

SENATE, No. 2934

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED JUNE 23, 2022

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

Co-Sponsored by:

Senators Schepisi, Zwicker and Cruz-Perez

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.



(Sponsorship Updated As Of: 12/11/2023)

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
28 establishment of safe, legal, and affordable psilocybin service
29 centers to provide residents of New Jersey who are 21 years of age
30 or older with opportunities for supported psilocybin experiences to
31 alleviate distress, provide preventative behavioral health care, and
32 foster 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
35 Jersey, and to prevent and reduce the prevalence of behavioral
36 health disorders in adults, by providing for supported adult use of
37 psilocybin under the supervision of trained and licensed psilocybin
38 service facilitators.

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

6
7 3. As used in this act:

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

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

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

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

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

23 “Commissioner” means the Commissioner of Health.

24 “Department” means the Department of Health.

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

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

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

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

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

4 “Psilocybin” means psilocybin or psilocin.

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

7 “Psilocybin product” means psilocybin-producing fungi and
8 mixtures or substances containing a detectable amount of
9 psilocybin.

10 “Psilocybin service center” means an establishment at which
11 administration sessions are held and other psilocybin services may
12 be provided.

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

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

17 “Psilocybin services” means services provided to a client before,
18 during, and after the client’s consumption of a psilocybin product,
19 including the mandatory preparation session, the administration
20 session, and the optional integration session.

21

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

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

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

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

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

36 (4) 12 public members, to be appointed by the Governor, which
37 members shall include:

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

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

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

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

47 (e) an individual working in academia with expertise in public
48 health policy;

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

1 out its work. The board shall be entitled to call to its assistance and
2 avail itself of the services of the employees of any State, county, or
3 municipal department, board, bureau, commission, or agency as it
4 may require and as may be available for its purposes.

5
6 5. a. The purpose of the board established pursuant to section
7 4 of this act shall be to provide advice and recommendations to the
8 department, upon request or upon the board's own initiative,
9 concerning the implementation of this act, including providing
10 recommendations to the department concerning:

11 (1) educating the public about the use of psilocybin in
12 behavioral health care;

13 (2) available medical, psychological, and scientific studies,
14 social scientific research, and other information relating the safety
15 of psilocybin and its efficacy in ameliorating behavioral health
16 conditions, including, but not limited to, clinical dependence
17 disorders, depression, anxiety disorders, and end-of-life
18 psychological distress, and the potential for psilocybin to promote
19 community, address trauma, and enhance physical and mental
20 wellness;

21 (3) the requirements, specifications, and guidelines for
22 providing psilocybin services to a client, including:

23 (a) requirements, specifications, and guidelines for holding and
24 documenting the completion of preparation sessions, administration
25 sessions, and integration sessions; and

26 (b) the contents of the client information form that a client will
27 be required to complete and sign before the client will be authorized
28 to participate in an administration session, including:

29 (i) the information that should be solicited from the client to
30 determine whether the client should participate in the administration
31 session, including information that may identify potential risk
32 factors and contraindications;

33 (ii) the information that should be solicited from the client to
34 assist the psilocybin service center and the psilocybin service
35 facilitator in meeting any public health and safety standards and
36 industry best practices during the administration session; and

37 (iii) the health and safety warnings and other disclosures that
38 should be made to the client before the client participates in the
39 administration session; and

40 (c) guidelines and best practices for assessing the type, nature,
41 and severity of a risk factor or contraindication identified in a client
42 information form, and determining whether the risk factor or
43 contraindication:

44 (i) can be accommodated or mitigated in a manner that will
45 allow the client to proceed with an administration session; or

46 (ii) is of a type, nature, or severity that would make it unsafe for
47 the client to proceed with an administration session;

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

1 (13) requirements concerning the transportation and delivery of
2 psilocybin products between psilocybin product manufacturers
3 psilocybin service centers, and psilocybin testing laboratories;

4 (14) requirements for the social opportunity program established
5 pursuant to section 11 of this act that promote social equity and
6 accessibility;

7 (15) development of a long-term strategic plan for ensuring that
8 psilocybin services will become and remain a safe, accessible, and
9 affordable wellness option for all persons 21 years of age or older in
10 this State for whom psilocybin may be appropriate; and

11 (16) monitoring and studying federal laws, regulations, and
12 policies regarding psilocybin.

13 b. The board shall vote upon and submit recommendations to
14 the department according to a schedule agreed upon by the
15 department and the board related to:

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

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

24

25 6. a. The department shall have the following duties, powers,
26 and functions:

27 (1) to review and make publicly available on its Internet website
28 available medical, psychological, and scientific studies, research,
29 and other information relating to the safety and efficacy of
30 psilocybin in treating mental health conditions, including, but not
31 limited to, clinical dependence disorders, depression, anxiety
32 disorders, and end-of-life psychological distress, and the potential
33 for psilocybin to promote community, address trauma, and enhance
34 physical and mental wellness;

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

36 (a) to regulate the manufacturing, testing, transportation,
37 delivery, sale, and purchase of psilocybin products and the
38 provision of psilocybin services in this State in accordance with the
39 provisions of this act;

40 (b) to issue, renew, suspend, revoke, or refuse to issue or renew
41 psilocybin product manufacturer, psilocybin service center operator,
42 psilocybin testing laboratory, and psilocybin service facilitator
43 licenses and psilocybin worker permits;

44 (c) to approve and regulate psilocybin service facilitator training
45 programs; and

46 (d) to regulate the use of psilocybin products and psilocybin
47 services for other purposes as the department deems necessary or
48 appropriate;

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

4 (4) to exercise all powers incidental, convenient, or necessary to
5 enable the department to implement and administer the
6 requirements of this act or any other New Jersey law that charges
7 the department with a duty, function, or power related to psilocybin
8 products and psilocybin services, which powers shall include, but
9 shall not be limited to:

10 (a) issuing subpoenas;

11 (b) compelling the attendance of witnesses;

12 (c) administering oaths;

13 (d) certifying official acts;

14 (e) taking depositions as provided by law;

15 (f) establishing reasonable additional fees, which fees shall not
16 exceed the amount necessary to administer the provisions of this
17 act; and

18 (g) compelling the production of books, payrolls, accounts,
19 papers, records, documents, and testimony.

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

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

27 d. If recommended by the advisory board, the department may
28 exclude individuals, or categories of individuals, from receiving
29 psilocybin services, which exclusion may be based on preexisting
30 diagnoses, identified risk factors, or contraindications.

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

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

45 g. No later than 18 months after the effective date of this act,
46 the department shall establish the necessary forms and commence
47 the process of accepting applications for issuance of psilocybin
48 product manufacturer, psilocybin service center operator, psilocybin

1 testing laboratory, and psilocybin service facilitator licenses and
2 psilocybin worker permits.

3
4 7. a. An applicant for a license or permit or renewal of a
5 license or permit issued pursuant to this act shall submit the
6 application in a form and manner as shall be specified by the
7 department by regulation, which application shall include, at a
8 minimum, the name and address of the applicant and any other
9 information as the department may require. In the case of an
10 applicant for issuance or renewal of a psilocybin product
11 manufacturer license, a psilocybin service center operator license,
12 or a psilocybin testing laboratory license, the application shall
13 additionally identify the proposed location of the premises that is to
14 be operated under the license.

15 b. The department shall promptly review and approve or deny
16 any application for licensure as a psilocybin product manufacturer,
17 psilocybin service center operator, psilocybin testing laboratory, or
18 psilocybin service facilitator or for a psilocybin worker permit
19 submitted pursuant to this act.

20 c. The department may reject an application that is not
21 submitted in a form and manner required by the department. An
22 applicant whose application is rejected pursuant to this subsection
23 shall not be prohibited from submitting subsequent applications for
24 licensure or a permit, or for renewal of a license or permit, to the
25 department.

