

**SUBJECT: DISCUSSION/DIRECTION – COMPLIANCE WITH COLORADO
SENATE BILL HB 23-290 REGARDING NATURAL MEDICINE
REGULATION AND LEGALIZATION**

DATE: SEPTEMBER 3, 2024

PRESENTED BY: MATT POST, SENIOR PLANNER

PURPOSE

1. Inform City Council of Colorado Senate Bill 23-290 concerning the regulation of Natural Medicine Businesses in the City of Louisville.
2. Receive feedback and direction from City Council in preparation for a draft ordinance.

SUMMARY:

In November 2022, Colorado voters passed Proposition 122, a citizen initiative that, along with SB 23-290, decriminalized the personal possession, cultivation, sharing, and use of psilocybin and similar substances for individuals aged 21 and older. The new State law designates these and related substances as “Natural Medicine.”

This new State law also allows for the supervised use of Natural Medicine at licensed facilities referred to as “Natural Healing Centers”. A Natural Healing Center allows a licensed “facilitator” to administer Natural Medicine in a controlled setting. This law also permits the operation of other “Natural Medicine Businesses” that are engaged in the cultivation, manufacture, and testing of natural medicine.

This law states that a local jurisdiction may not prohibit Natural Medicine Healing Centers and Natural Medicine Businesses citywide. However, a local jurisdiction may reasonably regulate the time, place, and manner of operation of these businesses.

The State is drafting a more detailed set of regulations for Natural Medicine Businesses and facilitators, focusing on licensing, certification, and safe practices with adoption scheduled for September 16, 2024. Additional information is attached to this memorandum, including the SB 23-290 Summary (**Attachment A**), and the State’s Natural Medicine Know the Law brochure (**Attachment B**).

BACKGROUND:

Under this law, Natural Medicine includes psilocybin/psilocyn and, if approved by the State under ongoing rulemaking, may also include dimethyltryptamine (DMT), ibogaine, and mescaline. A “Natural Medicine Product” is defined as any product infused with Natural Medicine intended for consumption.

Natural Medicine Businesses may include a Natural Medicine Healing Center, a Natural Medicine Cultivation Facility, a Natural Medicine Product Manufacturer, and Natural Medicine Testing Facility.

Excluding testing facilities, the joint location of Natural Medicine Businesses within one establishment or location is permitted under this State law and may be further addressed in local zoning restrictions. Natural Medicine Businesses are prohibited from operating at locations that hold a liquor or marijuana license. All Natural Medicine Businesses must be located at least 1,000 feet from licensed childcare centers, preschools, elementary, middle, junior, and high schools, as measured from the nearest property line. A map displaying the required buffer and considered zone districts for Natural Medicine business uses is included as **Attachment C**. The extent of the depicted buffers may change over time as schools and childcare centers close or open new locations.

The State plans to start accepting applications for Natural Medicine Businesses starting in 2025. Therefore, local regulations for natural medicine should be established by December 31, 2024. Following City Council direction, staff are anticipating a draft ordinance for consideration by the Planning Commission on October 10, with a first reading at City Council on November 4, and the second reading on December 3.

Natural Medicine Healing Centers Summary

Under the new State law, the use of Natural Medicine for mental health treatment or other medicinal purposes is restricted to “Natural Medicine Healing Centers”, which operate similarly to licensed medical or therapy offices and allow for the supervised use of Natural Medicine administered by a trained and licensed facilitator. Natural Medicine Healing Centers will also provide consultation and follow-up sessions with patients before and after use of Natural Medicine. Sessions may last 4-8 hours, depending on the individual and the treatment provided.

To qualify for licensure as a facilitator, an applicant must complete a facilitator training program that has been certified by the Colorado Department of Regulatory Agencies. Facilitators must complete at least 150 hours of coursework on a range of topics including facilitator best practices, ethics, rules and regulations, drug effects, contraindications and interactions, and trauma informed care, among others.

This State law addresses impaired patients leaving a Natural Medicine facility with facilitator licensing standards that require a transportation plan be in place prior to a session where Natural Medicine is administered to a patient. Operating a motor vehicle while impaired by Natural Medicine remains illegal.

Natural Medicine Cultivation, Manufacturing, and Testing Facilities Summary

The cultivation, product manufacturing, and testing of Natural Medicine as defined in the State law are light industrial in nature. The activities include growing of Natural Medicines and related equipment, humidifiers, specialized air handling systems, lighting, chemicals, storage, and other aspects necessary for cultivating psilocybin mushrooms and producing related products. State rulemaking will include standards to ensure safe operation of these uses, with an emphasis on security requirements.

Licensing

Staff are not proposing any Natural Medicine-specific licensing requirement (except for standard sales and use tax licensing) as the State is developing and adopting comprehensive licensing standards and requirements for all relevant Natural Medicine Business types.

Offenses Relating to Natural Medicine

The State law includes new personal use provisions that prohibit the possession consumption, and open and public display of Natural Medicine by persons under the age of 21. Proposed ordinance updates will address this item along with other Natural Medicine offenses adopted in the State law.

ANALYSIS:

Analysis of Natural Medicine Healing Centers

Based on the nature of the use, staff believe Natural Medicine Healing centers will operate similar to medical offices, including therapy offices. As such, the use classification of a Natural Medicine Healing Centers would be most appropriately aligned with a “professional or medical office”, currently defined in the Louisville Municipal Code (LMC) as *the office of an engineer, dentist, doctor, attorney, real estate broker, insurance broker, architect, or other similar professional persons*. Medical offices are permitted uses in the following zone districts:

- Administrative Office (A-O)
- Business Office (B-O)
- Commercial Community (C-C)
- Commercial Business (C-B)
- Residential Mixed-Use (MU-R)
- