

ASSEMBLY, No. 4911

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED DECEMBER 5, 2022

Sponsored by:

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblyman JAMES J. KENNEDY

District 22 (Middlesex, Somerset and Union)

SYNOPSIS

“Psilocybin Behavioral Health Access and Services Act”; authorizes production and use of psilocybin to promote health and wellness; decriminalizes, and expunges past offenses involving, psilocybin production, possession, use, and distribution.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the production and use of psilocybin for certain
2 purposes, decriminalizing and expunging past convictions for
3 certain psilocybin-related conduct, and supplementing Title 24 of
4 the Revised Statutes and Title 2C of the New Jersey Statutes.

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

8
9 1. This act shall be known and may be cited as the “Psilocybin
10 Behavioral Health Access and Services Act.”

11
12 2. The Legislature finds and declares that:

13 a. New Jersey has a high prevalence of adults living with
14 behavioral health conditions.

15 b. Studies conducted by nationally and internationally
16 recognized medical institutions indicate that psilocybin has shown
17 efficacy, tolerability, and safety in the treatment of a variety of
18 behavioral health conditions, including, but not limited to, clinical
19 dependence disorders, depression, anxiety disorders, and end-of-life
20 psychological distress.

21 c. The United States Food and Drug Administration has
22 determined that preliminary clinical evidence indicates psilocybin
23 may demonstrate substantial improvement over available therapies
24 for treatment-resistant depression, and has granted a breakthrough
25 therapy designation for a treatment that uses psilocybin as a therapy
26 for treatment-resistant depression.

27 d. It is the intent of the Legislature to facilitate the establishment
28 of safe, legal, and affordable psilocybin service centers to provide
29 residents of New Jersey who are 21 years of age or older with
30 opportunities for supported psilocybin experiences to alleviate
31 distress, provide preventative behavioral health care, and foster
32 wellness and personal growth.

33 e. In establishing this act, the Legislature seeks to improve the
34 physical, mental, and social well-being of all residents of New Jersey,
35 and to prevent and reduce the prevalence of behavioral health
36 disorders in adults, by providing for supported adult use of psilocybin
37 under the supervision of trained and licensed psilocybin service
38 facilitators.

39 f. The Legislature further seeks to develop a long-term
40 Statewide strategic plan for ensuring that psilocybin services become
41 and remain a safe, accessible, and affordable treatment option for
42 people age 21 and older in New Jersey for whom behavioral health
43 treatment and preventative behavioral health care using psilocybin is
44 appropriate.

45 g. It is necessary and appropriate to develop a comprehensive
46 regulatory scheme to ensure that psilocybin can be accessed in safe,
47 controlled environments that are designed to foster improvements in
48 behavioral health for adult patients, including establishing

1 requirements for the licensure and regulation of psilocybin product
2 manufacturers and psilocybin service providers, as well as
3 requirements to restrict access to psilocybin to adults age 21 and
4 older and to prevent the unlawful diversion of psilocybin in the State.

5

6 3. As used in this act:

7 “18-month program development period” means the period
8 beginning on the effective date of this act and ending 18 months
9 thereafter.

10 “Administration session” means a session at which a client
11 consumes and experiences the effects of a psilocybin product under
12 the supervision of a psilocybin service facilitator.

13 "Adverse employment action" means refusing to hire or employ
14 an individual, barring or discharging an individual from employment,
15 requiring an individual to retire from employment, or discriminating
16 against an individual in compensation or in any terms, conditions, or
17 privileges of employment.

18 “Board” means the Psilocybin Advisory Board established
19 pursuant to section 4 of this act.

20 “Client” means an individual 21 years of age or older who is
21 provided psilocybin services in this State.

22 “Commissioner” means the Commissioner of Health.

23 “Department” means the Department of Health.

24 “Distressed area” means an area that: is categorized as a
25 distressed area by the New Jersey Department of Labor and
26 Workforce Development; or is a State legislative district in which 50
27 percent or more of the children in the district participate in the federal
28 free lunch program or in which 20 percent or more of the households
29 in the district receive assistance under the federal supplemental
30 nutrition assistance program.

31 “Integration session” means the optional meeting between a client
32 and a psilocybin service facilitator that may occur after the client
33 completes an administration session.

34 “Licensee” means a person who holds a psilocybin product
35 manufacturer license, a psilocybin service center operator license, a
36 psilocybin testing laboratory license, or a psilocybin service
37 facilitator license issued pursuant to this act.

38 “Manufacture” means the manufacture, planting, cultivation,
39 growing, harvesting, production, preparation, propagation,
40 compounding, conversion, or processing of a psilocybin product,
41 either directly or indirectly, by extraction from substances of natural
42 origin, or independently by means of chemical synthesis, or by a
43 combination of extraction and chemical synthesis, and includes any
44 packaging or repackaging of the psilocybin product or labeling or
45 relabeling of its container.

46 “Preparation session” means an in-person or remote meeting
47 between a client and a psilocybin service facilitator that is required
48 as a prerequisite to an administration session.

1 “Psilocybin” means psilocybin or psilocin.

2 “Psilocybin product manufacturer” means a person licensed to
3 manufacture psilocybin products pursuant to this act.

4 “Psilocybin product” means psilocybin-producing fungi and
5 mixtures or substances containing a detectable amount of psilocybin.

6 “Psilocybin service center” means an establishment at which
7 administration sessions are held and other psilocybin services may
8 be provided.

9 “Psilocybin service center operator” means a person licensed to
10 operate a psilocybin service center pursuant to this act.

11 “Psilocybin service facilitator” means an individual licensed to
12 facilitate the provision of psilocybin services pursuant to this act.

13 “Psilocybin services” means services provided to a client before,
14 during, and after the client’s consumption of a psilocybin product,
15 including the mandatory preparation session, the administration
16 session, and the optional integration session.

17

18 4. a. There is established in the Department of Health the
19 Psilocybin Behavioral Health Access and Services Advisory Board.

20 b. The board shall comprise 18 members, as follows:

21 (1) the Commissioner of Health, the Deputy Commissioner for
22 Public Health Services, and the Attorney General, or their designees,
23 who shall serve as ex officio, nonvoting members;

24 (2) a representative from the department who is familiar with
25 public health programs and public health activities in New Jersey and
26 a designee of the Public Health Council in the Department of Health,
27 who shall serve at the pleasure of the commissioner as nonvoting
28 members;

29 (3) a representative from the Cannabis Regulatory Commission
30 who has expertise in the tracking of cannabis items, who shall serve
31 at the pleasure of the commission as a nonvoting member; and

32 (4) 12 public members, to be appointed by the Governor, which
33 members shall include:

34 (a) a person with expertise in clinical dependence;

35 (b) a representative of a community-based entity that provides
36 public health services directly to the public;

37 (c) a psychologist licensed pursuant to the "Practicing
38 Psychology Licensing Act," P.L.1966, c.282 (C.45:14B-1 et seq.)
39 who has professional experience engaging in the diagnosis and
40 treatment of behavioral, mental, and emotional health conditions;

41 (d) a physician licensed pursuant to Title 45 of the Revised
42 Statutes;

43 (e) an individual working in academia with expertise in public
44 health policy;

45 (f) a person with professional experience conducting scientific
46 research regarding the use of psychedelic compounds in clinical
47 therapy;

- 1 (g) a professional mycologist, a person with expertise in
2 ethnobotany, or a person with expertise in psychopharmacology;
- 3 (h) a person with experience with issues confronting veterans;
- 4 (i) a person with expertise in the traditional, cultural, and
5 religious uses of psilocybin;
- 6 (j) a first responder with experience and expertise with
7 emergency medical services;
- 8 (k) a person with experience with harm reduction and drug
9 policy; and
- 10 (l) a person with experience with racial and economic equity and
11 health care access.
- 12 c. The public members of the board shall serve for a term of four
13 years, provided that, of the members first appointed, two shall serve
14 for a term of two years, two shall serve for a term of three years, and
15 three shall serve for a term of four years. Public members shall be
16 eligible for reappointment to the board. Vacancies in the board shall
17 be filled in the same manner as is provided for the initial appointment
18 for the remainder of the unexpired term.
- 19 d. The Governor shall appoint the public members to the board
20 no later than 60 days after the effective date of this act. The board
21 shall organize upon the appointment of the public members and shall
22 select a chairperson and a vice-chairperson from among the
23 membership. The chairperson shall appoint a secretary, who need
24 not be a member of the board.
- 25 e. A majority of the public members of the board shall constitute
26 a quorum for the purpose of conducting official board business. The
27 official adoption of advice or recommendations by the board shall
28 require the approval of a majority of the public members.
- 29 f. During the 18-month program development period, the board
30 shall meet at least once every calendar month, at a time and place
31 designated by the chairperson. Following the end of the 18-month
32 program development period, the board shall meet at least quarterly
33 at a time and place designated by the chairperson. The board shall
34 meet at any time at the call of the chairperson or at the call of a
35 majority of the public members.
- 36 g. The members of the board shall serve without compensation
37 but may be reimbursed for reasonable expenses incurred in the
38 performance of their official duties, within the limits of funds made
39 available to the board for this purpose.
- 40 h. The board may establish committees and subcommittees as
41 may be necessary for the board's operation. The department shall
42 provide such stenographic, clerical, and other administrative
43 assistants and such professional staff as the board requires to carry
44 out its work. The board shall be entitled to call to its assistance and
45 avail itself of the services of the employees of any State, county, or
46 municipal department, board, bureau, commission, or agency as it
47 may require and as may be available for its purposes.

- 1 5. a. The purpose of the board established pursuant to section 4
2 of this act shall be to provide advice and recommendations to the
3 department, upon request or upon the board's own initiative,
4 concerning the implementation of this act, including providing
5 recommendations to the department concerning:
- 6 (1) educating the public about the use of psilocybin in behavioral
7 health care;
- 8 (2) available medical, psychological, and scientific studies, social
9 scientific research, and other information relating the safety of
10 psilocybin and its efficacy in ameliorating behavioral health
11 conditions, including, but not limited to, clinical dependence
12 disorders, depression, anxiety disorders, and end-of-life
13 psychological distress, and the potential for psilocybin to promote
14 community, address trauma, and enhance physical and mental
15 wellness;
- 16 (3) the requirements, specifications, and guidelines for providing
17 psilocybin services to a client, including:
- 18 (a) requirements, specifications, and guidelines for holding and
19 documenting the completion of preparation sessions, administration
20 sessions, and integration sessions; and
- 21 (b) the contents of the client information form that a client will
22 be required to complete and sign before the client will be authorized
23 to participate in an administration session, including:
- 24 (i) the information that should be solicited from the client to
25 determine whether the client should participate in the administration
26 session, including information that may identify potential risk factors
27 and contraindications;
- 28 (ii) the information that should be solicited from the client to
29 assist the psilocybin service center and the psilocybin service
30 facilitator in meeting any public health and safety standards and
31 industry best practices during the administration session; and
- 32 (iii) the health and safety warnings and other disclosures that
33 should be made to the client before the client participates in the
34 administration session; and
- 35 (c) guidelines and best practices for assessing the type, nature,
36 and severity of a risk factor or contraindication identified in a client
37 information form, and determining whether the risk factor or
38 contraindication:
- 39 (i) can be accommodated or mitigated in a manner that will allow
40 the client to proceed with an administration session; or
- 41 (ii) is of a type, nature, or severity that would make it unsafe for
42 the client to proceed with an administration session;
- 43 (4) public health and safety standards and industry best practices
44 for psilocybin product manufacturers, psilocybin service centers,
45 psilocybin testing facilities, and psilocybin service facilitators;
- 46 (5) the formulation of a code of professional conduct for
47 psilocybin service facilitators, with particular consideration to
48 developing a code of ethics;

- 1 (6) the education and training requirements for psilocybin service
- 2 facilitators, with particular consideration of:
 - 3 (a) training in facilitation skills that are affirming,
 - 4 nonjudgmental, culturally competent, and nondirective;
 - 5 (b) providing support to clients during an administration session,
 - 6 including training in specialized skills for client safety and clients
 - 7 who may have a behavioral health disorder;
 - 8 (c) the environment in which psilocybin services should be
 - 9 provided; and
 - 10 (d) social and cultural considerations;
- 11 (7) the examinations that psilocybin service facilitators will be
- 12 required to successfully complete as a condition of licensure;
- 13 (8) public health and safety standards and industry best practices
- 14 for holding and completing an administration session, including:
 - 15 (a) the circumstances under which administration sessions should
 - 16 be available;
 - 17 (b) whether clients should be able to access common or outside
 - 18 areas of the premises of the psilocybin service center at which the
 - 19 administration session is held;
 - 20 (c) the circumstances under which an administration session is
 - 21 considered complete; and
 - 22 (d) the transportation needs of the client after the completion of
 - 23 the administration session, including standards and restrictions for
 - 24 when an administration session may be terminated after the
 - 25 administration of a psilocybin product to a client, along with
 - 26 appropriate procedures to ensure the safety of the client following
 - 27 termination of the administration session;
 - 28 (9) the qualification criteria and amount to be charged in license
 - 29 application and issuance fees for licenses authorized under this act,
 - 30 as well as the qualification criteria and amount to be charged in
 - 31 application and issuance fees for psilocybin worker permits;
 - 32 (10) requirements and restrictions for advertising psilocybin
 - 33 services;
 - 34 (11) standards for when in-home administration sessions may be
 - 35 permitted, as well as protocols, guidelines, and best practices for
 - 36 conducting in-home administration sessions;
 - 37 (12) establishing a new tracking system for psilocybin products
 - 38 or using the cannabis tracking system established pursuant to section
 - 39 29 of P.L.2019, c.153 (C.24:6I-22) to track psilocybin products;
 - 40 (13) requirements concerning the transportation and delivery of
 - 41 psilocybin products between psilocybin product manufacturers
 - 42 psilocybin service centers, and psilocybin testing laboratories;
 - 43 (14) requirements for the social opportunity program established
 - 44 pursuant to section 11 of this act that promote social equity and
 - 45 accessibility;
 - 46 (15) development of a long-term strategic plan for ensuring that
 - 47 psilocybin services will become and remain a safe, accessible, and

1 affordable wellness option for all persons 21 years of age or older in
2 this State for whom psilocybin may be appropriate; and

3 (16) monitoring and studying federal laws, regulations, and
4 policies regarding psilocybin.

5 b. The board shall vote upon and submit recommendations to the
6 department according to a schedule agreed upon by the department
7 and the board related to:

8 (1) the requirement for the department to adopt rules and
9 regulations to implement and administer this act;

10 (2) the development of a long-term plan for ensuring that
11 psilocybin services will become and remain a safe, accessible, and
12 affordable wellness option for all persons 21 years of age or older in
13 New Jersey for whom psilocybin may be appropriate. Advice and
14 recommendations shall be made in consideration of federal laws,
15 regulations, and policies concerning psilocybin.

16

17 6. a. The department shall have the following duties, powers,
18 and functions:

19 (1) to review and make publicly available on its Internet website
20 available medical, psychological, and scientific studies, research, and
21 other information relating to the safety and efficacy of psilocybin in
22 treating mental health conditions, including, but not limited to,
23 clinical dependence disorders, depression, anxiety disorders, and
24 end-of-life psychological distress, and the potential for psilocybin to
25 promote community, address trauma, and enhance physical and
26 mental wellness;

27 (2) after the 18-month program development period:

28 (a) to regulate the manufacturing, testing, transportation,
29 delivery, sale, and purchase of psilocybin products and the provision
30 of psilocybin services in this State in accordance with the provisions
31 of this act;

32 (b) to issue, renew, suspend, revoke, or refuse to issue or renew
33 psilocybin product manufacturer, psilocybin service center operator,
34 psilocybin testing laboratory, and psilocybin service facilitator
35 licenses and psilocybin worker permits;

36 (c) to approve and regulate psilocybin service facilitator training
37 programs; and

38 (d) to regulate the use of psilocybin products and psilocybin
39 services for other purposes as the department deems necessary or
40 appropriate;

41 (3) to adopt, amend, and repeal rules and regulations, pursuant to
42 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
43 seq.), as necessary to implement the provisions of this act; and

44 (4) to exercise all powers incidental, convenient, or necessary to
45 enable the department to implement and administer the requirements
46 of this act or any other New Jersey law that charges the department
47 with a duty, function, or power related to psilocybin products and

1 psilocybin services, which powers shall include, but shall not be
2 limited to:

- 3 (a) issuing subpoenas;
- 4 (b) compelling the attendance of witnesses;
- 5 (c) administering oaths;
- 6 (d) certifying official acts;
- 7 (e) taking depositions as provided by law;
- 8 (f) establishing reasonable additional fees, which fees shall not
9 exceed the amount necessary to administer the provisions of this act;
10 and
- 11 (g) compelling the production of books, payrolls, accounts,
12 papers, records, documents, and testimony.

13 b. The department shall not require that a psilocybin product be
14 manufactured by means of chemical synthesis, prohibit the use of
15 naturally grown mushrooms that meet quality and safety standards,
16 or mandate the use of patented products or procedures.

17 c. The department shall not require a client to be diagnosed with
18 or have any particular medical or mental health condition as a
19 prerequisite to being provided psilocybin services.

20 d. If recommended by the advisory board, the department may
21 exclude individuals, or categories of individuals, from receiving
22 psilocybin services, which exclusion may be based on preexisting
23 diagnoses, identified risk factors, or contraindications.

24 e. Commencing six months after the effective date of this act,
25 the department shall post on its Internet website available medical,
26 psychological, and scientific studies, research, and other information
27 relating to the safety and efficacy of psilocybin in ameliorating
28 behavioral health conditions, including, but not limited to, clinical
29 dependence disorders, depression, anxiety disorders, and end-of-life
30 psychological distress. The department shall periodically update the
31 information posted on its Internet website pursuant to this subsection
32 as may be necessary to ensure the information is current and accurate.

33 f. No later than six months after the effective date of this act,
34 the department shall establish the necessary forms and commence the
35 process of accepting applications for and approving psilocybin
36 service facilitator training programs.

37 g. No later than 18 months after the effective date of this act, the
38 department shall establish the necessary forms and commence the
39 process of accepting applications for issuance of psilocybin product
40 manufacturer, psilocybin service center operator, psilocybin testing
41 laboratory, and psilocybin service facilitator licenses and psilocybin
42 worker permits.

43
44 7. a. An applicant for a license or permit or renewal of a license
45 or permit issued pursuant to this act shall submit the application in a
46 form and manner as shall be specified by the department by
47 regulation, which application shall include, at a minimum, the name
48 and address of the applicant and any other information as the

1 department may require. In the case of an applicant for issuance or
2 renewal of a psilocybin product manufacturer license, a psilocybin
3 service center operator license, or a psilocybin testing laboratory
4 license, the application shall additionally identify the proposed
5 location of the premises that is to be operated under the license.

6 b. The department shall promptly review and approve or deny
7 any application for licensure as a psilocybin product manufacturer,
8 psilocybin service center operator, psilocybin testing laboratory, or
9 psilocybin service facilitator or for a psilocybin worker permit
10 submitted pursuant to this act.

11 c. The department may reject an application that is not submitted
12 in a form and manner required by the department. An applicant
13 whose application is rejected pursuant to this subsection shall not be
14 prohibited from submitting subsequent applications for licensure or
15 a permit, or for renewal of a license or permit, to the department.

16 d. Except as provided in subsection c. of this section, an appeal
17 of a decision to suspend, revoke, or refuse to renew a license or
18 permit issued under this act shall be subject to the requirements for
19 contested cases set forth in the "Administrative Procedure Act,"
20 P.L.1968, c.410 (C.52:14B-1 et seq.).

21 e. No license or permit shall be issued pursuant to this act to any
22 applicant who is younger than 21 years of age.

23 f. The department may refuse to issue or renew a license or
24 permit or may issue a restricted license or permit to an applicant upon
25 finding that the applicant:

26 (1) has not completed the requirements for issuance or renewal of
27 the license or permit;

28 (2) has made false statements to the department;

29 (3) in the case of an applicant for a psilocybin product
30 manufacturer license, a psilocybin service center operator license, or
31 a psilocybin laboratory testing license, demonstrates a lack of
32 capacity or incompetency to carry on the management of the facility
33 that is the subject of the application;

34 (4) has been convicted of violating a federal law, State law, or
35 local ordinance, if the conviction is substantially related to the fitness
36 and ability of the applicant to lawfully carry out activities authorized
37 or required under the license or permit;

38 (5) has an unsatisfactory record of compliance with the
39 requirements of this act;

40 (6) in the case of an applicant for a psilocybin product
41 manufacturer license, a psilocybin service center operator license, or
42 a psilocybin testing laboratory license, fails to submit documentation
43 demonstrating:

44 (a) that the applicant will have final control of the premises both
45 within six months after the application is submitted and upon
46 approval of the application, which documentation may include, but
47 shall not be limited to, a lease agreement, contract for sale, title, deed,
48 or similar documentation; and

1 (b) if the applicant will lease the premises, certification from the
2 landlord that the landlord is aware that the tenant's use of the
3 premises will involve activities related to the production, processing,
4 or administration of psilocybin products or the provision of
5 psilocybin services, as applicable;

6 (7) in the case of an applicant for a psilocybin product
7 manufacturer license, a psilocybin service center operator license, or
8 a psilocybin testing laboratory license, has not demonstrated
9 financial responsibility sufficient to adequately meet the
10 requirements of the facility that is the subject of the application; or

11 (8) for other good cause as determined by the department.

12 g. The application and issuance fees for a new or renewed
13 psilocybin product manufacturer, psilocybin service center operator,
14 psilocybin testing laboratory, or psilocybin service facilitator license
15 or a psilocybin worker permit shall not exceed the administrative
16 costs to the department of processing the application and
17 administering the provisions of this act.

18 h. A license or permit issued pursuant to this act shall be valid
19 for one year.

20 i. The department may not issue any psilocybin product
21 manufacturer, psilocybin service center, psilocybin testing
22 laboratory, or psilocybin service facilitator license, or any psilocybin
23 worker permit, during the 18-month development period.

24

25 8. a. For the purposes of this section, the term "applicant" shall
26 include any owner, director, officer, or employee of, and any
27 significantly involved person in, a psilocybin product manufacturer,
28 psilocybin service center operator, or psilocybin testing laboratory,
29 as well as any applicant for issuance of a psilocybin service facilitator
30 license or a psilocybin worker permit.

31 b. The department shall require each applicant for licensure as a
32 psilocybin product manufacturer, psilocybin service center operator,
33 psilocybin testing laboratory, or psilocybin service facilitator, and
34 each applicant for a psilocybin worker permit, to undergo a criminal
35 history record background check. The department shall be
36 authorized to exchange fingerprint data with and receive criminal
37 history record background information from the Division of State
38 Police and the Federal Bureau of Investigation, consistent with the
39 provisions of applicable State and federal laws, rules, and
40 regulations. The Division of State Police shall forward criminal
41 history record background information to the department in a timely
42 manner when requested pursuant to the provisions of this section.

43 c. An applicant who is required to undergo a criminal history
44 record background check pursuant to this section shall submit to
45 being fingerprinted in accordance with applicable State and federal
46 laws, rules, and regulations. No check of criminal history record
47 background information shall be performed pursuant to this section
48 unless the applicant has furnished the applicant's written consent to

1 that check. An applicant who is required to undergo a criminal
2 history record background check pursuant to this section who refuses
3 to consent to, or cooperate in, the securing of a check of criminal
4 history record background information shall not be considered for
5 licensure as a psilocybin product manufacturer, psilocybin service
6 center operator, psilocybin testing laboratory, or psilocybin service
7 facilitator or for issuance of a psilocybin worker permit. An
8 applicant shall bear the cost for the criminal history record
9 background check, including all costs of administering and
10 processing the check.

11 d. The department shall not approve an applicant for licensure
12 as a psilocybin product manufacturer, psilocybin service center
13 operator, psilocybin testing laboratory, or psilocybin service
14 facilitator or for a psilocybin worker permit if the criminal history
15 record background information of the applicant reveals a
16 disqualifying conviction as set forth in subsection e. of this section.

17 e. A person who has been convicted of a crime of the first,
18 second, or third degree under New Jersey law or of a crime involving
19 any controlled dangerous substance or controlled substance analog as
20 set forth in chapter 35 of Title 2C of the New Jersey Statutes except
21 paragraph (11) or (12) of subsection b. of N.J.S.2C:35-5, paragraph
22 (13) of subsection b. of N.J.S.2C:35-5 involving psilocybin, or
23 paragraph (3), (4), or (5) of subsection a. of N.J.S.2C:35-10, or any
24 similar law of the United States or any other state shall not be issued
25 a psilocybin product manufacturer, psilocybin service center
26 operator, psilocybin testing laboratory, or psilocybin service
27 facilitator license or a psilocybin worker permit, unless such
28 conviction occurred after the effective date of P.L. , c. (C.)
29 (pending before the Legislature as this bill) and was for a violation
30 of federal law relating to possession or sale of cannabis or psilocybin
31 for conduct that is authorized under P.L.2009, c.307 (C.24:6I-1 et
32 al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), P.L.2021, c.16
33 (C.24:6I-31 et al.), or P.L. , c. (C.) (pending before the
34 Legislature as this bill).

35 f. Upon receipt of the criminal history record background
36 information from the Division of State Police and the Federal Bureau
37 of Investigation, the department shall provide written notification to
38 the applicant of the applicant's qualification or disqualification for
39 licensure as a psilocybin product manufacturer, psilocybin service
40 center operator, psilocybin testing laboratory, or psilocybin service
41 facilitator, or for issuance of a psilocybin worker permit, as
42 applicable. If the applicant is disqualified because of a disqualifying
43 conviction pursuant to the provisions of this section, the conviction
44 that constitutes the basis for the disqualification shall be identified in
45 the written notice.

46 g. The Division of State Police shall promptly notify the
47 department in the event that an individual who was the subject of a
48 criminal history record background check conducted pursuant to this

1 section is convicted of a crime or offense in this State after the date
2 the background check was performed. Upon receipt of that
3 notification, the department shall make a determination regarding the
4 continued eligibility for licensure as a psilocybin product
5 manufacturer, psilocybin service center operator, psilocybin testing
6 laboratory, or psilocybin service facilitator or to hold a psilocybin
7 worker permit, as applicable.

8 h. Notwithstanding the provisions of subsection e. of this section
9 to the contrary, the department may offer provisional authority for an
10 applicant to be licensed as a psilocybin product manufacturer,
11 psilocybin service center operator, psilocybin testing laboratory, or
12 psilocybin service facilitator, or to be issued a psilocybin worker
13 permit, for a period not to exceed three months if the applicant
14 submits to the department a sworn statement attesting that the
15 applicant has not been convicted of any disqualifying conviction
16 pursuant to this section.

17 i. Notwithstanding the provisions of subsection e. of this section
18 to the contrary, no applicant for licensure as a psilocybin product
19 manufacturer, psilocybin service center operator, psilocybin testing
20 laboratory, or psilocybin service facilitator, or for a psilocybin
21 worker permit, shall be disqualified on the basis of any conviction
22 disclosed by a criminal history record background check conducted
23 pursuant to this section if the individual has affirmatively
24 demonstrated to the department clear and convincing evidence of
25 rehabilitation. In determining whether clear and convincing evidence
26 of rehabilitation has been demonstrated, the department shall
27 consider the following factors:

28 (1) the nature and responsibility of the position that the convicted
29 individual would hold, has held, or currently holds;

30 (2) the nature and seriousness of the crime or offense;

31 (3) the circumstances under which the crime or offense occurred;

32 (4) the date of the crime or offense;

33 (5) the age of the individual when the crime or offense was
34 committed;

35 (6) whether the crime or offense was an isolated or repeated
36 incident;

37 (7) any social conditions which may have contributed to the
38 commission of the crime or offense; and

39 (8) any evidence of rehabilitation, including good conduct in
40 prison or in the community, counseling or psychiatric treatment
41 received, acquisition of additional academic or vocational schooling,
42 successful participation in correctional work-release programs, or the
43 recommendation of those who have had the individual under their
44 supervision.

45

46 9. a. The department shall not issue any license to a psilocybin
47 product manufacturer, psilocybin service center operator, or
48 psilocybin testing laboratory if the premises of the psilocybin product

1 manufacturer, psilocybin service center, or psilocybin testing
2 laboratory are not clearly described and defined in the application.

3 b. No application for a psilocybin product manufacturer or
4 psilocybin service center operator license shall be approved unless it
5 includes a description of the proposed location for the applicant's site,
6 including:

7 (1) the proposed location, the surrounding area, and the
8 suitability or advantages of the proposed location, along with a floor
9 plan and optional renderings or architectural or engineering plans;
10 and

11 (2) the submission of zoning approvals for the proposed location,
12 which shall consist of a letter or affidavit from appropriate municipal
13 officials that the location will conform to municipal zoning
14 requirements allowing for the production of psilocybin products, the
15 provision of psilocybin services, or both, as applicable.

16
17 10. The department may require a licensed psilocybin product
18 manufacturer, psilocybin service center operator, or psilocybin
19 testing laboratory, or an applicant for a psilocybin product
20 manufacturer, psilocybin service center operator, or psilocybin
21 testing laboratory license, to submit to the department a sworn
22 statement identifying the name and address of each person holding a
23 financial interest in the licensee or the applicant for licensure, and
24 the nature and extent of the financial interest held by each person
25 holding a financial interest in the licensee or the applicant for
26 licensure.

27
28 11. a. The department shall establish and administer a social
29 opportunity program to assist individuals who qualify as social
30 opportunity applicants and who otherwise meet the requirements for
31 issuance of a psilocybin product manufacturer, psilocybin service
32 center, psilocybin service facilitator, or psilocybin testing laboratory
33 license pursuant to this act.

34 b. An applicant for a psilocybin product manufacturer,
35 psilocybin service center, or psilocybin testing laboratory license
36 shall be eligible for participation in the social opportunity program
37 if:

38 (1) at least 51 percent of the applicant is owned or controlled by
39 individuals who have lived in a distressed area for five of the past 10
40 years;

41 (2) the applicant is an entity:

42 (a) that has more than 10 full-time employees; and

43 (b) has more than half of its employees currently residing in a
44 distressed area; or

45 (3) the applicant is an entity that meets any other eligibility
46 criteria for the social opportunity program as may be established by
47 the department.

1 c. An applicant for a psilocybin service facilitator license shall
2 be eligible for participation in the social equity program if the
3 applicant has a primary residence in a distressed area for five of the
4 past 10 years, has demonstrated economic need, and meets any other
5 eligibility criteria for the social opportunity program as may be
6 established by the department.

7 d. For the purposes of implementing the social opportunity
8 program, the department shall:

9 (1) identify geographic areas that are distressed areas;

10 (2) establish other appropriate criteria to identify social
11 opportunity applicants;

12 (3) provide technical assistance to social opportunity applicants,
13 either through direct assistance or by methods that may include
14 establishing a partnership network of entities available to support
15 social opportunity applicants;

16 (4) provide reduced licensure application, renewal, and issuance
17 fees for social opportunity applicants; and

18 (5) if applicable, create eligibility for social opportunity
19 applicants to receive points towards a license application score.

20 e. The department shall establish and administer an equitable
21 access program to assist qualified economically disadvantaged
22 individuals with the cost of receiving psilocybin services.
23

24 12. a. A person may hold multiple psilocybin service center
25 operator licenses and may hold both a psilocybin product
26 manufacturer license and one or more psilocybin service center
27 operator licenses, which licenses may be issued for the same or for
28 different premises, provided that no individual may have a financial
29 interest in:

30 (1) more than one psilocybin product manufacturer; or

31 (2) more than five psilocybin service centers.

32 b. The department may require a person issued both a psilocybin
33 product manufacturer license and a psilocybin service center license
34 for the same premises to require the premises be segregated into
35 separate areas for conducting the activities authorized under each
36 license, as may be necessary to protect the public health and safety.
37

38 13. a. No person who is younger than 21 years of age shall be
39 employed at any psilocybin product manufacturer, psilocybin service
40 center, or psilocybin testing laboratory. The department may require
41 a licensee to furnish proof that all employees of the licensee are 21
42 years of age or older, and may require any person for whom proof of
43 age is unavailable to leave the licensed premises until such time as
44 the person presents acceptable proof of age. Failure to provide proof
45 of age for an employee within a reasonable period of time shall
46 constitute prima facie evidence that the licensee knowingly employed
47 the person in violation of the requirements of this subsection.

1 b. No individual may engage in any activities involving the
2 manufacture, processing, transportation, delivery, testing, sale, or
3 administration of psilocybin products, provide psilocybin services, or
4 engage in other activities related to the manufacture, processing,
5 transportation, delivery, testing, sale, or administration of psilocybin
6 products or the provision of psilocybin services, unless the individual
7 holds a current, valid psilocybin worker permit issued by the
8 department.

9 c. Each psilocybin product manufacturer, psilocybin service
10 center, and psilocybin testing laboratory shall ensure that each
11 employee of the psilocybin product manufacturer, psilocybin service
12 center, or psilocybin testing laboratory, as applicable, including any
13 psilocybin service facilitator employed by the licensee, possesses a
14 current, valid psilocybin worker permit.

15 d. An application for a psilocybin worker permit shall be
16 submitted in a form and manner as required by the department. A
17 psilocybin worker permit shall be valid for one year and shall be
18 subject to renewal. The department shall establish reasonable
19 application and issuance fees for psilocybin worker permits, which
20 fees shall not exceed the cost to the department of processing the
21 permit application and issuing the permit.

22 e. The department may require applicants for a psilocybin
23 worker permit to complete a course provided or approved by the
24 department as a condition of issuance of the permit, which course
25 may include training in:

- 26 (1) verifying client ages;
- 27 (2) detecting signs of client intoxication;
- 28 (3) safe and sanitary handling of psilocybin products;
- 29 (4) best practices for sanitation and for the safe production,
30 processing, transportation, and storage of psilocybin products;
- 31 (5) confidentiality requirements;
- 32 (6) the requirements of this act, as they bear on the applicant's
33 duties; and
- 34 (7) any other topics the department determines to be appropriate.

35 f. (1) The department may charge, or authorize a course
36 provider to charge, a reasonable fee, not to exceed \$250, for a course
37 described in subsection e. of this section.

38 (2) The department shall not require an individual to attend a
39 course described in subsection e. of this section more than one time,
40 except in cases where the individual's psilocybin worker permit has
41 been suspended or revoked by the department, in which case the
42 department may require the individual to complete the course as a
43 condition of removing the suspension or issuing a new psilocybin
44 worker permit to the individual.

45
46 14. a. The department shall designate specific psilocybin
47 manufacturing activities that shall be authorized for psilocybin
48 product manufacturers, and a psilocybin product manufacturer shall

1 not engage in a psilocybin manufacturing activity unless the
2 manufacturer holds an endorsement authorizing the manufacturer to
3 engage in that specific activity. A psilocybin product manufacturer
4 shall not be limited in the number of endorsements the manufacturer
5 holds at one time, and a psilocybin product manufacturer may request
6 approval from the department for additional endorsements at any
7 time. The department shall approve a request for an additional
8 endorsement unless the department determines that the psilocybin
9 product manufacturer will be unable to meet the requirements for the
10 requested endorsement. Denial of a request for an additional
11 endorsement shall not preclude a manufacturer from submitting a
12 subsequent request for approval of the same or any other
13 endorsement.

14 b. The department may restrict the quantity or volume of
15 psilocybin annually produced by a psilocybin product manufacturer,
16 which may include establishing specific, lower quantity or volume
17 limits for psilocybin product manufacturers issued a microbusiness
18 license pursuant to subsection d. of this section. In establishing
19 quantity or volume restrictions pursuant to this subsection, the
20 department shall take into consideration the demand for psilocybin
21 services in the State, the number of entities issued psilocybin product
22 manufacturer licenses and the number of applicants for psilocybin
23 product manufacturer licenses, and the number of each type of
24 endorsement held by psilocybin product manufacturers, as well as the
25 geographic distribution of licensees, applicants, and endorsements
26 throughout the State.

27 c. In no case shall psilocybin manufacturing activities be
28 conducted in an outdoor area.

29 d. (1) The department shall establish a psilocybin product
30 manufacturer microbusiness license, for which the maximum fee
31 assessed by the department for issuance or renewal of the license
32 shall be no more than half the fee applicable to full psilocybin
33 product manufacturer license. A license issued to a microbusiness
34 shall be valid for one year and may be renewed annually.

35 (2) A microbusiness shall meet the following requirements:

36 (a) at least 51 percent of the owners, directors, officers, and
37 employees of the microbusiness shall be residents of the municipality
38 in which the microbusiness is or will be located, or a municipality
39 bordering the municipality in which the microbusiness is or will be
40 located;

41 (b) the microbusiness shall employ no more than 10 employees at
42 one time, inclusive of any owners, officers, and directors of the
43 microbusiness; and

44 (c) the entire microbusiness facility shall occupy an area of no
45 more than 2,500 square feet.

46

47 15. a. A psilocybin service center shall not constitute a health
48 care facility licensed pursuant to P.L.1971, c.163 (C.26:2H-1 et seq.).

1 b. (1) Except as provided in paragraphs (2) and (3) of this
2 subsection, a psilocybin service center shall not be approved for any
3 location that is entirely zoned for residential use or that is within
4 1,000 feet of an elementary or secondary school.

5 (2) A psilocybin service center may be approved for a location
6 that is within 1,000 feet of an elementary or secondary school if the
7 psilocybin service center is not located within 500 feet of an
8 elementary or secondary school and the department determines that
9 there is a physical or geographic barrier capable of preventing
10 children from traversing the premises of the psilocybin service
11 center.

12 (3) An existing psilocybin service center shall not be required to
13 relocate in the event an elementary or secondary school is newly
14 constructed within 1,000 feet of the psilocybin service center for such
15 time as the psilocybin service center continues to hold a valid license
16 issued by the department. The department may not revoke the license
17 of a psilocybin service center solely on the grounds that an
18 elementary or secondary school is newly constructed within 1,000
19 feet of the psilocybin service center.

20 c. Psilocybin service center operators shall take steps to prevent
21 noisy, lewd, disorderly, and disruptive conduct on the licensee's
22 premises, and shall ensure the premises are maintained in a safe and
23 sanitary condition.

24
25 16. a. Psilocybin product manufacturers and psilocybin service
26 centers shall not advertise any psilocybin products to the public,
27 provided that nothing in this paragraph shall be construed to prohibit:

28 (1) a psilocybin service center from furnishing information
29 concerning psilocybin products that are available from the psilocybin
30 service center to clients within the interior premises of the psilocybin
31 service center or during the course of a preparation session; or

32 (2) a psilocybin product manufacturer from providing
33 information concerning the manufacturer's products to psilocybin
34 service centers and psilocybin service facilitators.

35 b. Psilocybin service centers and psilocybin service facilitators
36 may advertise psilocybin services, provided such advertisements do
37 not:

38 (1) appeal to minors;

39 (2) promote excessive use of psilocybin;

40 (3) promote illegal activity;

41 (4) violate the code of professional conduct for psilocybin service
42 facilitators; or

43 (5) otherwise present a significant risk to public health and safety.

44
45 17. a. Each applicant for a psilocybin service facilitator license
46 shall submit documentation proving that the applicant:

47 (1) is 21 years of age or older;

48 (2) has a high school diploma or its equivalent;

1 (3) has completed the education and training requirements
2 established by the department for licensure as a psilocybin service
3 facilitator;

4 (4) has successfully completed any examination as may be
5 required by the department; and

6 (5) has met any other requirements for licensure established by
7 the department.

8 b. In no case shall an applicant for licensure as a psilocybin
9 service facilitator be required to hold a degree issued by an institution
10 of higher education.

11 c. A psilocybin service facilitator may be an employee,
12 manager, officer, investor, partner, member, shareholder, or direct or
13 indirect owner of one or more psilocybin service centers.

14 d. A psilocybin service facilitator shall be authorized to provide
15 psilocybin facilitation services at or through more than one
16 psilocybin service center.

17

18 18. a. Psilocybin service centers and psilocybin service
19 facilitators shall verify the age of a client prior to providing any
20 psilocybin service to the client or selling or furnishing a psilocybin
21 product to the client. Information collected for the purposes of
22 verifying a client is 21 years of age or older shall not be retained by
23 a psilocybin service center or psilocybin service facilitator, and shall
24 not be used by the psilocybin service center or psilocybin service
25 facilitator for any purpose other than verifying the client's age.

26 b. (1) A preparation session and an integration session may be
27 held in person at a psilocybin service center or other appropriate
28 location, or remotely using any appropriate form of communication
29 technology as may be authorized by the department by regulation.

30 (2) Except as provided in paragraph (3) of this section, an
31 administration session shall be held at a psilocybin service center.

32 (3) A psilocybin service facilitator shall be authorized to provide
33 psilocybin services in a private residence if, for medical reasons, the
34 client is unable to travel to the psilocybin service center. The
35 psilocybin service center shall document the basis upon which an in-
36 home administration session is authorized pursuant to this paragraph.
37 In no case shall in-home psilocybin services be provided to a client
38 who is located outside New Jersey.