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

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

33 f. The department may refuse to issue or renew a license or
34 permit or may issue a restricted license or permit to an applicant
35 upon finding that the applicant:

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

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

39 (3) in the case of an applicant for a psilocybin product
40 manufacturer license, a psilocybin service center operator license,
41 or a psilocybin laboratory testing license, demonstrates a lack of
42 capacity or incompetency to carry on the management of the facility
43 that is the subject of the application;

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

- 1 (5) has an unsatisfactory record of compliance with the
2 requirements of this act;
- 3 (6) in the case of an applicant for a psilocybin product
4 manufacturer license, a psilocybin service center operator license,
5 or a psilocybin testing laboratory license, fails to submit
6 documentation demonstrating:
- 7 (a) that the applicant will have final control of the premises both
8 within six months after the application is submitted and upon
9 approval of the application, which documentation may include, but
10 shall not be limited to, a lease agreement, contract for sale, title,
11 deed, or similar documentation; and
- 12 (b) if the applicant will lease the premises, certification from the
13 landlord that the landlord is aware that the tenant's use of the
14 premises will involve activities related to the production,
15 processing, or administration of psilocybin products or the
16 provision of psilocybin services, as applicable;
- 17 (7) in the case of an applicant for a psilocybin product
18 manufacturer license, a psilocybin service center operator license,
19 or a psilocybin testing laboratory license, has not demonstrated
20 financial responsibility sufficient to adequately meet the
21 requirements of the facility that is the subject of the application; or
- 22 (8) for other good cause as determined by the department.
- 23 g. The application and issuance fees for a new or renewed
24 psilocybin product manufacturer, psilocybin service center operator,
25 psilocybin testing laboratory, or psilocybin service facilitator
26 license or a psilocybin worker permit shall not exceed the
27 administrative costs to the department of processing the application
28 and administering the provisions of this act.
- 29 h. A license or permit issued pursuant to this act shall be valid
30 for one year.
- 31 i. The department may not issue any psilocybin product
32 manufacturer, psilocybin service center, psilocybin testing
33 laboratory, or psilocybin service facilitator license, or any
34 psilocybin worker permit, during the 18-month development period.
35
- 36 8. a. For the purposes of this section, the term "applicant" shall
37 include any owner, director, officer, or employee of, and any
38 significantly involved person in, a psilocybin product manufacturer,
39 psilocybin service center operator, or psilocybin testing laboratory,
40 as well as any applicant for issuance of a psilocybin service
41 facilitator license or a psilocybin worker permit.
- 42 b. The department shall require each applicant for licensure as
43 a psilocybin product manufacturer, psilocybin service center
44 operator, psilocybin testing laboratory, or psilocybin service
45 facilitator, and each applicant for a psilocybin worker permit, to
46 undergo a criminal history record background check. The
47 department shall be authorized to exchange fingerprint data with
48 and receive criminal history record background information from

1 the Division of State Police and the Federal Bureau of
2 Investigation, consistent with the provisions of applicable State and
3 federal laws, rules, and regulations. The Division of State Police
4 shall forward criminal history record background information to the
5 department in a timely manner when requested pursuant to the
6 provisions of this section.

7 c. An applicant who is required to undergo a criminal history
8 record background check pursuant to this section shall submit to
9 being fingerprinted in accordance with applicable State and federal
10 laws, rules, and regulations. No check of criminal history record
11 background information shall be performed pursuant to this section
12 unless the applicant has furnished the applicant's written consent to
13 that check. An applicant who is required to undergo a criminal
14 history record background check pursuant to this section who
15 refuses to consent to, or cooperate in, the securing of a check of
16 criminal history record background information shall not be
17 considered for licensure as a psilocybin product manufacturer,
18 psilocybin service center operator, psilocybin testing laboratory, or
19 psilocybin service facilitator or for issuance of a psilocybin worker
20 permit. An applicant shall bear the cost for the criminal history
21 record background check, including all costs of administering and
22 processing the check.

23 d. The department shall not approve an applicant for licensure
24 as a psilocybin product manufacturer, psilocybin service center
25 operator, psilocybin testing laboratory, or psilocybin service
26 facilitator or for a psilocybin worker permit if the criminal history
27 record background information of the applicant reveals a
28 disqualifying conviction as set forth in subsection e. of this section.

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

47 f. Upon receipt of the criminal history record background
48 information from the Division of State Police and the Federal

1 Bureau of Investigation, the department shall provide written
2 notification to the applicant of the applicant's qualification or
3 disqualification for licensure as a psilocybin product manufacturer,
4 psilocybin service center operator, psilocybin testing laboratory, or
5 psilocybin service facilitator, or for issuance of a psilocybin worker
6 permit, as applicable. If the applicant is disqualified because of a
7 disqualifying conviction pursuant to the provisions of this section,
8 the conviction that constitutes the basis for the disqualification shall
9 be identified in the written notice.

10 g. The Division of State Police shall promptly notify the
11 department in the event that an individual who was the subject of a
12 criminal history record background check conducted pursuant to
13 this section is convicted of a crime or offense in this State after the
14 date the background check was performed. Upon receipt of that
15 notification, the department shall make a determination regarding
16 the continued eligibility for licensure as a psilocybin product
17 manufacturer, psilocybin service center operator, psilocybin testing
18 laboratory, or psilocybin service facilitator or to hold a psilocybin
19 worker permit, as applicable.

20 h. Notwithstanding the provisions of subsection e. of this
21 section to the contrary, the department may offer provisional
22 authority for an applicant to be licensed as a psilocybin product
23 manufacturer, psilocybin service center operator, psilocybin testing
24 laboratory, or psilocybin service facilitator, or to be issued a
25 psilocybin worker permit, for a period not to exceed three months if
26 the applicant submits to the department a sworn statement attesting
27 that the applicant has not been convicted of any disqualifying
28 conviction pursuant to this section.

29 i. Notwithstanding the provisions of subsection e. of this
30 section to the contrary, no applicant for licensure as a psilocybin
31 product manufacturer, psilocybin service center operator, psilocybin
32 testing laboratory, or psilocybin service facilitator, or for a
33 psilocybin worker permit, shall be disqualified on the basis of any
34 conviction disclosed by a criminal history record background check
35 conducted pursuant to this section if the individual has affirmatively
36 demonstrated to the department clear and convincing evidence of
37 rehabilitation. In determining whether clear and convincing
38 evidence of rehabilitation has been demonstrated, the department
39 shall consider the following factors:

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

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

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

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

46 (5) the age of the individual when the crime or offense was
47 committed;

1 (6) whether the crime or offense was an isolated or repeated
2 incident;

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

5 (8) any evidence of rehabilitation, including good conduct in
6 prison or in the community, counseling or psychiatric treatment
7 received, acquisition of additional academic or vocational
8 schooling, successful participation in correctional work-release
9 programs, or the recommendation of those who have had the
10 individual under their supervision.

11
12 9. a. The department shall not issue any license to a psilocybin
13 product manufacturer, psilocybin service center operator, or
14 psilocybin testing laboratory if the premises of the psilocybin
15 product manufacturer, psilocybin service center, or psilocybin
16 testing laboratory are not clearly described and defined in the
17 application.

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

22 (1) the proposed location, the surrounding area, and the
23 suitability or advantages of the proposed location, along with a
24 floor plan and optional renderings or architectural or engineering
25 plans; and

26 (2) the submission of zoning approvals for the proposed
27 location, which shall consist of a letter or affidavit from appropriate
28 municipal officials that the location will conform to municipal
29 zoning requirements allowing for the production of psilocybin
30 products, the provision of psilocybin services, or both, as
31 applicable.

32
33 10. The department may require a licensed psilocybin product
34 manufacturer, psilocybin service center operator, or psilocybin
35 testing laboratory, or an applicant for a psilocybin product
36 manufacturer, psilocybin service center operator, or psilocybin
37 testing laboratory license, to submit to the department a sworn
38 statement identifying the name and address of each person holding a
39 financial interest in the licensee or the applicant for licensure, and
40 the nature and extent of the financial interest held by each person
41 holding a financial interest in the licensee or the applicant for
42 licensure.

43
44 11. a. The department shall establish and administer a social
45 opportunity program to assist individuals who qualify as social
46 opportunity applicants and who otherwise meet the requirements for
47 issuance of a psilocybin product manufacturer, psilocybin service

- 1 center, psilocybin service facilitator, or psilocybin testing
2 laboratory license pursuant to this act.
- 3 b. An applicant for a psilocybin product manufacturer,
4 psilocybin service center, or psilocybin testing laboratory license
5 shall be eligible for participation in the social opportunity program
6 if:
- 7 (1) at least 51 percent of the applicant is owned or controlled by
8 individuals who have lived in a distressed area for five of the past
9 10 years;
- 10 (2) the applicant is an entity:
- 11 (a) that has more than 10 full-time employees; and
- 12 (b) has more than half of its employees currently residing in a
13 distressed area; or
- 14 (3) the applicant is an entity that meets any other eligibility
15 criteria for the social opportunity program as may be established by
16 the department.
- 17 c. An applicant for a psilocybin service facilitator license shall
18 be eligible for participation in the social equity program if the
19 applicant has a primary residence in a distressed area for five of the
20 past 10 years, has demonstrated economic need, and meets any
21 other eligibility criteria for the social opportunity program as may
22 be established by the department.
- 23 d. For the purposes of implementing the social opportunity
24 program, the department shall:
- 25 (1) identify geographic areas that are distressed areas;
- 26 (2) establish other appropriate criteria to identify social
27 opportunity applicants;
- 28 (3) provide technical assistance to social opportunity applicants,
29 either through direct assistance or by methods that may include
30 establishing a partnership network of entities available to support
31 social opportunity applicants;
- 32 (4) provide reduced licensure application, renewal, and issuance
33 fees for social opportunity applicants; and
- 34 (5) if applicable, create eligibility for social opportunity
35 applicants to receive points towards a license application score.
- 36 e. The department shall establish and administer an equitable
37 access program to assist qualified economically disadvantaged
38 individuals with the cost of receiving psilocybin services.
- 39
- 40 12. a. A person may hold multiple psilocybin service center
41 operator licenses and may hold both a psilocybin product
42 manufacturer license and one or more psilocybin service center
43 operator licenses, which licenses may be issued for the same or for
44 different premises, provided that no individual may have a financial
45 interest in:
- 46 (1) more than one psilocybin product manufacturer; or
- 47 (2) more than five psilocybin service centers.

1 b. The department 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
5 authorized under each license, as may be necessary to protect the
6 public health and safety.

7
8 13. a. No person who is younger than 21 years of age shall be
9 employed at any psilocybin product manufacturer, psilocybin
10 service center, or psilocybin testing laboratory. The department
11 may require a licensee to furnish proof that all employees of the
12 licensee are 21 years of age or older, and may require any person
13 for whom proof of age is unavailable to leave the licensed premises
14 until such time as the person presents acceptable proof of age.
15 Failure to provide proof of age for an employee within a reasonable
16 period of time shall constitute prima facie evidence that the licensee
17 knowingly employed the person in violation of the requirements of
18 this subsection.

19 b. No individual may engage in any activities involving the
20 manufacture, processing, transportation, delivery, testing, sale, or
21 administration of psilocybin products, provide psilocybin services,
22 or engage in other activities related to the manufacture, processing,
23 transportation, delivery, testing, sale, or administration of
24 psilocybin products or the provision of psilocybin services, unless
25 the individual holds a current, valid psilocybin worker permit issued
26 by the department.

27 c. Each psilocybin product manufacturer, psilocybin service
28 center, and psilocybin testing laboratory shall ensure that each
29 employee of the psilocybin product manufacturer, psilocybin
30 service center, or psilocybin testing laboratory, as applicable,
31 including any psilocybin service facilitator employed by the
32 licensee, possesses a current, valid psilocybin worker permit.

33 d. An application for a psilocybin worker permit shall be
34 submitted in a form and manner as required by the department. A
35 psilocybin worker permit shall be valid for one year and shall be
36 subject to renewal. The department shall establish reasonable
37 application and issuance fees for psilocybin worker permits, which
38 fees shall not exceed the cost to the department of processing the
39 permit application and issuing the permit.

40 e. The department may require applicants for a psilocybin
41 worker permit to complete a course provided or approved by the
42 department as a condition of issuance of the permit, which course
43 may include training in:

- 44 (1) verifying client ages;
45 (2) detecting signs of client intoxication;
46 (3) safe and sanitary handling of psilocybin products;
47 (4) best practices for sanitation and for the safe production,
48 processing, transportation, and storage of psilocybin products;

1 (5) confidentiality requirements;

2 (6) the requirements of this act, as they bear on the applicant's
3 duties; and

4 (7) any other topics the department determines to be
5 appropriate.

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

9 (2) The department shall not require an individual to attend a
10 course described in subsection e. of this section more than one time,
11 except in cases where the individual's psilocybin worker permit has
12 been suspended or revoked by the department, in which case the
13 department may require the individual to complete the course as a
14 condition of removing the suspension or issuing a new psilocybin
15 worker permit to the individual.

16

17 14. a. The department shall designate specific psilocybin
18 manufacturing activities that shall be authorized for psilocybin
19 product manufacturers, and a psilocybin product manufacturer shall
20 not engage in a psilocybin manufacturing activity unless the
21 manufacturer holds an endorsement authorizing the manufacturer to
22 engage in that specific activity. A psilocybin product manufacturer
23 shall not be limited in the number of endorsements the manufacturer
24 holds at one time, and a psilocybin product manufacturer may
25 request approval from the department for additional endorsements
26 at any time. The department shall approve a request for an
27 additional endorsement unless the department determines that the
28 psilocybin product manufacturer will be unable to meet the
29 requirements for the requested endorsement. Denial of a request for
30 an additional endorsement shall not preclude a manufacturer from
31 submitting a subsequent request for approval of the same or any
32 other endorsement.

33 b. The department may restrict the quantity or volume of
34 psilocybin annually produced by a psilocybin product manufacturer,
35 which may include establishing specific, lower quantity or volume
36 limits for psilocybin product manufacturers issued a microbusiness
37 license pursuant to subsection d. of this section. In establishing
38 quantity or volume restrictions pursuant to this subsection, the
39 department shall take into consideration the demand for psilocybin
40 services in the State, the number of entities issued psilocybin
41 product manufacturer licenses and the number of applicants for
42 psilocybin product manufacturer licenses, and the number of each
43 type of endorsement held by psilocybin product manufacturers, as
44 well as the geographic distribution of licensees, applicants, and
45 endorsements throughout the State.

46 c. In no case shall psilocybin manufacturing activities be
47 conducted in an outdoor area.

- 1 d. (1) The department shall establish a psilocybin product
2 manufacturer microbusiness license, for which the maximum fee
3 assessed by the department for issuance or renewal of the license
4 shall be no more than half the fee applicable to full psilocybin
5 product manufacturer license. A license issued to a microbusiness
6 shall be valid for one year and may be renewed annually.
- 7 (2) A microbusiness shall meet the following requirements:
- 8 (a) at least 51 percent of the owners, directors, officers, and
9 employees of the microbusiness shall be residents of the
10 municipality in which the microbusiness is or will be located, or a
11 municipality bordering the municipality in which the microbusiness
12 is or will be located;
- 13 (b) the microbusiness shall employ no more than 10 employees
14 at one time, inclusive of any owners, officers, and directors of the
15 microbusiness; and
- 16 (c) the entire microbusiness facility shall occupy an area of no
17 more than 2,500 square feet.
- 18
- 19 15. a. A psilocybin service center shall not constitute a health
20 care facility licensed pursuant to P.L.1971, c.163 (C.26:2H-1 et
21 seq.).
- 22 b. (1) Except as provided in paragraphs (2) and (3) of this
23 subsection, a psilocybin service center shall not be approved for any
24 location that is entirely zoned for residential use or that is within
25 1,000 feet of an elementary or secondary school.
- 26 (2) A psilocybin service center may be approved for a location
27 that is within 1,000 feet of an elementary or secondary school if the
28 psilocybin service center is not located within 500 feet of an
29 elementary or secondary school and the department determines that
30 there is a physical or geographic barrier capable of preventing
31 children from traversing the premises of the psilocybin service
32 center.
- 33 (3) An existing psilocybin service center shall not be required to
34 relocate in the event an elementary or secondary school is newly
35 constructed within 1,000 feet of the psilocybin service center for
36 such time as the psilocybin service center continues to hold a valid
37 license issued by the department. The department may not revoke
38 the license of a psilocybin service center solely on the grounds that
39 an elementary or secondary school is newly constructed within
40 1,000 feet of the psilocybin service center.
- 41 c. Psilocybin service center operators shall take steps to
42 prevent noisy, lewd, disorderly, and disruptive conduct on the
43 licensee's premises, and shall ensure the premises are maintained in
44 a safe and sanitary condition.
- 45
- 46 16. a. Psilocybin product manufacturers and psilocybin service
47 centers shall not advertise any psilocybin products to the public,

1 provided that nothing in this paragraph shall be construed to
2 prohibit:

3 (1) a psilocybin service center from furnishing information
4 concerning psilocybin products that are available from the
5 psilocybin service center to clients within the interior premises of
6 the psilocybin service center or during the course of a preparation
7 session; or

8 (2) a psilocybin product manufacturer from providing
9 information concerning the manufacturer's products to psilocybin
10 service centers and psilocybin service facilitators.

11 b. Psilocybin service centers and psilocybin service facilitators
12 may advertise psilocybin services, provided such advertisements do
13 not:

14 (1) appeal to minors;

15 (2) promote excessive use of psilocybin;

16 (3) promote illegal activity;

17 (4) violate the code of professional conduct for psilocybin
18 service facilitators; or

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

21

22 17. a. Each applicant for a psilocybin service facilitator license
23 shall submit documentation proving that the applicant:

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

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

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

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

31 (5) has met any other requirements for licensure established by
32 the department.

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

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

39 d. A psilocybin service facilitator shall be authorized to
40 provide psilocybin facilitation services at or through more than one
41 psilocybin service center.

42

43 18. a. Psilocybin service centers and psilocybin service
44 facilitators shall verify the age of a client prior to providing any
45 psilocybin service to the client or selling or furnishing a psilocybin
46 product to the client. Information collected for the purposes of
47 verifying a client is 21 years of age or older shall not be retained by
48 a psilocybin service center or psilocybin service facilitator, and

1 shall not be used by the psilocybin service center or psilocybin
2 service facilitator for any purpose other than verifying the client's
3 age.

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

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

10 (3) A psilocybin service facilitator shall be authorized to
11 provide psilocybin services in a private residence if, for medical
12 reasons, the client is unable to travel to the psilocybin service
13 center. The psilocybin service center shall document the basis upon
14 which an in-home administration session is authorized pursuant to
15 this paragraph. In no case shall in-home psilocybin services be
16 provided to a client who is located outside New Jersey.

17 c. A psilocybin service center or psilocybin service facilitator
18 may refuse to provide psilocybin services to any person for any
19 reason, provided that a psilocybin service center or psilocybin
20 service facilitator shall not cease to provide psilocybin services
21 during an administration session after the client has consumed a
22 psilocybin product, except under circumstances as may be
23 authorized by the department and in conformance with any
24 guidelines and best practices as the department may establish for
25 ceasing the provision of psilocybin services during an
26 administration session.

