered on the application are accurate

46. To edit, select the **Edit Section** button – this will take the applicant to the section to edit
47. Once ready to submit, select the **Submit & Go to Payment** button

Marijuana
Social Equity Establishment Application

Establishment Information

Applying Entity Information

Full Legal Name of Applying Entity (Business organization)*

Entity Type of Business*

Mailing Address*

City*

State*

Zip Code*

County*

Phone Number*

Submit & Go to Payment

48. Once the **Submit & Go to Payment** button is selected, the system will direct applicant to the payment portal – enter all required details and select **Continue**

49. When the payment page refreshes, select the **Authorize** button to proceed

NOTE: Do not refresh your browser while the payment is processing

50. When the payment authorization process is complete, select the **Continue** button to finalize payment and submission of the application

NOTE: The application will only be considered SUBMITTED once the payment is confirmed and processed successfully

Payment Information

CHECKOUT: PAYMENT INFORMATION

First Name

Last Name

Billing Address

City

State

Zip

Phone Number

Email

Credit Card

Electronic Check

Continue

Order No.	Product ID	Item Description	Amount	Quantity	Total Amount
12345678	12345678	ESTABLISHMENT FEE	\$4,000.00	1	\$4,000.00
Total					\$4,000.00

Notes

This payment is for application fees for the Facility of Interest Dealer's Desired Dispensary. It includes: 400 E. Washington Ave., Phoenix, AZ 85004. Application ID: 12345678901234567890

I understand that the following amount will be billed to my credit card. No credit card statement will show the following merchant name(s) and amount(s) for this transaction.

Merchant	Amount
ALCANTARA HEALTH SERVICES	\$4,000.00

The total amount to be billed to your credit card is \$4,000.00.

Authorize

Thank you for your payment. Your payment was successful.

Do not close this window. Click the "Continue" button to return to the Agency application.

YOUR PAYMENT IS COMPLETE

Payment is complete. Print this receipt for your records.

Your authorization number is:

Please reference this number in any correspondence regarding your transaction. Get the Adobe Acrobat Reader

Continue

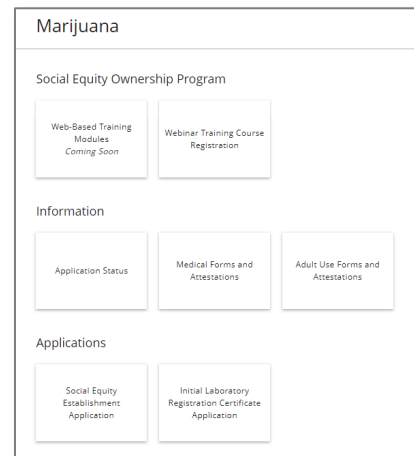
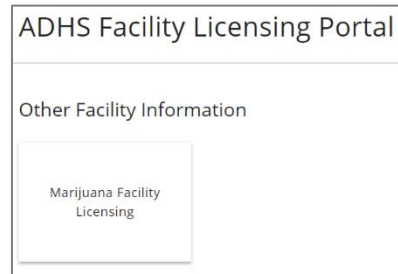


Check Application Status

This section will guide users through how to check application status from the ADHS Facility Licensing Portal

Main Menu

1. Upon logging in, select the **Marijuana Facility Licensing** tile
2. Select the **Application Status** tile from the Marijuana main page



Application History

3. All applications associated to the account will display on the Application History page

Details shown include Application Type, Applicant Name, Submitted date, Status, and Action Required date

4. Applications can be opened and view by clicking on the application line

The screenshot shows the 'Application History' table. It includes a search bar, filters for 'Facility Related Applications' and 'All Statuses', and a table with columns: Facility/DBA, Physical Address, Application Type, Applicant Name, Submitted, Status, and Action Required Exp Date. The table contains two rows of application data.

Facility/DBA	Physical Address	Application Type	Applicant Name	Submitted	Status	Action Required Exp Date
Daniel's Decadent Dispensary AZTA163762258755055		Initial Social Equity Establishment Application	Daniel Zabala	11/29/2021	Action Required 11/30/2021	12/17/2021 Days left: 7
ENTITY INFO NAME V AZTA1638224004688055		Initial Social Equity Establishment Application	Daniel Zabala		Not Submitted 11/29/2021	

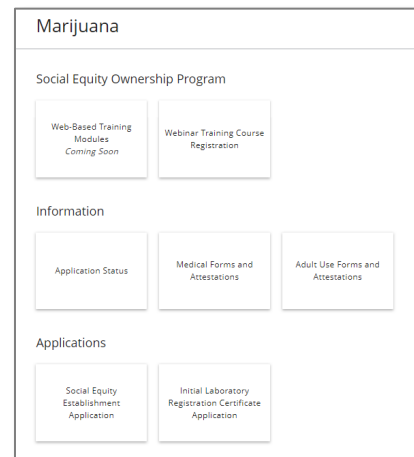
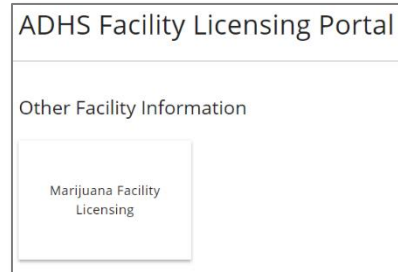


Edit and Resubmit Applications in Action Required Status

This section will guide users through how to update an application when in Action Required Status

Main Menu

1. Upon logging in, select the **Marijuana Facility Licensing** tile
2. Select the **Application Status** tile from the Marijuana main page



Application History

3. If an application is in Action Required status, an email is also sent to the applicant to notify them of the issue
4. To open an application in Action Required status, select the application from the list

Application History						
Type search criteria and press Enter to view any						
<input type="text" value="Search"/>	<input type="text" value="Facility Related Applications"/>	<input type="text" value="All Statuses"/>	(2 / 2) Applications			
Facility/DBA	Physical Address	Application Type	Applicant Name	Submitted	Status &	Action Required Exp Date
Daniel's Decadent Dispensary AZFA1637622036755555		Initial Social Equity Establishment Application	Daniel Zebala	11/29/2021	Action Required 11/29/2021	12/7/2021 Days left: 7
ENTITY INFO NAME: Y AZFA1638234004888055		Initial Social Equity Establishment Application	Daniel Zebala		Not Submitted 11/29/2021	

5. The application will reopen and display the Application Issue messaging

NOTE: Make sure to proceed through the ENTIRE application to the final submit page to complete the resubmission

6. Review the application issues noted in the message box – it is detailed in the bulleted section of the message

7. To finalize the resubmission, proceed to the end of the application and select the **Submit** button

NOTE: Applicants must proceed through the entire application to be considered resubmitted back to ADHS

Marijuana
Social Equity Establishment Application

Application Issues

Due: 12/7/2021

Your application has been received by the Marijuana Program (Program), Arizona Department of Health Services (Department). The following issue(s) with your application was/were identified by the Program, making your application incomplete.
Correct the items noted and **proceed through the ENTIRE application to the final submit page** to complete your resubmission.

Principal Officers and Board Members Information

- The name, residence address, and date of birth of any person who is not a principal officer or board member but is entitled to 10% or more of the profits of the proposed marijuana establishment is missing. See A.A.C. R9-18-305(A)(3)(d).