39 c. A psilocybin service center or psilocybin service facilitator
40 may refuse to provide psilocybin services to any person for any
41 reason, provided that a psilocybin service center or psilocybin service
42 facilitator shall not cease to provide psilocybin services during an
43 administration session after the client has consumed a psilocybin
44 product, except under circumstances as may be authorized by the
45 department and in conformance with any guidelines and best
46 practices as the department may establish for ceasing the provision
47 of psilocybin services during an administration session.

- 1 d. In no case shall a psilocybin service center or a psilocybin
2 service facilitator sell or furnish a psilocybin product to any person
3 who is visibly intoxicated.
- 4 e. A psilocybin service facilitator who is supervising an
5 administrative session shall not consume or be under the influence of
6 a psilocybin product during the administrative session.
- 7 f. A psilocybin service facilitator shall be responsible for:
- 8 (1) ensuring the client completes a preparation session prior to
9 initiating an administration session;
- 10 (2) ensuring the client is furnished with verbal notice and a
11 written copy of the warnings and other disclosures required by the
12 department during the preparation session;
- 13 (3) determining whether the client is precluded from receiving
14 services by department rule;
- 15 (4) prior to initiating an administration session, ensuring the
16 client completes and signs a client information form;
- 17 (5) transmitting completed client information forms to the
18 psilocybin service center prior to initiating the administration
19 session;
- 20 (6) documenting the completion of all preparation,
21 administration, and integration sessions, as well as the provision of
22 all required warnings and disclosures to the client; and
- 23 (7) ensuring the client is offered the opportunity to participate in
24 an integration session following completion of an administration
25 session.
- 26 g. (1) Each psilocybin service center shall annually report to the
27 department:
- 28 (a) the total number of clients who were provided psilocybin
29 services during the preceding year, including the number of repeat
30 clients served;
- 31 (b) the purposes for which clients requested psilocybin services,
32 including the number of requests received for each type of behavioral
33 health condition or other purpose for which psilocybin services were
34 requested;
- 35 (c) the number of clients who completed a preparation session but
36 not an administration session;
- 37 (d) the total number of clients who elected to complete an
38 integration session;
- 39 (e) the total number of in-house administration sessions
40 performed;
- 41 (f) any adverse events involving a client during an administration
42 session; and
- 43 (g) assessments of client satisfaction with the psilocybin services
44 provided.
- 45 (2) The department shall make the information reported pursuant
46 to paragraph (1) of this section publicly available, provided that
47 nothing in this paragraph shall be construed to authorize the

1 disclosure by the department of any personal identifying information
2 or health information about any individual client.

3 (3) Nothing in paragraph (1) of this subsection shall be construed
4 to require any psilocybin service center to disclose to the department
5 any personal identifying information or health information about any
6 individual client.

7
8 19. No psilocybin service center, psilocybin service facilitator, or
9 other employee of a psilocybin service center may disclose any
10 information about any client that may be used to identify the client,
11 any confidential health or medical information about a client, or any
12 communications between a client and the psilocybin service center,
13 psilocybin service facilitator, or employee of the psilocybin service
14 center, unless:

15 a. the client, or a person authorized to act on the client's behalf,
16 provides written consent authorizing the disclosure;

17 b. disclosure is required to prevent an imminent act that will
18 result in serious physical harm to the client or to any other person;

19 c. disclosure is required to report an act of neglect of a minor or
20 an act of physical, sexual, or emotional abuse of a minor; or

21 d. as may be required by the department in the course of an
22 investigation involving alleged violations of the provisions of this act
23 by the psilocybin service center, psilocybin service facilitator, or
24 employee of the psilocybin service center.

25
26 20. a. A psilocybin product manufacturer may not deliver
27 psilocybin products to any location or entity other than a psilocybin
28 product manufacturer, psilocybin service center, or psilocybin testing
29 laboratory. A psilocybin product manufacturer shall not receive
30 psilocybin products from any entity other than a psilocybin product
31 manufacturer or, as provided in paragraph (2) of subsection b. of this
32 section, a psilocybin service center.

33 b. (1) Except as provided in paragraph (2) of this subsection, a
34 psilocybin service center shall not sell, furnish, or deliver psilocybin
35 products to any entity other than a client, a psilocybin service center,
36 or a psilocybin testing laboratory. A psilocybin service center shall
37 not receive psilocybin products from any entity other than a
38 psilocybin product manufacturer or a psilocybin service center.

39 (2) The department shall establish requirements concerning the
40 return of psilocybin products by a psilocybin service center to a
41 psilocybin product manufacturer, which requirements shall, at a
42 minimum, identify the circumstances under which the psilocybin
43 products may be returned, establish measures to ensure the security
44 and integrity of returned products, and establish requirements to
45 mitigate the risks of adulteration and diversion.

46 c. Psilocybin product manufacturers shall be responsible for
47 ensuring the accurate labeling of all psilocybin products produced
48 and distributed by the manufacturer, which labels shall accurately

1 and comprehensively describe the contents of the product, including,
2 as appropriate, product ingredients, allergen warnings, an expiration
3 or sell by date if needed to ensure product safety and efficacy, as well
4 as anticipated activation time, potency, the size of an individual
5 serving, the total number of servings in the packaged product, and
6 any other information as may be required by the department by
7 regulation. The product labeling shall include a clear statement that
8 the product contains psilocybin, which is a psychoactive substance
9 that can produce intoxication when consumed, that the product
10 should be kept out of the reach of people under 21 years of age, and
11 that the product should not be consumed except under the supervision
12 of a psilocybin service facilitator.

13 d. Psilocybin products purchased by a client from, or sold to a
14 client by, a psilocybin service center or psilocybin service facilitator
15 shall be consumed by the client on the premises of the psilocybin
16 service center, except in the case of a home visit authorized pursuant
17 to paragraph (3) of subsection b. of section 18 of this act, in which
18 case the psilocybin product shall be consumed by the client at the
19 location in which the administration session is held, and the
20 psilocybin service facilitator returns any unconsumed portion of the
21 psilocybin product to the psilocybin service center. Psilocybin
22 products shall not be consumed by a client except under the
23 supervision of a psilocybin service facilitator.

24 e. In order to prevent diversion, accidental ingestion, and
25 accidental injury, the department shall establish requirements for the
26 disposal of partially consumed, unused, adulterated, expired, and
27 mislabeled psilocybin products.

28 f. The department shall have the authority to waive the
29 provisions of subsections a. and b. of this section as may be necessary
30 to implement the provisions of this act.

31

32 21. a. The department may require a psilocybin product
33 manufacturer to test psilocybin products before selling or transferring
34 the psilocybin products to another psilocybin product manufacturer
35 or to a psilocybin service center.

36 b. The department may conduct random testing of psilocybin
37 products for the purpose of determining whether a licensee is in
38 compliance with the requirements of this act.

39 c. The department may not require a psilocybin product to
40 undergo the same test more than once unless the psilocybin product
41 is processed into a different type of psilocybin product or the
42 condition of the psilocybin product has fundamentally changed.

43 d. The testing of psilocybin products shall be restricted to
44 laboratories licensed pursuant to this act.

45

46 22. a. For the purpose of tracking the manufacture and
47 administration of psilocybin products and the transfer of psilocybin
48 products between licensed premises, the department shall either:

- 1 (1) develop a system to track the manufacture and administration
2 of psilocybin products and the transfer of psilocybin products
3 between licensed premises; or
- 4 (2) enter into an agreement with the Cannabis Regulatory
5 Commission authorizing the department to use the system developed
6 and maintained pursuant to section 29 of P.L.2019, c.153 (C.24:6I-
7 22) to track the manufacture and administration of psilocybin
8 products and the transfer of psilocybin products between licensed
9 premises.
- 10 b. In implementing the requirements of subsection a. of this
11 section, the department shall ensure the selected tracking
12 methodology is designed to: prevent the diversion of psilocybin
13 products to other states; prevent the substitution of and tampering
14 with psilocybin products; ensure accurate accounting of the
15 production, processing, and sale of psilocybin products; ensure that
16 the results of laboratory tests of psilocybin products are accurately
17 reported; and ensure compliance with the requirements of this act.
- 18 c. The tracking system implemented by the department pursuant
19 to subsection a. of this section shall, at a minimum, be capable of
20 tracking:
- 21 (1) the manufacture of psilocybin products;
- 22 (2) the sale of psilocybin products by a psilocybin service center
23 operator to a client;
- 24 (3) the sale, purchase, transfer, and delivery of psilocybin
25 products between licensees;
- 26 (4) individual product batches that may be mislabeled,
27 adulterated, or present health or safety risks to clients; and
- 28 (5) any other information that the department determines is
29 reasonably necessary to implement the requirements of this act.
- 30
- 31 23. a. The department may purchase, possess, seize, transfer to a
32 licensee, or dispose of psilocybin products as is necessary for the
33 department to ensure compliance with, and enforce the provisions of,
34 this act.
- 35 b. The department may, upon providing the licensee with 72
36 hours' notice, make an examination of the books of a licensed
37 psilocybin product manufacturer, psilocybin service center, or
38 psilocybin testing laboratory for the purpose of determining
39 compliance with the requirements of this act. The department may,
40 at any time, conduct an inspection of the premises of a licensed
41 psilocybin product manufacturer, psilocybin service center, or
42 psilocybin testing laboratory for the purpose of determining
43 compliance with the requirements of this act.
- 44 c. The department shall allow, but shall not require, the books
45 of a licensee to be maintained on the licensed premises.
- 46 d. The department may require licensees to maintain general
47 liability insurance, in an amount the department determines is
48 reasonably affordable and available, for the purpose of protecting the

1 licensee against damages resulting from a cause of action related to
2 activities authorized under the license held by the licensee.

3 e. The department may immediately restrict, suspend, or refuse
4 to renew a license issued pursuant to this act if:

5 (1) the department finds probable cause exists that a licensee
6 purchased or received a psilocybin product from an unlicensed source
7 or a licensee has sold, stored, or transferred a psilocybin product in a
8 manner that is not permitted under the license held by the licensee;

9 (2) the department determines that a person who has a financial
10 interest in a licensee or an applicant for licensure pursuant to this act
11 committed or failed to commit an act that would constitute grounds
12 for the department to refuse to issue, or to suspend, revoke, or refuse
13 to renew, the license if the person with the financial interest were a
14 licensee or applicant for licensure;

15 (3) the department finds the licensee made any false
16 representation or statement to the department in the licensee's
17 application for licensure or renewal of a license;

18 (4) the department finds the licensee made any false
19 representation or statement to the department to conceal a violation
20 of this act or to otherwise avoid disciplinary action against the
21 licensee;

22 (5) in the case of a psilocybin product manufacturer or a
23 psilocybin service center operator, the licensee is insolvent,
24 incompetent, or physically unable to manage the operations of the
25 licensed entity;

26 (6) in the case of a psilocybin product manufacturer or a
27 psilocybin service center operator, the licensee is cited by the
28 department three or more times within a 12-month period for selling
29 or offering for sale mislabeled or adulterated psilocybin products, or
30 for selling or furnishing a psilocybin product to a person who is
31 younger than 21 years of age or who is not a client of the licensee;

32 (7) following issuance of the license, the licensee is convicted of,
33 adjudicated guilty to, or pleads guilty to a disqualifying conviction,
34 as defined in subsection e. of section 8 of this act; or

35 (8) the department determines that allowing the individual to hold
36 or retain a license issued under this act would present a risk to the
37 public health and safety.

38 f. An entity whose application for renewal of a license is denied
39 or whose license is restricted, suspended, or revoked pursuant to
40 subsection e. of this section shall be entitled to a hearing before the
41 department concerning the department's action. The department
42 shall issue a final order or decision following the hearing, which final
43 order or decision may be appealed to the Appellate Division of the
44 Superior Court.

45 g. Notwithstanding the lapse, suspension, or revocation of a
46 license or permit issued pursuant to this act, the department may:

1 (1) proceed with any investigation of, or any action or
2 disciplinary proceeding against, the person who held the license or
3 permit, as applicable; and

4 (2) revise or render void an order suspending or revoking the
5 license or permit, as applicable.

6 h. In cases involving the proposed denial of a license or permit
7 issued pursuant to this act, the applicant for licensure or a permit may
8 not withdraw the licensure or permit application that is proposed for
9 denial.

10

11 24. a. A psilocybin product manufacturer, psilocybin service
12 center, psilocybin testing laboratory, psilocybin service facilitator,
13 employee of a psilocybin product manufacturer, psilocybin service
14 center, or psilocybin testing laboratory, or a psilocybin service
15 facilitator or client, who engages in conduct authorized under this act
16 shall be immune from criminal liability under chapter 35 and chapter
17 36 of Title 2C of the New Jersey Statutes.

18 b. It shall be unlawful to take any adverse employment action
19 against an employee who receives psilocybin services pursuant to
20 this act, unless the employee is visibly impaired while at work, and
21 an employer may not test an employee for the presence of psilocybin
22 in the employee's system unless the employee exhibits clear,
23 observable symptoms of impairment.

24 c. Conduct permitted by this act shall not, by itself, constitute
25 child abuse or neglect or constitute a basis to deny parenting time
26 with a child without a finding of actual threat to the health or welfare
27 of a child based on relevant factors.

28 d. Conduct permitted by this act shall not, by itself, constitute a
29 basis to deny eligibility for any public assistance program.

30 e. Treatment for behavioral health, mental health, or substance
31 use disorders, or other health care a client is otherwise eligible to
32 receive, shall not be denied on the basis that the care or treatment is
33 covered in conjunction with psilocybin services or that psilocybin is
34 prohibited by federal law.

35 e. No contract shall be held to be unenforceable on the basis that
36 psilocybin is prohibited by federal law.