27 d. In no case shall a psilocybin service center or a psilocybin
28 service facilitator sell or furnish a psilocybin product to any person
29 who is visibly intoxicated.

30 e. A psilocybin service facilitator who is supervising an
31 administrative session shall not consume or be under the influence
32 of a psilocybin product during the administrative session.

33 f. A psilocybin service facilitator shall be responsible for:

34 (1) ensuring the client completes a preparation session prior to
35 initiating an administration session;

36 (2) ensuring the client is furnished with verbal notice and a
37 written copy of the warnings and other disclosures required by the
38 department during the preparation session;

39 (3) determining whether the client is precluded from receiving
40 services by department rule;

41 (4) prior to initiating an administration session, ensuring the
42 client completes and signs a client information form;

43 (5) transmitting completed client information forms to the
44 psilocybin service center prior to initiating the administration
45 session;

46 (6) documenting the completion of all preparation,
47 administration, and integration sessions, as well as the provision of
48 all required warnings and disclosures to the client; and

1 (7) ensuring the client is offered the opportunity to participate in
2 an integration session following completion of an administration
3 session.

4 g. (1) Each psilocybin service center shall annually report to
5 the department:

6 (a) the total number of clients who were provided psilocybin
7 services during the preceding year, including the number of repeat
8 clients served;

9 (b) the purposes for which clients requested psilocybin services,
10 including the number of requests received for each type of
11 behavioral health condition or other purpose for which psilocybin
12 services were requested;

13 (c) the number of clients who completed a preparation session
14 but not an administration session;

15 (d) the total number of clients who elected to complete an
16 integration session;

17 (e) the total number of in-house administration sessions
18 performed;

19 (f) any adverse events involving a client during an
20 administration session; and

21 (g) assessments of client satisfaction with the psilocybin
22 services provided.

23 (2) The department shall make the information reported
24 pursuant to paragraph (1) of this section publicly available,
25 provided that nothing in this paragraph shall be construed to
26 authorize the disclosure by the department of any personal
27 identifying information or health information about any individual
28 client.

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

33

34 19. No psilocybin service center, psilocybin service facilitator,
35 or other employee of a psilocybin service center may disclose any
36 information about any client that may be used to identify the client,
37 any confidential health or medical information about a client, or any
38 communications between a client and the psilocybin service center,
39 psilocybin service facilitator, or employee of the psilocybin service
40 center, unless:

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

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

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

47 d. as may be required by the department in the course of an
48 investigation involving alleged violations of the provisions of this

1 act by the psilocybin service center, psilocybin service facilitator, or
2 employee of the psilocybin service center.

3
4 20. a. A psilocybin product manufacturer may not deliver
5 psilocybin products to any location or entity other than a psilocybin
6 product manufacturer, psilocybin service center, or psilocybin
7 testing laboratory. A psilocybin product manufacturer shall not
8 receive psilocybin products from any entity other than a psilocybin
9 product manufacturer or, as provided in paragraph (2) of subsection
10 b. of this section, a psilocybin service center.

11 b. (1) Except as provided in paragraph (2) of this subsection, a
12 psilocybin service center shall not sell, furnish, or deliver
13 psilocybin products to any entity other than a client, a psilocybin
14 service center, or a psilocybin testing laboratory. A psilocybin
15 service center shall not receive psilocybin products from any entity
16 other than a psilocybin product manufacturer or a psilocybin service
17 center.

18 (2) The department shall establish requirements concerning the
19 return of psilocybin products by a psilocybin service center to a
20 psilocybin product manufacturer, which requirements shall, at a
21 minimum, identify the circumstances under which the psilocybin
22 products may be returned, establish measures to ensure the security
23 and integrity of returned products, and establish requirements to
24 mitigate the risks of adulteration and diversion.

25 c. Psilocybin product manufacturers shall be responsible for
26 ensuring the accurate labeling of all psilocybin products produced
27 and distributed by the manufacturer, which labels shall accurately
28 and comprehensively describe the contents of the product,
29 including, as appropriate, product ingredients, allergen warnings, an
30 expiration or sell by date if needed to ensure product safety and
31 efficacy, as well as anticipated activation time, potency, the size of
32 an individual serving, the total number of servings in the packaged
33 product, and any other information as may be required by the
34 department by regulation. The product labeling shall include a
35 clear statement that the product contains psilocybin, which is a
36 psychoactive substance that can produce intoxication when
37 consumed, that the product should be kept out of the reach of
38 people under 21 years of age, and that the product should not be
39 consumed except under the supervision of a psilocybin service
40 facilitator.

41 d. Psilocybin products purchased by a client from, or sold to a
42 client by, a psilocybin service center or psilocybin service
43 facilitator shall be consumed by the client on the premises of the
44 psilocybin service center, except in the case of a home visit
45 authorized pursuant to paragraph (3) of subsection b. of section 18
46 of this act, in which case the psilocybin product shall be consumed
47 by the client at the location in which the administration session is
48 held, and the psilocybin service facilitator returns any unconsumed

1 portion of the psilocybin product to the psilocybin service center.
2 Psilocybin products shall not be consumed by a client except under
3 the supervision of a psilocybin service facilitator.

4 e. In order to prevent diversion, accidental ingestion, and
5 accidental injury, the department shall establish requirements for
6 the disposal of partially consumed, unused, adulterated, expired,
7 and mislabeled psilocybin products.

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

11

12 21. a. The department may require a psilocybin product
13 manufacturer to test psilocybin products before selling or
14 transferring the psilocybin products to another psilocybin product
15 manufacturer or to a psilocybin service center.

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

19 c. The department may not require a psilocybin product to
20 undergo the same test more than once unless the psilocybin product
21 is processed into a different type of psilocybin product or the
22 condition of the psilocybin product has fundamentally changed.

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

25

26 22. a. For the purpose of tracking the manufacture and
27 administration of psilocybin products and the transfer of psilocybin
28 products between licensed premises, the department shall either:

29 (1) develop a system to track the manufacture and
30 administration of psilocybin products and the transfer of psilocybin
31 products between licensed premises; or

32 (2) enter into an agreement with the Cannabis Regulatory
33 Commission authorizing the department to use the system
34 developed and maintained pursuant to section 29 of P.L.2019, c.153
35 (C.24:6I-22) to track the manufacture and administration of
36 psilocybin products and the transfer of psilocybin products between
37 licensed premises.

38 b. In implementing the requirements of subsection a. of this
39 section, the department shall ensure the selected tracking
40 methodology is designed to: prevent the diversion of psilocybin
41 products to other states; prevent the substitution of and tampering
42 with psilocybin products; ensure accurate accounting of the
43 production, processing, and sale of psilocybin products; ensure that
44 the results of laboratory tests of psilocybin products are accurately
45 reported; and ensure compliance with the requirements of this act.

46 c. The tracking system implemented by the department
47 pursuant to subsection a. of this section shall, at a minimum, be
48 capable of tracking:

- 1 (1) the manufacture of psilocybin products;
- 2 (2) the sale of psilocybin products by a psilocybin service center
- 3 operator to a client;
- 4 (3) the sale, purchase, transfer, and delivery of psilocybin
- 5 products between licensees;
- 6 (4) individual product batches that may be mislabeled,
- 7 adulterated, or present health or safety risks to clients; and
- 8 (5) any other information that the department determines is
- 9 reasonably necessary to implement the requirements of this act.

10

11 23. a. The department may purchase, possess, seize, transfer to
12 a licensee, or dispose of psilocybin products as is necessary for the
13 department to ensure compliance with, and enforce the provisions
14 of, this act.

15 b. The department may, upon providing the licensee with 72
16 hours' notice, make an examination of the books of a licensed
17 psilocybin product manufacturer, psilocybin service center, or
18 psilocybin testing laboratory for the purpose of determining
19 compliance with the requirements of this act. The department may,
20 at any time, conduct an inspection of the premises of a licensed
21 psilocybin product manufacturer, psilocybin service center, or
22 psilocybin testing laboratory for the purpose of determining
23 compliance with the requirements of this act.

24 c. The department shall allow, but shall not require, the books
25 of a licensee to be maintained on the licensed premises.

26 d. The department may require licensees to maintain general
27 liability insurance, in an amount the department determines is
28 reasonably affordable and available, for the purpose of protecting
29 the licensee against damages resulting from a cause of action
30 related to activities authorized under the license held by the
31 licensee.

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

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

39 (2) the department determines that a person who has a financial
40 interest in a licensee or an applicant for licensure pursuant to this
41 act committed or failed to commit an act that would constitute
42 grounds for the department to refuse to issue, or to suspend, revoke,
43 or refuse to renew, the license if the person with the financial
44 interest were a licensee or applicant for licensure;

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

1 (4) the department finds the licensee made any false
2 representation or statement to the department to conceal a violation
3 of this act or to otherwise avoid disciplinary action against the
4 licensee;

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

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

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

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

21 f. An entity whose application for renewal of a license is
22 denied or whose license is restricted, suspended, or revoked
23 pursuant to subsection e. of this section shall be entitled to a hearing
24 before the department concerning the department's action. The
25 department shall issue a final order or decision following the
26 hearing, which final order or decision may be appealed to the
27 Appellate Division of the Superior Court.

