

# 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)**

**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.



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2

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

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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.

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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;

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- 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

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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;

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- 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.

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Psilocybin Worker Permits

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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.

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#### 41 Psilocybin Product Manufacturers and Service Centers

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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

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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.

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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.

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#### 38 Tracking and Testing Psilocybin Products

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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

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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.



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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.