37 f. A holder of a professional or occupational license,
38 certification, or registration shall not be subject to professional
39 discipline or loss of a professional license or certification for
40 providing advice or services related to psilocybin or for applications
41 for licensure under this act.

42

43 25. a. The governing body of a county or municipality may adopt,
44 by ordinance, reasonable regulations on the operation of psilocybin
45 product manufacturers and psilocybin service centers located within
46 that county or municipality.

1 b. No county or municipality shall be authorized to establish any
2 taxes or fees on the manufacture or sale of psilocybin products or the
3 provision of psilocybin services.

4
5 26. a. The department shall establish, by regulation:

6 (1) requirements concerning the form, manner, and fees to apply
7 for initial and renewal licenses for psilocybin product manufacturers,
8 psilocybin service center operators, psilocybin testing laboratories
9 and psilocybin service facilitators, as well as the fees to apply for
10 initial and renewed psilocybin worker permits, which fees shall not
11 exceed the administrative costs to the department of processing
12 licensure applications and administering the provisions of this act;

13 (2) the eligibility criteria for licensure as a psilocybin product
14 manufacturer, psilocybin service center, psilocybin testing
15 laboratory, and psilocybin service facilitator and for issuance of
16 psilocybin worker permits;

17 (3) eligibility criteria to qualify for the social opportunity
18 program established pursuant to section 11 of this act, as well as the
19 standards and requirements for administration of the social
20 opportunity program;

21 (4) criteria for designating areas as distressed areas for the
22 purposes of section 11 of this act;

23 (5) best practices for psilocybin product manufacturers,
24 psilocybin service centers, psilocybin testing laboratories, and
25 psilocybin service facilitators;

26 (6) health and safety standards for psilocybin product
27 manufacturers, psilocybin service centers, psilocybin testing
28 laboratories, and psilocybin service facilitators;

29 (7) the qualification, training, education, and fitness standards for
30 licensure as a psilocybin service facilitator, with particular
31 consideration of:

32 (a) facilitation skills that are affirming, nonjudgmental, culturally
33 competent, and nondirective;

34 (b) support skills for clients during an administration session,
35 including specialized skills for client safety and clients who may
36 have a behavioral health disorder;

37 (c) the environment in which psilocybin services should occur;
38 and

39 (d) social and cultural considerations;

40 (8) establishing the standards for approval of one or more
41 psilocybin service facilitator training courses, which shall include:

42 (a) requirements for training course providers to submit to the
43 department an outline of instruction that identifies the approved
44 courses, the total number of hours of instruction, the number of hours
45 of instruction in theory, and the number of hours of instruction in
46 application of practical skills;

47 (b) requirements for psilocybin service facilitator training
48 courses to be modular, thereby allowing the offer of both

- 1 comprehensive training programs and partial training programs,
2 allowing a candidate to piece together a training curriculum from
3 among the modules offered by different training programs; and
- 4 (c) allowing the core curriculum in psilocybin service facilitator
5 training to be completed in person or through distance education,
6 provided that the practical portion of the curriculum is completed in
7 person;
- 8 (9) establishing or approving a psilocybin service facilitator
9 examination, which examination shall be offered at least twice per
10 year;
- 11 (10) establishing a code of professional conduct and a code of
12 ethics for psilocybin service facilitators;
- 13 (11) requirements for the contents, completion, and retention of
14 client information forms, which forms shall:
- 15 (a) solicit the information necessary for a psilocybin service
16 center operator and a psilocybin service facilitator to determine
17 whether an administration session is appropriate for the client,
18 including information identifying client risk factors and
19 contraindications; and
- 20 (b) solicit the information necessary for the psilocybin service
21 center operator and the psilocybin service facilitator to meet
22 applicable public health and safety standards and industry best
23 practices during the administration session;
- 24 (12) requirements concerning the warnings and disclosures to be
25 furnished to clients during a preparation session;
- 26 (13) procedures to verify and document that a client has
27 completed a preparation session prior to initiating an administration
28 session, as well as to document that a client has completed an
29 administration session and, if applicable, a integration session;
- 30 (14) standards and protocols concerning the circumstances under
31 which a psilocybin service center or psilocybin service facilitator
32 may cease to provide psilocybin services to a client after the client
33 has ingested a psilocybin product, which standards and protocols
34 shall include mandatory procedures to be followed as are necessary
35 to ensure the health and safety of the client;
- 36 (15) requirements for licensees to maintain general liability
37 insurance, if the department deems the maintenance of general
38 liability insurance to be necessary and appropriate;
- 39 (16) requirements for labeling psilocybin products, including, as
40 appropriate, requirements for the psilocybin product label to list all
41 product ingredients, the source of the product, the age of the product,
42 allergen warnings, and an expiration or sell by date if necessary to
43 ensure the safety or efficacy of the product, as well as anticipated
44 activation time, potency, the number of servings in the product and
45 the size of an individual serving, and any other requirements as may
46 be appropriate for specific types of psilocybin products;
- 47 (17) requirements for psilocybin product packaging, which
48 requirements:

- 1 (a) may include different packaging requirements for different
- 2 types of psilocybin products;
- 3 (b) shall seek to minimize the impact of psilocybin product
- 4 packaging on the environment; and
- 5 (c) may require the psilocybin product packaging to include
- 6 child-resistant safety features;
- 7 (18) in consultation with the Cannabis Regulatory Commission
- 8 and the Department of Agriculture:
 - 9 (a) developing standards for testing psilocybin products;
 - 10 (b) identifying appropriate tests for psilocybin products,
 - 11 depending on the type of psilocybin product and the manner in which
 - 12 the psilocybin product is manufactured, including, but not limited to,
 - 13 tests for:
 - 14 (i) microbiological contaminants;
 - 15 (ii) pesticides;
 - 16 (iii) other contaminants;
 - 17 (iv) solvents or residual solvents; and
 - 18 (v) psilocybin concentration;
 - 19 (c) establishing procedures for determining batch sizes and for
 - 20 sampling psilocybin products; and
 - 21 (d) establishing minimum quality and safety standards specific to
 - 22 different types of psilocybin products;
- 23 (19) penalties for licensees that sell or offer for sale psilocybin
- 24 products that include a misleading or deceptive label, that include a
- 25 label that fails to accurately describe the contents of the psilocybin
- 26 product, or that are packaged in a manner that is not consistent with
- 27 psilocybin product packaging requirements;
- 28 (20) penalties for licensees that sell or offer for sale adulterated
- 29 psilocybin products, as well as protocols for identifying, tracking the
- 30 source of, and removing from the marketplace, adulterated psilocybin
- 31 products;
- 32 (21) standards for when the department will require psilocybin
- 33 product manufacturers to submit proposed psilocybin product labels
- 34 and proposed psilocybin product packaging to the department for
- 35 approval prior to the label or packaging being put into use, as well as
- 36 reasonable fees for conducting psilocybin product label and
- 37 packaging approval reviews, which fees shall not exceed the cost to
- 38 the department of conducting the review;
- 39 (22) restrictions on the maximum concentration of psilocybin that
- 40 is permitted in a single serving of a psilocybin product and the
- 41 maximum number of servings that is permitted in a psilocybin
- 42 product package;
- 43 (23) the criteria for determining whether a client qualifies for an
- 44 in-home administration session pursuant to paragraph (3) of
- 45 subsection b. of section 18 of this act, and the procedures,
- 46 requirements, and best practices for in-home administration sessions;

1 (24) requirements for reporting to the department adverse events
2 occurring during an administration session, including a description
3 of any factors that likely contributed to the adverse event;

4 (25) requirements and restrictions concerning the advertising of
5 psilocybin services by psilocybin service centers and psilocybin
6 service facilitators; and

7 (26) the categories and types of data that each type of licensee
8 will be required to collect and report to the department.

9 b. In adopting rules and regulations pursuant to this section, the
10 department shall consider the cost of the proposed regulation and
11 how it will affect the cost of psilocybin products for clients.

12 c. The department shall not adopt rules and regulations that are
13 more restrictive than is reasonably necessary to protect the public
14 health and safety.

15

16 27. Nothing in this act shall be construed to:

17 a. require a government medical assistance program or private
18 health insurer to reimburse a person for costs associated with the use
19 of psilocybin products;

20 b. prohibit a recipient of a federal grant or an applicant for a
21 federal grant from prohibiting the manufacture, delivery, possession,
22 or use of psilocybin products to the extent necessary to satisfy federal
23 requirements for the grant;

24 c. prohibit a party to a federal contract or a person applying to
25 be a party to a federal contract from prohibiting the manufacture,
26 delivery, possession, or use of psilocybin products to the extent
27 necessary to comply with the terms and conditions of the contract or
28 to satisfy federal requirements for the contract;

29 d. obstruct the enforcement of federal law; or

30 e. deem psilocybin services to constitute a medical diagnosis or
31 medical treatment.

32

33 28. a. No later than 18 months after the effective date of this act,
34 the Psilocybin Behavioral Health Services Advisory Board shall
35 prepare and submit a report to the Department of Health, the
36 Governor, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
37 19.1), the Legislature, outlining its findings and recommendations to
38 the department concerning the implementation of this act.

39 b. Commencing one year after the end of the 18-month program
40 development period, and annually thereafter, the Commissioner of
41 Health shall prepare, submit to the Governor and, pursuant to section
42 2 of P.L.1991, c.164 (C.52:14-19.1), the Legislature, and make
43 available on the Internet website of the Department of Health, a
44 report concerning the department's implementation and
45 administration of this act. The report shall include, at a minimum:
46 the total number of psilocybin product manufacturer, psilocybin
47 service center, psilocybin testing laboratory, and psilocybin service
48 facilitator licenses and the total number of psilocybin worker permits

1 issued pursuant to this act; the total number of psilocybin facilitator
2 training programs approved; the total number of clients served during
3 the preceding one-year period and the number of those clients who
4 previously received psilocybin services; the purposes for which
5 clients requested psilocybin services, including the types of
6 behavioral health conditions and the nature of any other purposes for
7 which psilocybin services were requested; the number of in-home
8 administration sessions provided during the preceding one-year
9 period; any adverse events reported during the preceding one-year
10 period; the number of psilocybin products tested during the preceding
11 one-year period; any incidents during the preceding one-year period
12 involving, and any disciplinary actions taken in response to, the sale,
13 distribution, or administration of adulterated, mislabeled, or
14 deceptively labeled psilocybin products; recommendations for
15 legislation or other action related to the implementation or
16 administration of this act; and any other information or
17 recommendations as the commissioner deems necessary and
18 appropriate.

19

20 29. a. Except as otherwise provided in this act, the acts
21 enumerated in subsection b. of this section shall not:

22 (1) be deemed unlawful or considered an offense under State law
23 or the laws of any county or municipal governing body;

24 (2) constitute the basis to assess against any person a civil penalty,
25 a civil sanction, or professional or administrative discipline;

26 (3) constitute the basis for detention, search, or arrest of any
27 person; or

28 (4) constitute the basis to deny a person any right or privilege, or
29 to seize or forfeit the assets of any person under State law or the laws
30 of any county or municipal governing body, provided the person is at
31 least 21 years of age.

32 b. (1) Possessing, storing, using, ingesting, inhaling,
33 processing, transporting, delivering without consideration, or
34 distributing without consideration four grams or less of psilocybin.

35 (2) Growing, cultivating, or processing plants or fungi capable of
36 producing psilocybin for personal use and possessing the psilocybin
37 produced if the plants and fungi are kept on the grounds of a private
38 home or residence and are kept secure from access by persons under
39 21 years of age.

40 (3) Assisting another person who is 21 years of age or older, or
41 allowing property to be used, in the course of engaging in any of the
42 actions or conduct permitted under paragraphs (1) or (2) of this
43 subsection.

44

45 30. a. A person currently serving a sentence for a conviction,
46 whether by trial or by plea of guilty or nolo contendere, who would
47 not have been guilty of the offense or who would have been guilty of
48 a lesser offense under this act had it been in effect at the time of the

1 offense, may file a petition for resentencing, reversal of conviction
2 and dismissal of case, or modification of judgment and sentence
3 before the trial court that entered the judgment of conviction in the
4 person's case to request resentencing, modification, or reversal in
5 accordance with this act.

6 b. Upon receiving a petition submitted pursuant to subsection a.
7 of this section, the court shall presume the petitioner satisfies the
8 criteria in subsection a. of this section and shall, without delay,
9 resentence, reverse the conviction as legally invalid, or modify the
10 judgment and sentence, unless the State opposes the petition or
11 alleges that granting the petition would pose an unreasonable risk of
12 danger to an identifiable individual's safety.

13 c. In the event that the State opposes a petition submitted
14 pursuant to subsection a. of this section or alleges that granting the
15 petition would pose an unreasonable risk of danger to an identifiable
16 individual's safety, the petitioner shall be entitled to a hearing on the
17 record, including the opportunity to question witnesses and present
18 evidence supporting the granting of an order for resentencing,
19 reversal and dismissal, or modification of the judgment and sentence.
20 The State shall bear the burden of proving, by clear and convincing
21 evidence, that the petitioner does not satisfy the criteria in subsection
22 a. of this section or that granting the petition would pose an
23 unreasonable risk of danger to an identifiable individual if alleged.
24 Unless the State sustains its burden, the court shall resentence,
25 reverse the conviction as legally invalid and dismiss the case, or
26 modify the judgment and sentence. Any outstanding fines, court
27 costs, and fees imposed in connection with the conviction at issue
28 shall be waived.

29 d. Any person brought before the court upon an application to
30 revoke a suspended sentence for a conviction that would not have
31 been an offense or would have been a lesser offense had this act been
32 in effect at the time of the offense shall have the person's sentence
33 vacated or modified in accordance with the provisions of this act.
34 Any person brought before the court upon an application to accelerate
35 a deferred sentence for charges that would not have been an offense
36 or would have been a lesser offense had this act been in effect at the
37 time of the offense shall have the charges brought against the person
38 vacated or modified in accordance with the provisions of this act.
39 Any outstanding fines, court costs, and fees imposed in connection
40 with the conviction at issue shall be waived.