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

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

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

35 h. In cases involving the proposed denial of a license or permit
36 issued pursuant to this act, the applicant for licensure or a permit
37 may not withdraw the licensure or permit application that is
38 proposed for denial.

39

40 24. a. A psilocybin product manufacturer, psilocybin service
41 center, psilocybin testing laboratory, psilocybin service facilitator,
42 employee of a psilocybin product manufacturer, psilocybin service
43 center, or psilocybin testing laboratory, or a psilocybin service
44 facilitator or client, who engages in conduct authorized under this
45 act shall be immune from criminal liability under chapter 35 and
46 chapter 36 of Title 2C of the New Jersey Statutes.

47 b. It shall be unlawful to take any adverse employment action
48 against an employee who receives psilocybin services pursuant to

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

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

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

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

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

18 f. A holder of a professional or occupational license,
19 certification, or registration shall not be subject to professional
20 discipline or loss of a professional license or certification for
21 providing advice or services related to psilocybin or for applications
22 for licensure under this act.

23

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

28 b. No county or municipality shall be authorized to establish
29 any taxes or fees on the manufacture or sale of psilocybin products
30 or the provision of psilocybin services.

31

32 26. a. The department shall establish, by regulation:

33 (1) requirements concerning the form, manner, and fees to apply
34 for initial and renewal licenses for psilocybin product
35 manufacturers, psilocybin service center operators, psilocybin
36 testing laboratories and psilocybin service facilitators, as well as the
37 fees to apply for initial and renewed psilocybin worker permits,
38 which fees shall not exceed the administrative costs to the
39 department of processing licensure applications and administering
40 the provisions of this act;

41 (2) the eligibility criteria for licensure as a psilocybin product
42 manufacturer, psilocybin service center, psilocybin testing
43 laboratory, and psilocybin service facilitator and for issuance of
44 psilocybin worker permits;

45 (3) eligibility criteria to qualify for the social opportunity
46 program established pursuant to section 11 of this act, as well as the
47 standards and requirements for administration of the social
48 opportunity program;

- 1 (4) criteria for designating areas as distressed areas for the
- 2 purposes of section 11 of this act;
- 3 (5) best practices for psilocybin product manufacturers,
- 4 psilocybin service centers, psilocybin testing laboratories, and
- 5 psilocybin service facilitators;
- 6 (6) health and safety standards for psilocybin product
- 7 manufacturers, psilocybin service centers, psilocybin testing
- 8 laboratories, and psilocybin service facilitators;
- 9 (7) the qualification, training, education, and fitness standards
- 10 for licensure as a psilocybin service facilitator, with particular
- 11 consideration of:
 - 12 (a) facilitation skills that are affirming, nonjudgmental,
 - 13 culturally competent, and nondirective;
 - 14 (b) support skills for clients during an administration session,
 - 15 including specialized skills for client safety and clients who may
 - 16 have a behavioral health disorder;
 - 17 (c) the environment in which psilocybin services should occur;
 - 18 and
 - 19 (d) social and cultural considerations;
- 20 (8) establishing the standards for approval of one or more
- 21 psilocybin service facilitator training courses, which shall include:
 - 22 (a) requirements for training course providers to submit to the
 - 23 department an outline of instruction that identifies the approved
 - 24 courses, the total number of hours of instruction, the number of
 - 25 hours of instruction in theory, and the number of hours of
 - 26 instruction in application of practical skills;
 - 27 (b) requirements for psilocybin service facilitator training
 - 28 courses to be modular, thereby allowing the offer of both
 - 29 comprehensive training programs and partial training programs,
 - 30 allowing a candidate to piece together a training curriculum from
 - 31 among the modules offered by different training programs; and
 - 32 (c) allowing the core curriculum in psilocybin service facilitator
 - 33 training to be completed in person or through distance education,
 - 34 provided that the practical portion of the curriculum is completed in
 - 35 person;
- 36 (9) establishing or approving a psilocybin service facilitator
- 37 examination, which examination shall be offered at least twice per
- 38 year;
- 39 (10) establishing a code of professional conduct and a code of
- 40 ethics for psilocybin service facilitators;
- 41 (11) requirements for the contents, completion, and retention of
- 42 client information forms, which forms shall:
 - 43 (a) solicit the information necessary for a psilocybin service
 - 44 center operator and a psilocybin service facilitator to determine
 - 45 whether an administration session is appropriate for the client,
 - 46 including information identifying client risk factors and
 - 47 contraindications; and

- 1 (b) solicit the information necessary for the psilocybin service
2 center operator and the psilocybin service facilitator to meet
3 applicable public health and safety standards and industry best
4 practices during the administration session;
- 5 (12) requirements concerning the warnings and disclosures to be
6 furnished to clients during a preparation session;
- 7 (13) procedures to verify and document that a client has
8 completed a preparation session prior to initiating an administration
9 session, as well as to document that a client has completed an
10 administration session and, if applicable, a integration session;
- 11 (14) standards and protocols concerning the circumstances under
12 which a psilocybin service center or psilocybin service facilitator
13 may cease to provide psilocybin services to a client after the client
14 has ingested a psilocybin product, which standards and protocols
15 shall include mandatory procedures to be followed as are necessary
16 to ensure the health and safety of the client;
- 17 (15) requirements for licensees to maintain general liability
18 insurance, if the department deems the maintenance of general
19 liability insurance to be necessary and appropriate;
- 20 (16) requirements for labeling psilocybin products, including, as
21 appropriate, requirements for the psilocybin product label to list all
22 product ingredients, the source of the product, the age of the
23 product, allergen warnings, and an expiration or sell by date if
24 necessary to ensure the safety or efficacy of the product, as well as
25 anticipated activation time, potency, the number of servings in the
26 product and the size of an individual serving, and any other
27 requirements as may be appropriate for specific types of psilocybin
28 products;
- 29 (17) requirements for psilocybin product packaging, which
30 requirements:
- 31 (a) may include different packaging requirements for different
32 types of psilocybin products;
- 33 (b) shall seek to minimize the impact of psilocybin product
34 packaging on the environment; and
- 35 (c) may require the psilocybin product packaging to include
36 child-resistant safety features;
- 37 (18) in consultation with the Cannabis Regulatory Commission
38 and the Department of Agriculture:
- 39 (a) developing standards for testing psilocybin products;
- 40 (b) identifying appropriate tests for psilocybin products,
41 depending on the type of psilocybin product and the manner in
42 which the psilocybin product is manufactured, including, but not
43 limited to, tests for:
- 44 (i) microbiological contaminants;
- 45 (ii) pesticides;
- 46 (iii) other contaminants;
- 47 (iv) solvents or residual solvents; and
- 48 (v) psilocybin concentration;

- 1 (c) establishing procedures for determining batch sizes and for
2 sampling psilocybin products; and
- 3 (d) establishing minimum quality and safety standards specific
4 to different types of psilocybin products;
- 5 (19) penalties for licensees that sell or offer for sale psilocybin
6 products that include a misleading or deceptive label, that include a
7 label that fails to accurately describe the contents of the psilocybin
8 product, or that are packaged in a manner that is not consistent with
9 psilocybin product packaging requirements;
- 10 (20) penalties for licensees that sell or offer for sale adulterated
11 psilocybin products, as well as protocols for identifying, tracking
12 the source of, and removing from the marketplace, adulterated
13 psilocybin products;
- 14 (21) standards for when the department will require psilocybin
15 product manufacturers to submit proposed psilocybin product labels
16 and proposed psilocybin product packaging to the department for
17 approval prior to the label or packaging being put into use, as well
18 as reasonable fees for conducting psilocybin product label and
19 packaging approval reviews, which fees shall not exceed the cost to
20 the department of conducting the review;
- 21 (22) restrictions on the maximum concentration of psilocybin
22 that is permitted in a single serving of a psilocybin product and the
23 maximum number of servings that is permitted in a psilocybin
24 product package;
- 25 (23) the criteria for determining whether a client qualifies for an
26 in-home administration session pursuant to paragraph (3) of
27 subsection b. of section 18 of this act, and the procedures,
28 requirements, and best practices for in-home administration
29 sessions;
- 30 (24) requirements for reporting to the department adverse events
31 occurring during an administration session, including a description
32 of any factors that likely contributed to the adverse event;
- 33 (25) requirements and restrictions concerning the advertising of
34 psilocybin services by psilocybin service centers and psilocybin
35 service facilitators; and
- 36 (26) the categories and types of data that each type of licensee
37 will be required to collect and report to the department.
- 38 b. In adopting rules and regulations pursuant to this section, the
39 department shall consider the cost of the proposed regulation and
40 how it will affect the cost of psilocybin products for clients.
- 41 c. The department shall not adopt rules and regulations that are
42 more restrictive than is reasonably necessary to protect the public
43 health and safety.
- 44
- 45 27. Nothing in this act shall be construed to:
- 46 a. require a government medical assistance program or private
47 health insurer to reimburse a person for costs associated with the
48 use of psilocybin products;

- 1 b. prohibit a recipient of a federal grant or an applicant for a
2 federal grant from prohibiting the manufacture, delivery,
3 possession, or use of psilocybin products to the extent necessary to
4 satisfy federal requirements for the grant;
- 5 c. prohibit a party to a federal contract or a person applying to
6 be a party to a federal contract from prohibiting the manufacture,
7 delivery, possession, or use of psilocybin products to the extent
8 necessary to comply with the terms and conditions of the contract or
9 to satisfy federal requirements for the contract;
- 10 d. obstruct the enforcement of federal law; or
- 11 e. deem psilocybin services to constitute a medical diagnosis or
12 medical treatment.
- 13
- 14 28. a. No later than 18 months after the effective date of this
15 act, the Psilocybin Behavioral Health Services Advisory Board shall
16 prepare and submit a report to the Department of Health, the
17 Governor, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
18 19.1), the Legislature, outlining its findings and recommendations
19 to the department concerning the implementation of this act.
- 20 b. Commencing one year after the end of the 18-month
21 program development period, and annually thereafter, the
22 Commissioner of Health shall prepare, submit to the Governor and,
23 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the
24 Legislature, and make available on the Internet website of the
25 Department of Health, a report concerning the department's
26 implementation and administration of this act. The report shall
27 include, at a minimum: the total number of psilocybin product
28 manufacturer, psilocybin service center, psilocybin testing
29 laboratory, and psilocybin service facilitator licenses and the total
30 number of psilocybin worker permits issued pursuant to this act; the
31 total number of psilocybin facilitator training programs approved;
32 the total number of clients served during the preceding one-year
33 period and the number of those clients who previously received
34 psilocybin services; the purposes for which clients requested
35 psilocybin services, including the types of behavioral health
36 conditions and the nature of any other purposes for which
37 psilocybin services were requested; the number of in-home
38 administration sessions provided during the preceding one-year
39 period; any adverse events reported during the preceding one-year
40 period; the number of psilocybin products tested during the
41 preceding one-year period; any incidents during the preceding one-
42 year period involving, and any disciplinary actions taken in
43 response to, the sale, distribution, or administration of adulterated,
44 mislabeled, or deceptively labeled psilocybin products;
45 recommendations for legislation or other action related to the
46 implementation or administration of this act; and any other
47 information or recommendations as the commissioner deems
48 necessary and appropriate.

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

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

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

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

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

14 b. (1) Possessing, storing, using, ingesting, inhaling,
15 processing, transporting, delivering without consideration, or
16 distributing without consideration four grams or less of psilocybin.

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

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

26

27 30. a. A person currently serving a sentence for a conviction,
28 whether by trial or by plea of guilty or nolo contendere, who would
29 not have been guilty of the offense or who would have been guilty
30 of a lesser offense under this act had it been in effect at the time of
31 the offense, may file a petition for resentencing, reversal of
32 conviction and dismissal of case, or modification of judgment and
33 sentence before the trial court that entered the judgment of
34 conviction in the person's case to request resentencing,
35 modification, or reversal in accordance with this act.

36 b. Upon receiving a petition submitted pursuant to subsection
37 a. of this section, the court shall presume the petitioner satisfies the
38 criteria in subsection a. of this section and shall, without delay,
39 resentence, reverse the conviction as legally invalid, or modify the
40 judgment and sentence, unless the State opposes the petition or
41 alleges that granting the petition would pose an unreasonable risk of
42 danger to an identifiable individual's safety.

43 c. In the event that the State opposes a petition submitted
44 pursuant to subsection a. of this section or alleges that granting the
45 petition would pose an unreasonable risk of danger to an
46 identifiable individual's safety, the petitioner shall be entitled to a
47 hearing on the record, including the opportunity to question
48 witnesses and present evidence supporting the granting of an order

1 for resentencing, reversal and dismissal, or modification of the
2 judgment and sentence. The State shall bear the burden of proving,
3 by clear and convincing evidence, that the petitioner does not
4 satisfy the criteria in subsection a. of this section or that granting
5 the petition would pose an unreasonable risk of danger to an
6 identifiable individual if alleged. Unless the State sustains its
7 burden, the court shall resentence, reverse the conviction as legally
8 invalid and dismiss the case, or modify the judgment and sentence.
9 Any outstanding fines, court costs, and fees imposed in connection
10 with the conviction at issue shall be waived.

11 d. Any person brought before the court upon an application to
12 revoke a suspended sentence for a conviction that would not have
13 been an offense or would have been a lesser offense had this act
14 been in effect at the time of the offense shall have the person's
15 sentence vacated or modified in accordance with the provisions of
16 this act. Any person brought before the court upon an application to
17 accelerate a deferred sentence for charges that would not have been
18 an offense or would have been a lesser offense had this act been in
19 effect at the time of the offense shall have the charges brought
20 against the person vacated or modified in accordance with the
21 provisions of this act. Any outstanding fines, court costs, and fees
22 imposed in connection with the conviction at issue shall be waived.

23 e. Under no circumstance shall a resentencing, reversal and
24 dismissal, modification, revocation, or acceleration granted
25 pursuant to this section result in the imposition of a supervision or
26 imprisonment term longer than the original sentence, or the
27 reinstatement of charges dismissed pursuant to a negotiated plea
28 agreement, or require the payment of any additional fines or fees
29 beyond those authorized by this act.

30 f. A person who has completed a sentence for a conviction,
31 whether by trial or plea of guilty or nolo contendere, who would not
32 have been guilty of the offense or who would have been guilty of a
33 lesser offense under this act had it been in effect at the time of the
34 offense, may file a petition before the trial court that entered the
35 judgment of conviction in the person's case to have the conviction
36 dismissed, expunged, and vacated as legally invalid or redesignated
37 as a civil infraction in accordance with this act.

38 g. The court shall presume that an applicant who submits a
39 petition pursuant to subsection f. of this section satisfies the criteria
40 in subsection f. of this section unless the State opposes the
41 application and proves by clear and convincing evidence that the
42 petitioner does not satisfy the criteria in subsection f. of this
43 section. If the petitioner satisfies the criteria in subsection f. of this
44 section, the court shall redesignate the conviction as a civil
45 infraction or dismiss, expunge, and vacate the conviction as legally
46 invalid in accordance with this act. Any outstanding fines, court
47 costs, and fees imposed in connection with the conviction at issue
48 shall be waived.

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

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

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

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

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

16
17 31. This act shall take effect the first day of the fourth month
18 next following the date of enactment, except that the Governor and
19 the Commissioner of Health may take any anticipatory
20 administrative action in advance as shall be necessary for the
21 implementation of this act.

22
23
24 STATEMENT

25
26 This bill, designated the "Psilocybin Behavioral Health Access
27 and Services Act," establishes a framework for the regulated
28 production and use of psilocybin in connection with behavioral
29 health care and preventative behavioral health treatment,
30 decriminalizes the production, dispensing, and use of psilocybin by
31 persons over 21 years of age, and expunges past and pending
32 offenses for conduct involving psilocybin that is authorized under
33 the bill.

34
35 Psilocybin Behavioral Health Access and Services Advisory Board
36

37 The bill establishes in the Department of Health (DOH) the
38 Psilocybin Behavioral Health Access and Services Advisory Board.
39 The board will comprise 18 members, including:

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

43 2) a representative from the DOH who is familiar with public
44 health programs and public health activities in New Jersey and a
45 designee of the Public Health Council in the Department of Health,
46 who will serve at the pleasure of the commissioner as nonvoting
47 members;

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

4 4) 12 public members, to be appointed by the Governor, which
5 members are to include individuals with expertise in areas related to
6 behavioral health care; public health; clinical research related to the
7 use of psychedelic compounds in clinical therapy; mycology,
8 ethnobotany, or psychopharmacology; issues confronting veterans;
9 the traditional, cultural, and religious uses of psilocybin; emergency
10 medical services; harm reduction and drug policy; and racial and
11 economic equity and health care access.

12 The public members of the board will serve for a term of four
13 years, with staggered terms of appointment for the members first
14 appointed, and will be eligible for reappointment. The Governor
15 will be required to appoint the public members no later than 60 days
16 after the effective date of the bill. The board will organize upon the
17 appointment of the public members and select a chairperson and a
18 vice-chairperson from among the membership. The chairperson
19 will appoint a secretary, who need not be a member of the board.
20 The members of the board will serve without compensation but may
21 be reimbursed for reasonable expenses incurred in the performance
22 of their official duties, within the limits of funds made available to
23 the board for this purpose.

24 During an 18-month program development period established
25 under the bill, the board will be required to meet at least once every
26 calendar month, at a time and place designated by the chairperson.
27 Following the end of the 18-month program development period,
28 the board will meet at least quarterly at a time and place designated
29 by the chairperson. The board will additionally meet at any time at
30 the call of the chairperson or at the call of a majority of the public
31 members. The board will be authorized to establish committees and
32 subcommittees as are necessary for the board's operation.