41 e. Under no circumstance shall a resentencing, reversal and
42 dismissal, modification, revocation, or acceleration granted pursuant
43 to this section result in the imposition of a supervision or
44 imprisonment term longer than the original sentence, or the
45 reinstatement of charges dismissed pursuant to a negotiated plea
46 agreement, or require the payment of any additional fines or fees
47 beyond those authorized by this act.

1 f. A person who has completed a sentence for a conviction,
2 whether by trial or plea of guilty or nolo contendere, who would not
3 have been guilty of the offense or who would have been guilty of a
4 lesser offense under this act had it been in effect at the time of the
5 offense, may file a petition before the trial court that entered the
6 judgment of conviction in the person's case to have the conviction
7 dismissed, expunged, and vacated as legally invalid or redesignated
8 as a civil infraction in accordance with this act.

9 g. The court shall presume that an applicant who submits a
10 petition pursuant to subsection f. of this section satisfies the criteria
11 in subsection f. of this section unless the State opposes the
12 application and proves by clear and convincing evidence that the
13 petitioner does not satisfy the criteria in subsection f. of this section.
14 If the petitioner satisfies the criteria in subsection f. of this section,
15 the court shall redesignate the conviction as a civil infraction or
16 dismiss, expunge, and vacate the conviction as legally invalid in
17 accordance with this act. Any outstanding fines, court costs, and fees
18 imposed in connection with the conviction at issue shall be waived.

19 h. Unless requested by the applicant, no hearing is necessary to
20 grant or deny an application filed under subsection f. of this section.

21 i. Any conviction for a crime or criminal offense that is
22 modified, resentenced, or redesignated as a civil infraction pursuant
23 to subsection a., subsection d., or subsection f. of this section shall
24 be considered a civil infraction for all purposes.

25 j. If the court that originally sentenced the petitioner is not
26 available, the presiding judge shall designate another judge to rule on
27 the petition or application.

28 k. Nothing in this section shall be construed to diminish or
29 abrogate any rights or remedies otherwise available to the petitioner
30 or applicant who submits a petition pursuant to this section.

31 l. The provisions of this section shall apply equally to juvenile
32 cases if the juvenile would have been guilty of a lesser offense under
33 this act.

34

35 31. This act shall take effect the first day of the fourth month next
36 following the date of enactment, except that the Governor and the
37 Commissioner of Health may take any anticipatory administrative
38 action in advance as shall be necessary for the implementation of this
39 act.

40

41

42

STATEMENT

43

44 This bill, designated the "Psilocybin Behavioral Health Access
45 and Services Act," establishes a framework for the regulated
46 production and use of psilocybin in connection with behavioral
47 health care and preventative behavioral health treatment,
48 decriminalizes the production, dispensing, and use of psilocybin by

1 persons over 21 years of age, and expunges past and pending offenses
2 for conduct involving psilocybin that is authorized under the bill.

3

4 Psilocybin Behavioral Health Access and Services Advisory Board

5

6 The bill establishes in the Department of Health (DOH) the
7 Psilocybin Behavioral Health Access and Services Advisory Board.

8 The board will comprise 18 members, including:

9 1) the Commissioner of Health, the Deputy Commissioner for
10 Public Health Services, and the Attorney General, or their designees,
11 who will serve as ex officio, nonvoting members;

12 2) a representative from the DOH who is familiar with public
13 health programs and public health activities in New Jersey and a
14 designee of the Public Health Council in the Department of Health,
15 who will serve at the pleasure of the commissioner as nonvoting
16 members;

17 3) a representative from the Cannabis Regulatory Commission
18 who has expertise in the tracking of cannabis items, who will serve
19 at the pleasure of the commission as a nonvoting member; and

20 4) 12 public members, to be appointed by the Governor, which
21 members are to include individuals with expertise in areas related to
22 behavioral health care; public health; clinical research related to the
23 use of psychedelic compounds in clinical therapy; mycology,
24 ethnobotany, or psychopharmacology; issues confronting veterans;
25 the traditional, cultural, and religious uses of psilocybin; emergency
26 medical services; harm reduction and drug policy; and racial and
27 economic equity and health care access.

28 The public members of the board will serve for a term of four
29 years, with staggered terms of appointment for the members first
30 appointed, and will be eligible for reappointment. The Governor will
31 be required to appoint the public members no later than 60 days after
32 the effective date of the bill. The board will organize upon the
33 appointment of the public members and select a chairperson and a
34 vice-chairperson from among the membership. The chairperson will
35 appoint a secretary, who need not be a member of the board. The
36 members of the board will serve without compensation but may be
37 reimbursed for reasonable expenses incurred in the performance of
38 their official duties, within the limits of funds made available to the
39 board for this purpose.

40 During an 18-month program development period established
41 under the bill, the board will be required to meet at least once every
42 calendar month, at a time and place designated by the chairperson.
43 Following the end of the 18-month program development period, the
44 board will meet at least quarterly at a time and place designated by
45 the chairperson. The board will additionally meet at any time at the
46 call of the chairperson or at the call of a majority of the public
47 members. The board will be authorized to establish committees and
48 subcommittees as are necessary for the board's operation.

1 The purpose of the board will be to provide advice and
2 recommendations to the DOH, upon request or upon the board's own
3 initiative, concerning the implementation of the bill, including
4 providing recommendations to the department concerning:

5 1) educating the public about the use of psilocybin in behavioral
6 health care;

7 2) available studies and research concerning the safety of
8 psilocybin and its efficacy in ameliorating behavioral health
9 conditions, as well as the potential for psilocybin to promote
10 community, address trauma, and enhance physical and mental
11 wellness;

12 3) the requirements, specifications, and guidelines for providing
13 psilocybin services to a client, including requirements specific to
14 documenting services, screening clients for potential health or safety
15 issues, and providing clients with certain information;

16 4) public health and safety standards and industry best practices
17 for psilocybin businesses and psilocybin service facilitators;

18 5) the formulation of a code of professional conduct for
19 psilocybin service facilitators;

20 6) the education and training requirements for psilocybin service
21 facilitators;

22 7) the examinations that psilocybin service facilitators will be
23 required to successfully complete as a condition of licensure;

24 8) public health and safety standards and industry best practices
25 for holding and completing a psilocybin administration session,
26 including;

27 9) the qualification criteria and amount to be charged in license
28 application and issuance fees;

29 10) requirements and restrictions for advertising psilocybin
30 services;

31 11) standards, protocols, and best practices for in-home
32 psilocybin administration sessions;

33 12) requirements for tracking psilocybin products;

34 13) requirements concerning the transportation and delivery of
35 psilocybin products between psilocybin businesses;

36 14) requirements for the social opportunity program established
37 under the bill to promote social equity and accessibility;

38 15) development of a long-term strategic plan for ensuring that
39 psilocybin services are a safe, accessible, and affordable wellness
40 option; and

41 16) monitoring and studying federal laws, regulations, and
42 policies regarding psilocybin.

43 The board will vote upon and submit recommendations to the
44 DOH according to a schedule agreed upon by the DOH. Advice and
45 recommendations are to be made in consideration of federal laws,
46 regulations, and policies concerning psilocybin.

47 No later than 18 months after the effective date of this act, the
48 board will be required to prepare and submit a report to the DOH, the

1 Governor, and the Legislature, outlining its findings and
2 recommendations concerning the implementation of the bill.

3

4

Psilocybin Licensure Requirements

5

6 An applicant for an initial or renewed license or permit related to
7 psilocybin will be required to submit the application in a form and
8 manner specified by the DOH. In the case of an applicant for
9 issuance or renewal of a psilocybin product manufacturer license,
10 psilocybin service center operator license, or psilocybin testing
11 laboratory license, the application is to identify the proposed location
12 of the premises that is to be operated under the license.

13 The DOH will promptly review and approve or deny any
14 application for licensure or issuance of a permit. The DOH may
15 reject an application that is not submitted in a form and manner
16 required by the department. An applicant whose application is
17 rejected will not be prohibited from submitting subsequent
18 applications for licensure or a permit, or for renewal of a license or
19 permit. No psilocybin license or permit may be issued to any
20 applicant who is younger than 21 years of age.

21 The DOH may refuse to issue or renew a license or permit, or may
22 issue a restricted license or permit, to an applicant upon finding that
23 the applicant: has not completed the requirements for the license or
24 permit; made false statements to the DOH; in the case of a psilocybin
25 manufacturer, service center, or testing permit, demonstrates a lack
26 of capacity or incompetency to carry on the management of the
27 facility that is the subject of the application; has been convicted of
28 violating a federal law, State law, or local ordinance, if the conviction
29 is substantially related to the fitness and ability of the applicant to
30 lawfully carry out activities authorized or required under the license
31 or permit; has an unsatisfactory record of compliance with the
32 requirements of the bill; in the case of an applicant for a psilocybin
33 product manufacturer license, a psilocybin service center operator
34 license, or a psilocybin testing laboratory license, fails to submit
35 documentation demonstrating that the applicant will have final
36 control of the premises both within six months after the application
37 is submitted and upon approval of the application and, if the applicant
38 will lease the premises, certification from the landlord that the
39 landlord is aware that the tenant's use of the premises will involve
40 activities related to psilocybin; in the case of an applicant for a
41 psilocybin product manufacturer license, a psilocybin service center
42 operator license, or a psilocybin testing laboratory license, has not
43 demonstrated financial responsibility sufficient to adequately meet
44 the requirements of the facility that is the subject of the application;
45 or for other good cause as determined by the DOH.

46 The application and issuance fees may not exceed the
47 administrative costs to the DOH of processing the application and
48 administering the provisions of the bill. A license or permit issued

1 under the bill will be valid for one year. The DOH will be prohibited
2 from issuing any psilocybin product manufacturer, psilocybin service
3 center, psilocybin testing laboratory, or psilocybin service facilitator
4 license, or any psilocybin worker permit, during the 18-month
5 development period.

6 Each applicant for a license or permit issued under the bill will be
7 required to undergo a criminal history record background check. The
8 applicant will bear the cost of the criminal history record background
9 check. The DOH may not approve an applicant for a license or permit
10 under the bill if the criminal history record background information
11 of the applicant reveals a disqualifying conviction for a crime of the
12 first, second, or third degree involving certain offenses involving the
13 production, distribution, or possession of controlled dangerous
14 substances, other than certain offenses involving cannabis or
15 psilocybin. The DOH may offer provisional authority for an
16 applicant to be issued a license or permit under the bill, for a period
17 not to exceed three months, if the applicant submits to the DOH a
18 sworn statement attesting that the applicant has not been convicted
19 of any disqualifying conviction. The Division of State Police will be
20 required to notify the DOH if any person required to complete a
21 criminal history background check under the bill is subsequently
22 convicted of a disqualifying conviction.

23 Under the bill, an applicant for a license or permit who has a
24 disqualifying conviction may still be issued a license or permit if the
25 applicant has affirmatively demonstrated to the DOH clear and
26 convincing evidence of rehabilitation.

27 No application for a psilocybin product manufacturer or
28 psilocybin service center operator license may be approved unless it
29 includes a description of the proposed location for the applicant's site,
30 including: the proposed location, the surrounding area, and the
31 suitability or advantages of the proposed location, along with a floor
32 plan and optional renderings or architectural or engineering plans;
33 and documentation of zoning approvals for the proposed location.

34 The DOH may require a licensed psilocybin product
35 manufacturer, psilocybin service center operator, or psilocybin
36 testing laboratory, or an applicant for a psilocybin product
37 manufacturer, psilocybin service center operator, or psilocybin
38 testing laboratory license, to submit to the DOH a sworn statement
39 identifying the name and address of each person holding a financial
40 interest in the licensee or the applicant for licensure, and the nature
41 and extent of the financial interest held by each person holding a
42 financial interest in the licensee or the applicant for licensure.

43 A person may hold multiple psilocybin service center operator
44 licenses and may hold both a psilocybin product manufacturer license
45 and one or more psilocybin service center operator licenses, which
46 licenses may be issued for the same or for different premises,
47 provided that no individual may have a financial interest in more than
48 one psilocybin product manufacturer or more than five psilocybin

1 service centers. The DOH may require a person issued both a
2 psilocybin product manufacturer license and a psilocybin service
3 center license for the same premises to require the premises be
4 segregated into separate areas for conducting the activities authorized
5 under each license, as may be necessary to protect the public health
6 and safety.

7 The DOH may immediately restrict, suspend, or refuse to renew a
8 license issued pursuant to this act if:

9 1) the DOH finds probable cause exists that a licensee purchased
10 or received a psilocybin product from an unlicensed source or sold,
11 stored, or transferred a psilocybin product in an unauthorized
12 manner;

13 2) the DOH determines that a person who has a financial interest
14 in a licensee or an applicant for licensure committed or failed to
15 commit an act that disqualifies the individual for licensure;

16 3) the DOH finds the licensee made any false representation or
17 statement in the licensee's application for licensure or renewal;

18 4) the DOH finds the licensee made any false representation or
19 statement to the DOH to conceal a violation of the bill or to otherwise
20 avoid disciplinary action against the licensee;

21 5) in the case of a psilocybin product manufacturer or a
22 psilocybin service center operator, the licensee is insolvent,
23 incompetent, or physically unable to manage the operations of the
24 licensed entity;

25 6) in the case of a psilocybin product manufacturer or a
26 psilocybin service center operator, the licensee is cited by the
27 department three or more times within a 12-month period for selling
28 or offering for sale mislabeled or adulterated psilocybin products, or
29 for selling or furnishing a psilocybin product to a person who is
30 younger than 21 years of age or who is not a client of the licensee;

31 7) following issuance of the license, the licensee is convicted of,
32 adjudicated guilty to, or pleads guilty to a disqualifying conviction;
33 or

34 8) the DOH determines that allowing the individual to hold or
35 retain the license would present a risk to the public health and safety.

36 An entity whose application for renewal of a license is denied or
37 whose license is restricted, suspended, or revoked will be entitled to
38 a hearing before the DOH concerning the action. The DOH will issue
39 a final order or decision following the hearing, which final order or
40 decision may be appealed to the Appellate Division of the Superior
41 Court. Notwithstanding the lapse, suspension, or revocation of a
42 license or permit issued under the bill, the DOH may: proceed with
43 any investigation of, or any action or disciplinary proceeding against,
44 the person who held the license or permit, as applicable; and revise
45 or render void an order suspending or revoking the license or permit,
46 as applicable. In cases involving the proposed denial of a license or
47 permit, the applicant for licensure or a permit may not withdraw the
48 licensure or permit application that is proposed for denial.

Psilocybin Worker Permits

1
2
3 No person who is younger than 21 years of age may be employed
4 at any psilocybin product manufacturer, psilocybin service center, or
5 psilocybin testing laboratory. The DOH may require a licensee to
6 furnish proof that all employees of the licensee are 21 years of age or
7 older, and may require any person for whom proof of age is
8 unavailable to leave the licensed premises until such time as the
9 person presents acceptable proof of age. Failure to provide proof of
10 age for an employee within a reasonable period of time will constitute
11 prima facie evidence that the licensee knowingly employed the
12 person in violation of this prohibition.

13 No individual will be authorized to engage in any activities
14 involving the manufacture, processing, transportation, delivery,
15 testing, sale, or administration of psilocybin products, provide
16 psilocybin services, or engage in other activities related to the
17 manufacture, processing, transportation, delivery, testing, sale, or
18 administration of psilocybin products or the provision of psilocybin
19 services, unless the individual holds a current, valid psilocybin
20 worker permit issued by the DOH. Each psilocybin product
21 manufacturer, psilocybin service center, and psilocybin testing
22 laboratory will be required to ensure that each employee of the
23 psilocybin product manufacturer, psilocybin service center, or
24 psilocybin testing laboratory, as applicable, including any psilocybin
25 service facilitator employed by the licensee, possesses a current,
26 valid psilocybin worker permit.

27 Applications for psilocybin worker permits are to be submitted in
28 a form and manner as required by the DOH. A psilocybin worker
29 permit will be valid for one year and will be subject to renewal. The
30 DOH is to establish reasonable application and issuance fees for
31 psilocybin worker permits, which fees may not exceed the cost to the
32 DOH of processing the application and issuing the permit.

33 The DOH may require applicants for a psilocybin worker permit
34 to complete a course provided or approved by the DOH, which course
35 may include training in: verifying client ages; detecting signs of
36 client intoxication; safe and sanitary handling of psilocybin products;
37 best practices for sanitation and for the safe production, processing,
38 transportation, and storage of psilocybin products; confidentiality
39 requirements; and any other topics the department determines to be
40 appropriate. The department may charge, or authorize a course
41 provider to charge, a reasonable fee, not to exceed \$250 for a
42 psilocybin worker training course. The DOH may not require an
43 individual to attend a psilocybin worker course more than one time,
44 except in cases where the individual's psilocybin worker permit has
45 been suspended or revoked, in which case the DOH may require the
46 individual to complete the course as a condition of removing the
47 suspension or issuing a new permit to the individual.

1 Psilocybin Product Manufacturers and Service Centers

2

3 The DOH will designate specific activities that will be authorized
4 for psilocybin product manufacturers, and a psilocybin product
5 manufacturer will not engage in a psilocybin manufacturing activity
6 unless the manufacturer holds an endorsement authorizing the
7 manufacturer to engage in that specific activity. A psilocybin
8 product manufacturer will not be limited in the number of
9 endorsements the manufacturer holds at one time, and may request
10 approval from the DOH for additional endorsements at any time. The
11 DOH is to approve a request for an additional endorsement unless the
12 DOH determines that the psilocybin product manufacturer will be
13 unable to meet the requirements for the requested endorsement.
14 Denial of a request for an additional endorsement will not preclude a
15 manufacturer from submitting a subsequent request for approval of
16 the same or any other endorsement.

17 The DOH will be required to establish a psilocybin product
18 manufacturer microbusiness license, the fees for which will be no
19 more than half the fee applicable to full psilocybin product
20 manufacturer license. A license issued to a microbusiness will be
21 valid for one year and may be renewed annually. A microbusiness
22 will be required to meet the following requirements: at least 51
23 percent of the owners, directors, officers, and employees of the
24 microbusiness are residents of the municipality in which the
25 microbusiness is or will be located or a bordering municipality; the
26 microbusiness may employ no more than 10 employees at one time,
27 inclusive of any owners, officers, and directors; and the entire
28 microbusiness facility occupies an area of no more than 2,500 square
29 feet.

30 The DOH may restrict the quantity or volume of psilocybin
31 annually produced by a psilocybin product manufacturer, which may
32 include establishing specific, lower quantity or volume limits for
33 psilocybin product manufacturers issued a microbusiness license. In
34 establishing quantity or volume restrictions, the DOH is to take into
35 consideration the demand for psilocybin services in the State, the
36 number of entities issued psilocybin product manufacturer licenses
37 and the number of applicants for psilocybin product manufacturer
38 licenses, and the number of each type of endorsement held by
39 psilocybin product manufacturers, as well as the geographic
40 distribution of licensees, applicants, and endorsements throughout
41 the State.

42 In no case may psilocybin manufacturing activities be conducted
43 in an outdoor area. The bill provides that no psilocybin service center
44 may be approved for any location that is entirely zoned for residential
45 use or that is within 1,000 feet of an elementary or secondary school,
46 subject to certain exceptions. Psilocybin service center operators will
47 be required to take steps to prevent noisy, lewd, disorderly, and
48 disruptive conduct on the licensee's premises and ensure the

1 premises are maintained in a safe and sanitary condition. Psilocybin
2 service centers will not constitute a health care facility licensed
3 pursuant to P.L.1971, c.163 (C.26:2H-1 et seq.).

4 Psilocybin product manufacturers and psilocybin service centers
5 may not advertise any psilocybin products to the public. However,
6 psilocybin service centers will be allowed to furnish information
7 concerning psilocybin products that are available from the psilocybin
8 service center to clients present in the interior premises of the center
9 or during the course of a preparation session, and psilocybin product
10 manufacturers may provide information concerning the
11 manufacturer's products to psilocybin service centers and psilocybin
12 service facilitators.

13 Psilocybin service centers and psilocybin service facilitators may
14 advertise psilocybin services, provided such advertisements do not:
15 appeal to minors; promote excessive use of psilocybin; promote
16 illegal activity; violate the code of professional conduct for
17 psilocybin service facilitators; or otherwise present a significant risk
18 to public health and safety.

19 Psilocybin product manufacturers may not deliver psilocybin
20 products to any location or entity other than a psilocybin product
21 manufacturer, psilocybin service center, or psilocybin testing
22 laboratory. Psilocybin product manufacturers may not receive
23 psilocybin products from any entity other than a psilocybin product
24 manufacturer or from a psilocybin service center. Psilocybin service
25 centers may not sell, furnish, or deliver psilocybin products to any
26 entity other than a client, a psilocybin service center, or a psilocybin
27 testing laboratory, and may not receive psilocybin products from any
28 entity other than a psilocybin product manufacturer or a psilocybin
29 service center. The DOH is to establish requirements concerning the
30 return of psilocybin products by a psilocybin service center to a
31 psilocybin product manufacturer, which requirements are to, at
32 a minimum, identify the circumstances under which psilocybin
33 products may be returned, establish measures to ensure the security
34 and integrity of returned products, and establish requirements to
35 mitigate the risks of adulteration and diversion.

36 Psilocybin product manufacturers will be responsible for ensuring
37 the accurate labeling of all psilocybin products produced and
38 distributed by the manufacturer, which labels are to accurately and
39 comprehensively describe the contents of the product, including, as
40 appropriate, product ingredients, allergen warnings, an expiration or
41 sell by date if needed to ensure product safety and efficacy, as well
42 as anticipated activation time, potency, the size of an individual
43 serving, the total number of servings in the packaged product, and
44 any other information as may be required by the DOH. The product
45 labeling is to include a clear statement that the product contains
46 psilocybin, which is a psychoactive substance that can produce
47 intoxication when consumed, that the product should be kept out of
48 the reach of people under 21 years of age, and that the product should

1 not be consumed except under the supervision of a psilocybin service
2 facilitator.

3

4

Psilocybin Service Facilitators

5

6 Each applicant for a psilocybin service facilitator license will be
7 required to submit documentation to the DOH proving that the
8 applicant: is 21 years of age or older; has a high school diploma or
9 its equivalent; has completed the education and training requirements
10 for licensure; has successfully completed any required examinations;
11 and has met any other requirements for licensure established by the
12 DOH. In no case may an applicant for licensure as a psilocybin
13 service facilitator be required to hold a degree issued by an institution
14 of higher education. A psilocybin service facilitator may be an
15 employee, manager, officer, investor, partner, member, shareholder,
16 or direct or indirect owner of one or more psilocybin service centers.
17 Psilocybin service facilitators will be authorized to provide
18 psilocybin facilitation services at or through more than one
19 psilocybin service center.

20

21

Psilocybin Services

22

23 Psilocybin service centers and psilocybin service facilitators will
24 be required to verify the age of a client prior to providing any
25 psilocybin service or selling or furnishing a psilocybin product to the
26 client. Information collected for the purposes of verifying a client's
27 age may not be retained by a psilocybin service center or psilocybin
28 service facilitator and may not be used for any other purpose.

29 Psilocybin services comprise a preparation session, an
30 administration session, and an optional integration session. A
31 preparation session involves the initial screening of the client to
32 verify the client's age and screen the client for anything that would
33 signal psilocybin is contraindicated for the client. An administration
34 session is when psilocybin is administered to the client by a
35 psilocybin service facilitator, who remains with the client and guides
36 the client throughout the session. The preparation session is required
37 before an administration session can take place. An integration
38 session is an optional session that follows an administration session,
39 during which a psilocybin services facilitator works with the client
40 to process the results of the administration session.

41 A preparation session and an integration session may be held in
42 person at a psilocybin service center or other appropriate location, or
43 remotely using any appropriate form of communication technology
44 as may be authorized by the department by regulation. As a general
45 rule, administration sessions are to be held at a psilocybin service
46 center. However, a psilocybin service facilitator may provide
47 psilocybin services in a private residence if, for medical reasons, the
48 client is unable to travel to the psilocybin service center. The

1 psilocybin service center will be required to document the basis upon
2 which an in-home administration session is authorized. In no case
3 may in-home psilocybin services be provided to a client who is
4 located outside New Jersey.

5 A psilocybin service center or psilocybin service facilitator may
6 refuse to provide psilocybin services to any person for any reason,
7 provided that a psilocybin service center or psilocybin service
8 facilitator does not cease to provide psilocybin services during an
9 administration session after the client has consumed a psilocybin
10 product, except under circumstances as may be authorized by the
11 DOH and in conformance with any guidelines and best practices as
12 the DOH may establish for ceasing the provision of psilocybin
13 services during an administration session.

14 In no case may a psilocybin service center or a psilocybin service
15 facilitator sell or furnish a psilocybin product to any person who is
16 visibly intoxicated.

17 A psilocybin service facilitator who is supervising an
18 administrative session may not consume or be under the influence of
19 a psilocybin product during the administrative session.

20 Psilocybin service facilitators will be responsible for:

21 1) ensuring the client completes a preparation session prior to
22 initiating an administration session;

23 2) ensuring the client is furnished with verbal notice and a
24 written copy of the warnings and other disclosures required by the
25 DOH during the preparation session;

26 3) determining whether the client is precluded from receiving
27 services by DOH rule;

28 4) prior to initiating an administration session, ensuring the
29 client completes and signs a client information form;

30 5) transmitting completed client information forms to the
31 psilocybin service center prior to initiating the administration
32 session;

33 6) documenting the completion of all preparation,
34 administration, and integration sessions, as well as the provision of
35 all required warnings and disclosures to the client; and

36 7) ensuring the client is offered the opportunity to participate in
37 an integration session following completion of an administration
38 session.

39 Each psilocybin service center will be required to annually report
40 to the DOH: the total number of clients who were provided
41 psilocybin services during the preceding year, including the number
42 of repeat clients served; the purposes for which clients requested
43 psilocybin services, including the number of requests received for
44 each type of behavioral health condition or other purpose for which
45 psilocybin services were requested; the number of clients who
46 completed a preparation session but not an administration session;
47 the total number of clients who elected to complete an integration
48 session; the total number of in-house administration sessions

1 performed; any adverse events involving a client during an
2 administration session; and assessments of client satisfaction with the
3 psilocybin services provided. The DOH will be required to make this
4 information publicly available, provided that nothing in the bill is to
5 be construed to authorize the disclosure of any personal identifying
6 information or health information about any individual client, and
7 nothing in the bill is be construed to require any psilocybin service
8 center to disclose to the DOH any personal identifying information
9 or health information about any individual client.

10 No psilocybin service center, psilocybin service facilitator, or
11 other employee of a psilocybin service center may disclose any
12 information about any client that may be used to identify the client,
13 any confidential health or medical information about a client, or any
14 communications between a client and the psilocybin service center,
15 psilocybin service facilitator, or employee of the psilocybin service
16 center, unless:

17 1) the client, or a person authorized to act on the client's behalf,
18 provides written consent authorizing the disclosure;

19 2) disclosure is required to prevent an imminent act that will
20 result in serious physical harm to the client or to any other person;

21 3) disclosure is required to report an act of neglect of a minor or
22 an act of physical, sexual, or emotional abuse of a minor; or

23 4) as may be required by the DOH in the course of an
24 investigation involving alleged violations of the provisions of the
25 bill.