33 The purpose of the board will be to provide advice and
34 recommendations to the DOH, upon request or upon the board's
35 own initiative, concerning the implementation of the bill, including
36 providing recommendations to the department concerning:

37 1) educating the public about the use of psilocybin in
38 behavioral health care;

39 2) available studies and research concerning the safety of
40 psilocybin and its efficacy in ameliorating behavioral health
41 conditions, as well as the potential for psilocybin to promote
42 community, address trauma, and enhance physical and mental
43 wellness;

44 3) the requirements, specifications, and guidelines for
45 providing psilocybin services to a client, including requirements
46 specific to documenting services, screening clients for potential
47 health or safety issues, and providing clients with certain
48 information;

- 1 4) public health and safety standards and industry best practices
- 2 for psilocybin businesses and psilocybin service facilitators;
- 3 5) the formulation of a code of professional conduct for
- 4 psilocybin service facilitators;
- 5 6) the education and training requirements for psilocybin
- 6 service facilitators;
- 7 7) the examinations that psilocybin service facilitators will be
- 8 required to successfully complete as a condition of licensure;
- 9 8) public health and safety standards and industry best practices
- 10 for holding and completing a psilocybin administration session,
- 11 including;
- 12 9) the qualification criteria and amount to be charged in license
- 13 application and issuance fees;
- 14 10) requirements and restrictions for advertising psilocybin
- 15 services;
- 16 11) standards, protocols, and best practices for in-home
- 17 psilocybin administration sessions;
- 18 12) requirements for tracking psilocybin products;
- 19 13) requirements concerning the transportation and delivery of
- 20 psilocybin products between psilocybin businesses;
- 21 14) requirements for the social opportunity program established
- 22 under the bill to promote social equity and accessibility;
- 23 15) development of a long-term strategic plan for ensuring that
- 24 psilocybin services are a safe, accessible, and affordable wellness
- 25 option; and
- 26 16) monitoring and studying federal laws, regulations, and
- 27 policies regarding psilocybin.
- 28 The board will vote upon and submit recommendations to the
- 29 DOH according to a schedule agreed upon by the DOH. Advice and
- 30 recommendations are to be made in consideration of federal laws,
- 31 regulations, and policies concerning psilocybin.
- 32 No later than 18 months after the effective date of this act, the
- 33 board will be required to prepare and submit a report to the DOH,
- 34 the Governor, and the Legislature, outlining its findings and
- 35 recommendations concerning the implementation of the bill.

36

37 Psilocybin Licensure Requirements

38

39 An applicant for an initial or renewed license or permit related to
40 psilocybin will be required to submit the application in a form and
41 manner specified by the DOH. In the case of an applicant for
42 issuance or renewal of a psilocybin product manufacturer license,
43 psilocybin service center operator license, or psilocybin testing
44 laboratory license, the application is to identify the proposed
45 location of the premises that is to be operated under the license.

46 The DOH will promptly review and approve or deny any
47 application for licensure or issuance of a permit. The DOH may
48 reject an application that is not submitted in a form and manner

1 required by the department. An applicant whose application is
2 rejected will not be prohibited from submitting subsequent
3 applications for licensure or a permit, or for renewal of a license or
4 permit. No psilocybin license or permit may be issued to any
5 applicant who is younger than 21 years of age.

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

32 The application and issuance fees may not exceed the
33 administrative costs to the DOH of processing the application and
34 administering the provisions of the bill. A license or permit issued
35 under the bill will be valid for one year. The DOH will be
36 prohibited from issuing any psilocybin product manufacturer,
37 psilocybin service center, psilocybin testing laboratory, or
38 psilocybin service facilitator license, or any psilocybin worker
39 permit, during the 18-month development period.

40 Each applicant for a license or permit issued under the bill will
41 be required to undergo a criminal history record background check.
42 The applicant will bear the cost of the criminal history record
43 background check. The DOH may not approve an applicant for a
44 license or permit under the bill if the criminal history record
45 background information of the applicant reveals a disqualifying
46 conviction for a crime of the first, second, or third degree involving
47 certain offenses involving the production, distribution, or
48 possession of controlled dangerous substances, other than certain

1 offenses involving cannabis or psilocybin. The DOH may offer
2 provisional authority for an applicant to be issued a license or
3 permit under the bill, for a period not to exceed three months, if the
4 applicant submits to the DOH a sworn statement attesting that the
5 applicant has not been convicted of any disqualifying conviction.
6 The Division of State Police will be required to notify the DOH if
7 any person required to complete a criminal history background
8 check under the bill is subsequently convicted of a disqualifying
9 conviction.

10 Under the bill, an applicant for a license or permit who has a
11 disqualifying conviction may still be issued a license or permit if
12 the applicant has affirmatively demonstrated to the DOH clear and
13 convincing evidence of rehabilitation.

14 No application for a psilocybin product manufacturer or
15 psilocybin service center operator license may be approved unless it
16 includes a description of the proposed location for the applicant's
17 site, including: the proposed location, the surrounding area, and the
18 suitability or advantages of the proposed location, along with a
19 floor plan and optional renderings or architectural or engineering
20 plans; and documentation of zoning approvals for the proposed
21 location.

22 The DOH may require a licensed psilocybin product
23 manufacturer, psilocybin service center operator, or psilocybin
24 testing laboratory, or an applicant for a psilocybin product
25 manufacturer, psilocybin service center operator, or psilocybin
26 testing laboratory license, to submit to the DOH a sworn statement
27 identifying the name and address of each person holding a financial
28 interest in the licensee or the applicant for licensure, and the nature
29 and extent of the financial interest held by each person holding a
30 financial interest in the licensee or the applicant for licensure.

31 A person may hold multiple psilocybin service center operator
32 licenses and may hold both a psilocybin product manufacturer
33 license and one or more psilocybin service center operator licenses,
34 which licenses may be issued for the same or for different premises,
35 provided that no individual may have a financial interest in more
36 than one psilocybin product manufacturer or more than five
37 psilocybin service centers. The DOH may require a person issued
38 both a psilocybin product manufacturer license and a psilocybin
39 service center license for the same premises to require the premises
40 be segregated into separate areas for conducting the activities
41 authorized under each license, as may be necessary to protect the
42 public health and safety.

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

45 1) the DOH finds probable cause exists that a licensee
46 purchased or received a psilocybin product from an unlicensed
47 source or sold, stored, or transferred a psilocybin product in an
48 unauthorized manner;

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

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

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

9 5) in the case of a psilocybin product manufacturer or a
10 psilocybin service center operator, the licensee is insolvent,
11 incompetent, or physically unable to manage the operations of the
12 licensed entity;

13 6) in the case of a psilocybin product manufacturer or a
14 psilocybin service center operator, the licensee is cited by the
15 department three or more times within a 12-month period for selling
16 or offering for sale mislabeled or adulterated psilocybin products, or
17 for selling or furnishing a psilocybin product to a person who is
18 younger than 21 years of age or who is not a client of the licensee;

19 7) following issuance of the license, the licensee is convicted
20 of, adjudicated guilty to, or pleads guilty to a disqualifying
21 conviction; or

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

25 An entity whose application for renewal of a license is denied or
26 whose license is restricted, suspended, or revoked will be entitled to
27 a hearing before the DOH concerning the action. The DOH will
28 issue a final order or decision following the hearing, which final
29 order or decision may be appealed to the Appellate Division of the
30 Superior Court. Notwithstanding the lapse, suspension, or
31 revocation of a license or permit issued under the bill, the DOH
32 may: proceed with any investigation of, or any action or
33 disciplinary proceeding against, the person who held the license or
34 permit, as applicable; and revise or render void an order suspending
35 or revoking the license or permit, as applicable. In cases involving
36 the proposed denial of a license or permit, the applicant for
37 licensure or a permit may not withdraw the licensure or permit
38 application that is proposed for denial.

40 Psilocybin Worker Permits

41
42 No person who is younger than 21 years of age may be employed
43 at any psilocybin product manufacturer, psilocybin service center,
44 or psilocybin testing laboratory. The DOH may require a licensee
45 to furnish proof that all employees of the licensee are 21 years of
46 age or older, and may require any person for whom proof of age is
47 unavailable to leave the licensed premises until such time as the
48 person presents acceptable proof of age. Failure to provide proof of

1 age for an employee within a reasonable period of time will
2 constitute prima facie evidence that the licensee knowingly
3 employed the person in violation of this prohibition.

4 No individual will be authorized to engage in any activities
5 involving the manufacture, processing, transportation, delivery,
6 testing, sale, or administration of psilocybin products, provide
7 psilocybin services, or engage in other activities related to the
8 manufacture, processing, transportation, delivery, testing, sale, or
9 administration of psilocybin products or the provision of psilocybin
10 services, unless the individual holds a current, valid psilocybin
11 worker permit issued by the DOH. Each psilocybin product
12 manufacturer, psilocybin service center, and psilocybin testing
13 laboratory will be required to ensure that each employee of the
14 psilocybin product manufacturer, psilocybin service center, or
15 psilocybin testing laboratory, as applicable, including any
16 psilocybin service facilitator employed by the licensee, possesses a
17 current, valid psilocybin worker permit.