26 Psilocybin products purchased by a client from, or sold to a client
27 by, a psilocybin service center or psilocybin service facilitator are be
28 consumed by the client on the premises of the psilocybin service
29 center, except in the case of a home visit, in which case the psilocybin
30 product is to be consumed by the client at the location in which the
31 administration session is held. Psilocybin products may not be
32 consumed by a client except under the supervision of a psilocybin
33 service facilitator. In order to prevent diversion, accidental
34 ingestion, and accidental injury, the DOH will establish requirements
35 for the disposal of partially consumed, unused, adulterated, expired,
36 and mislabeled psilocybin products.

37

38 Tracking and Testing Psilocybin Products

39

40 The DOH may require a psilocybin product manufacturer to test
41 psilocybin products before selling or transferring the psilocybin
42 products to another psilocybin product manufacturer or to a
43 psilocybin service center. The DOH may also conduct random
44 testing of psilocybin products for the purpose of determining whether
45 a licensee is in compliance with the requirements of the bill. The
46 DOH may not require a psilocybin product to undergo the same test
47 more than once unless the psilocybin product is processed into a
48 different type of psilocybin product or the condition of the psilocybin

1 product has fundamentally changed. The testing of psilocybin
2 products will be restricted to laboratories licensed under the bill.

3 For the purpose of tracking the manufacture and administration of
4 psilocybin products and the transfer of psilocybin products between
5 licensed premises, the DOH will be required to either develop a new
6 tracking system or enter into an agreement with the Cannabis
7 Regulatory Commission authorizing the department to use the
8 existing cannabis tracking system. The DOH will be required to
9 ensure the selected tracking methodology is designed to: prevent the
10 diversion of psilocybin products to other states; prevent the
11 substitution of and tampering with psilocybin products; ensure
12 accurate accounting of the production, processing, and sale of
13 psilocybin products; ensure that the results of laboratory tests of
14 psilocybin products are accurately reported; and ensure compliance
15 with the requirements of the bill.

16 The tracking system implemented by the DOH will be required, at
17 a minimum, to be capable of tracking: the manufacture of psilocybin
18 products; the sale of psilocybin products by a psilocybin service
19 center operator to a client; the sale, purchase, transfer, and delivery
20 of psilocybin products between licensees; individual product batches
21 that may be mislabeled, adulterated, or present health or safety risks
22 to clients; and any other information that the DOH determines is
23 reasonably necessary to implement the requirements of the bill.

24

25 Powers of the Department of Health

26

27 The bill provides that the DOH will have certain specific duties,
28 powers, and functions, including:

29 1) reviewing and making publicly available on its Internet
30 website research, studies, and other information relating to the safety
31 and efficacy of psilocybin in behavioral health care;

32 2) after the 18-month program development period,
33 comprehensively regulating the system for producing and
34 administering psilocybin in New Jersey; and

35 3) promulgating rules and regulations to implement the
36 provisions of the bill.

37 The DOH will have the power to issue subpoenas, compel the
38 attendance of witnesses, establish fees, and compel the production of
39 various documentary materials.

40 The bill prohibits the DOH from requiring that a psilocybin
41 product be manufactured by means of chemical synthesis, from
42 prohibiting the use of naturally grown mushrooms that meet quality
43 and safety standards, from mandating the use of patented products or
44 procedures, and from requiring that a client be diagnosed with or
45 have any particular medical or mental health condition as a
46 prerequisite to being provided psilocybin services. If recommended
47 by the advisory board, the department may exclude individuals, or
48 categories of individuals, from receiving psilocybin services, which

1 exclusion may be based on preexisting diagnoses, identified risk
2 factors, or contraindications.

3 Commencing six months after the effective date of the bill, the
4 DOH will be required to post on its Internet website available
5 research, studies, and other information relating to the safety and
6 efficacy of psilocybin for behavioral health care, and thereafter is to
7 periodically update the information as may be necessary to ensure the
8 information is current and accurate.

9 No later than six months after the effective date of the bill, the
10 DOH is to establish the necessary forms and commence the process
11 of accepting applications for and approving psilocybin service
12 facilitator training programs. No later than 18 months after the
13 effective date of the bill, the DOH will be required to establish the
14 necessary forms and commence the process of accepting applications
15 for issuance of psilocybin product manufacturer, psilocybin service
16 center operator, psilocybin testing laboratory, and psilocybin service
17 facilitator licenses and psilocybin worker permits.

18 The DOH will be required to establish and administer a social
19 opportunity program to assist individuals who qualify as social
20 opportunity applicants and who otherwise meet the requirements for
21 issuance of a psilocybin product manufacturer, psilocybin service
22 center, psilocybin service facilitator, or psilocybin testing laboratory
23 license. An applicant for licensure will be eligible for participation
24 in the social opportunity program if: at least 51 percent of the
25 applicant is owned or controlled by individuals who have lived in a
26 distressed area for five of the past 10 years; the applicant is an entity
27 that has more than 10 full-time employees and has more than half of
28 its employees currently residing in a distressed area; or the applicant
29 is an entity that meets any other eligibility criteria for the social
30 opportunity program as may be established by the DOH. The
31 applicant will be required to have a primary residence in a distressed
32 area for five of the past 10 years, have demonstrated economic need,
33 and meet any other eligibility criteria for the social opportunity
34 program as may be established by the DOH.

35 For the purposes of implementing the social opportunity program,
36 the DOH will identify geographic areas that are distressed areas,
37 establish appropriate criteria to identify social opportunity
38 applicants, provide technical assistance to social opportunity
39 applicants, provide reduced licensure application, renewal, and
40 issuance fees for social opportunity applicants, and if applicable,
41 create a process for social opportunity applicants to receive points
42 towards a license application score.

43 The DOH is to additionally establish and administer an equitable
44 access program to assist qualified economically disadvantaged
45 individuals with the cost of receiving psilocybin services.

46 The DOH will be authorized to purchase, possess, seize, transfer
47 to a licensee, or dispose of psilocybin products as is necessary for the
48 DOH to ensure compliance with, and enforce the provisions of, the

1 bill. The DOH may, upon providing the licensee with 72 hours'
2 notice, examine the licensee's books and may, at any time, conduct
3 an inspection of a licensee's premises. The DOH may allow, but will
4 not require, a licensee's books to be maintained on the licensed
5 premises.

6 The DOH may require licensees to maintain general liability
7 insurance, in an amount the DOH determines is reasonably affordable
8 and available, for the purpose of protecting the licensee against
9 damages resulting from a cause of action related to activities
10 authorized under the license held by the licensee.

11 Commencing one year after the end of the 18-month program
12 development period, and annually thereafter, the DOH will be
13 required to prepare, submit to the Governor and the Legislature, and
14 make available on its Internet website, a report concerning the
15 implementation and administration of the bill. The report will
16 include, at a minimum: the total number of psilocybin product
17 manufacturer, psilocybin service center, psilocybin testing
18 laboratory, and psilocybin service facilitator licenses and the total
19 number of psilocybin worker permits issued; the total number of
20 psilocybin facilitator training programs approved; the total number
21 of clients served during the preceding one-year period and the
22 number of those clients who previously received psilocybin services;
23 the purposes for which clients requested psilocybin services,
24 including the types of behavioral health conditions and the nature of
25 any other purposes for which psilocybin services were requested; the
26 number of in-home administration sessions provided during the
27 preceding one-year period; any adverse events reported during the
28 preceding one-year period; the number of psilocybin products tested
29 during the preceding one-year period; any incidents during the
30 preceding one-year period involving, and any disciplinary actions
31 taken in response to, the sale, distribution, or administration of
32 adulterated, mislabeled, or deceptively labeled psilocybin products;
33 recommendations for legislation or other action related to the
34 implementation or administration of this act; and any other
35 information or recommendations as the commissioner deems
36 necessary and appropriate.

37

38

Protections and Immunities

39

40 A psilocybin product manufacturer, psilocybin service center,
41 psilocybin testing laboratory, psilocybin service facilitator, employee
42 of a psilocybin product manufacturer, psilocybin service center, or
43 psilocybin testing laboratory, or a psilocybin service facilitator or
44 client, who engages in conduct authorized under the bill will be
45 immune from liability for that conduct as it pertains to the State's
46 criminal drug laws.

47

48 Under the bill, it will be unlawful to take any adverse employment
action against an employee who receives psilocybin services, unless

1 the employee is visibly impaired while at work, and an employer may
2 not test an employee for the presence of psilocybin in the employee's
3 system unless the employee exhibits clear, observable symptoms of
4 impairment.

5 Conduct permitted under the bill will not, by itself, constitute child
6 abuse or neglect, constitute a basis to deny parenting time with a child
7 without a finding of actual threat to the health or welfare of a child
8 based on relevant factors, or constitute a basis to deny eligibility for
9 any public assistance program.

10 Treatment for behavioral health, mental health, or substance use
11 disorders, or other health care a client is otherwise eligible to receive,
12 may not be denied on the basis that the care or treatment is covered
13 in conjunction with psilocybin services or that psilocybin is
14 prohibited by federal law.

15 No contract may be held to be unenforceable on the basis that
16 psilocybin is prohibited by federal law.

17 A holder of a professional or occupational license, certification,
18 or registration will not be subject to professional discipline or loss of
19 a professional license or certification for providing advice or services
20 related to psilocybin or for applications for licensure under the bill.

21 The governing body of a county or municipality may adopt, by
22 ordinance, reasonable regulations on the operation of psilocybin
23 product manufacturers and psilocybin service centers located within
24 that county or municipality. No county or municipality will be
25 authorized to establish any taxes or fees on the manufacture or sale
26 of psilocybin products or the provision of psilocybin services.

27 Nothing in the bill is to be construed to: require a government
28 medical assistance program or private health insurer to reimburse a
29 person for costs associated with the use of psilocybin products;
30 prohibit a recipient of a federal grant or an applicant for a federal
31 grant from prohibiting the manufacture, delivery, possession, or use
32 of psilocybin products to the extent necessary to satisfy federal
33 requirements for the grant; prohibit a party to a federal contract or
34 a person applying to be a party to a federal contract from prohibiting
35 the manufacture, delivery, possession, or use of psilocybin products
36 to the extent necessary to comply with the terms and conditions of
37 the contract or to satisfy federal requirements for the contract;
38 obstruct the enforcement of federal law; or deem psilocybin services
39 to constitute a medical diagnosis or medical treatment.

40

41 Other Provisions

42

43 The bill provides that it will not be unlawful for a person over 21
44 years of age to possess, store, use, ingest, inhale, process, transport,
45 deliver without consideration, or distribute without consideration,
46 four grams or less of psilocybin. It will also not be unlawful for a
47 person over 21 years of age to grow, cultivate, or process plants or
48 fungi capable of producing psilocybin for personal use, or to possess

1 the psilocybin produced if the plants and fungi are kept on the
2 grounds of a private home or residence and are kept secure from
3 access by persons under 21 years of age. It will further not be
4 unlawful to assist another person who is 21 years of age or older or
5 allow property to be used in the course of engaging in such conduct.
6 The bill specifies that engaging in this authorized conduct will not:
7 be considered an offense under State law or the laws of any county
8 or municipal governing body; constitute the basis to assess against
9 any person a civil penalty, a civil sanction, or professional or
10 administrative discipline; constitute the basis for detention, search,
11 or arrest of any person; or constitute the basis to deny a person any
12 right or privilege, or to seize or forfeit the assets of any person under
13 State law or the laws of any county or municipal governing body,
14 provided the person is at least 21 years of age.

15 The bill provides that a person convicted of, or who has pending
16 charges for, conduct authorized under the bill that would not
17 constitute an offense or that would constitute a lesser offense were
18 the bill in effect at the time of the offense may petition for
19 resentencing, reversal of conviction and dismissal of case, or
20 modification of judgment and sentence. Similarly, a person who has
21 completed a sentence for a conviction, whether by trial or plea of
22 guilty or nolo contendere, who would not have been guilty of the
23 offense or who would have been guilty of a lesser offense under the
24 bill had it been in effect at the time of the offense, will be authorized
25 to file a petition to have the conviction dismissed, expunged, and
26 vacated as legally invalid or redesignated as a civil infraction.

27 A court receiving a petition is to presume the petitioner satisfies
28 requirements to have the conviction or charged modified or
29 overturned, unless the State opposes the petition or alleges that
30 granting the petition would pose an unreasonable risk of danger to an
31 identifiable individual's safety. In the event that the State opposes a
32 petition, the petitioner will be entitled to a hearing on the record,
33 including the opportunity to question witnesses and present evidence
34 supporting the petition. The State will bear the burden of proving, by
35 clear and convincing evidence, that the petitioner does not satisfy the
36 criteria or that granting the petition would pose an unreasonable risk
37 of danger to an identifiable individual if alleged. Unless the State
38 sustains its burden, the court will be required to grant the petition.
39 Any outstanding fines, court costs, and fees imposed in connection
40 with the conviction at issue will be waived.

41 Under no circumstance will a resentencing, reversal and dismissal,
42 modification, revocation, or acceleration result in the imposition of a
43 supervision or imprisonment term longer than the original sentence,
44 or the reinstatement of charges dismissed pursuant to a negotiated
45 plea agreement, or require the payment of any additional fines or fees
46 beyond those authorized by the bill. Any conviction that is modified,
47 resentenced, or redesignated as a civil infraction under the bill will
48 be considered a civil infraction for all purposes.

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1 The bill will take effect the first day of the fourth month next
2 following the date of enactment, except that the Governor and the
3 Commissioner of Health may take any anticipatory administrative
4 action in advance as is necessary for the implementation of the bill.