18 Applications for psilocybin worker permits are to be submitted in
19 a form and manner as required by the DOH. A psilocybin worker
20 permit will be valid for one year and will be subject to renewal.
21 The DOH is to establish reasonable application and issuance fees
22 for psilocybin worker permits, which fees may not exceed the cost
23 to the DOH of processing the application and issuing the permit.

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

40 Psilocybin Product Manufacturers and Service Centers

41
42
43 The DOH will designate specific activities that will be
44 authorized for psilocybin product manufacturers, and a psilocybin
45 product manufacturer will not engage in a psilocybin manufacturing
46 activity unless the manufacturer holds an endorsement authorizing
47 the manufacturer to engage in that specific activity. A psilocybin
48 product manufacturer will not be limited in the number of

1 endorsements the manufacturer holds at one time, and may request
2 approval from the DOH for additional endorsements at any time.
3 The DOH is to approve a request for an additional endorsement
4 unless the DOH determines that the psilocybin product
5 manufacturer will be unable to meet the requirements for the
6 requested endorsement. Denial of a request for an additional
7 endorsement will not preclude a manufacturer from submitting a
8 subsequent request for approval of the same or any other
9 endorsement.

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

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

35 In no case may psilocybin manufacturing activities be conducted
36 in an outdoor area. The bill provides that no psilocybin service
37 center may be approved for any location that is entirely zoned for
38 residential use or that is within 1,000 feet of an elementary or
39 secondary school, subject to certain exceptions. Psilocybin service
40 center operators will be required to take steps to prevent noisy,
41 lewd, disorderly, and disruptive conduct on the licensee's premises
42 and ensure the premises are maintained in a safe and sanitary
43 condition. Psilocybin service centers will not constitute a health
44 care facility licensed pursuant to P.L.1971, c.163 (C.26:2H-1 et
45 seq.).

46 Psilocybin product manufacturers and psilocybin service centers
47 may not advertise any psilocybin products to the public. However,
48 psilocybin service centers will be allowed to furnish information

1 concerning psilocybin products that are available from the
2 psilocybin service center to clients present in the interior premises
3 of the center or during the course of a preparation session, and
4 psilocybin product manufacturers may provide information
5 concerning the manufacturer's products to psilocybin service
6 centers and psilocybin service facilitators.

7 Psilocybin service centers and psilocybin service facilitators may
8 advertise psilocybin services, provided such advertisements do not:
9 appeal to minors; promote excessive use of psilocybin; promote
10 illegal activity; violate the code of professional conduct for
11 psilocybin service facilitators; or otherwise present a significant
12 risk to public health and safety.

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

31 Psilocybin product manufacturers will be responsible for
32 ensuring the accurate labeling of all psilocybin products produced
33 and distributed by the manufacturer, which labels are to accurately
34 and comprehensively describe the contents of the product,
35 including, as appropriate, product ingredients, allergen warnings, an
36 expiration or sell by date if needed to ensure product safety and
37 efficacy, as well as anticipated activation time, potency, the size of
38 an individual serving, the total number of servings in the packaged
39 product, and any other information as may be required by the DOH.
40 The product labeling is to include a clear statement that the product
41 contains psilocybin, which is a psychoactive substance that can
42 produce intoxication when consumed, that the product should be
43 kept out of the reach of people under 21 years of age, and that the
44 product should not be consumed except under the supervision of a
45 psilocybin service facilitator.

Psilocybin Service Facilitators

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

Psilocybin Services

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

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

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

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

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

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

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

19 Psilocybin service facilitators will be responsible for:

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

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

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

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

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

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

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

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

1 administration session; and assessments of client satisfaction with
2 the psilocybin services provided. The DOH will be required to
3 make this information publicly available, provided that nothing in
4 the bill is to be construed to authorize the disclosure of any personal
5 identifying information or health information about any individual
6 client, and nothing in the bill is to be construed to require any
7 psilocybin service center to disclose to the DOH any personal
8 identifying information or health information about any individual
9 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
18 behalf, 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
22 or 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
27 client by, a psilocybin service center or psilocybin service
28 facilitator are to be consumed by the client on the premises of the
29 psilocybin service center, except in the case of a home visit, in
30 which case the psilocybin product is to be consumed by the client at
31 the location in which the administration session is held. Psilocybin
32 products may not be consumed by a client except under the
33 supervision of a psilocybin service facilitator. In order to prevent
34 diversion, accidental ingestion, and accidental injury, the DOH will
35 establish requirements for the disposal of partially consumed,
36 unused, adulterated, expired, 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
45 whether a licensee is in compliance with the requirements of the
46 bill. The DOH may not require a psilocybin product to undergo the
47 same test more than once unless the psilocybin product is processed
48 into a different type of psilocybin product or the condition of the

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

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

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

26

27 Powers of the Department of Health

28

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

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

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

37 3) promulgating rules and regulations to implement the
38 provisions of the bill.

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

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

1 by the advisory board, the department may exclude individuals, or
2 categories of individuals, from receiving psilocybin services, which
3 exclusion may be based on preexisting diagnoses, identified risk
4 factors, or contraindications.

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

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

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

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

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

4 The DOH will be authorized to purchase, possess, seize, transfer
5 to a licensee, or dispose of psilocybin products as is necessary for
6 the DOH to ensure compliance with, and enforce the provisions of,
7 the bill. The DOH may, upon providing the licensee with 72 hours'
8 notice, examine the licensee's books and may, at any time, conduct
9 an inspection of a licensee's premises. The DOH may allow, but
10 will not require, a licensee's books to be maintained on the licensed
11 premises.

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

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

43

44 Protections and Immunities

45

46 A psilocybin product manufacturer, psilocybin service center,
47 psilocybin testing laboratory, psilocybin service facilitator,
48 employee of a psilocybin product manufacturer, psilocybin service

1 center, or psilocybin testing laboratory, or a psilocybin service
2 facilitator or client, who engages in conduct authorized under the
3 bill will be immune from liability for that conduct as it pertains to
4 the State's criminal drug laws.

5 Under the bill, it will be unlawful to take any adverse
6 employment action against an employee who receives psilocybin
7 services, unless the employee is visibly impaired while at work, and
8 an employer may not test an employee for the presence of
9 psilocybin in the employee's system unless the employee exhibits
10 clear, observable symptoms of impairment.

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

16 Treatment for behavioral health, mental health, or substance use
17 disorders, or other health care a client is otherwise eligible to
18 receive, may not be denied on the basis that the care or treatment is
19 covered in conjunction with psilocybin services or that psilocybin is
20 prohibited by federal law.

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

23 A holder of a professional or occupational license, certification,
24 or registration will not be subject to professional discipline or loss
25 of a professional license or certification for providing advice or
26 services related to psilocybin or for applications for licensure under
27 the bill.

28 The governing body of a county or municipality may adopt, by
29 ordinance, reasonable regulations on the operation of psilocybin
30 product manufacturers and psilocybin service centers located within
31 that county or municipality. No county or municipality will be
32 authorized to establish any taxes or fees on the manufacture or sale
33 of psilocybin products or the provision of psilocybin services.

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

Other Provisions

The bill provides that it will not be unlawful for a person over 21 years of age to possess, store, use, ingest, inhale, process, transport, deliver without consideration, or distribute without consideration, four grams or less of psilocybin. It will also not be unlawful for a person over 21 years of age to grow, cultivate, or process plants or fungi capable of producing psilocybin for personal use, or to possess the psilocybin produced if the plants and fungi are kept on the grounds of a private home or residence and are kept secure from access by persons under 21 years of age. It will further not be unlawful to assist another person who is 21 years of age or older or allow property to be used in the course of engaging in such conduct. The bill specifies that engaging in this authorized conduct will not: be considered an offense under State law or the laws of any county or municipal governing body; constitute the basis to assess against any person a civil penalty, a civil sanction, or professional or administrative discipline; constitute the basis for detention, search, or arrest of any person; or constitute the basis to deny a person any right or privilege, or to seize or forfeit the assets of any person under State law or the laws of any county or municipal governing body, provided the person is at least 21 years of age.

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

A court receiving a petition is to presume the petitioner satisfies requirements to have the conviction or charged modified or overturned, unless the State opposes the petition or alleges that granting the petition would pose an unreasonable risk of danger to an identifiable individual's safety. In the event that the State opposes a petition, the petitioner will be entitled to a hearing on the record, including the opportunity to question witnesses and present evidence supporting the petition. The State will bear the burden of proving, by clear and convincing evidence, that the petitioner does not satisfy the criteria or that granting the petition would pose an unreasonable risk of danger to an identifiable individual if alleged. Unless the State sustains its burden, the court will be required to

1 grant the petition. Any outstanding fines, court costs, and fees
2 imposed in connection with the conviction at issue will be waived.

3 Under no circumstance will a resentencing, reversal and
4 dismissal, modification, revocation, or acceleration result in the
5 imposition of a supervision or imprisonment term longer than the
6 original sentence, or the reinstatement of charges dismissed
7 pursuant to a negotiated plea agreement, or require the payment of
8 any additional fines or fees beyond those authorized by the bill.
9 Any conviction that is modified, resentenced, or redesignated as a
10 civil infraction under the bill will be considered a civil infraction
11 for all purposes.

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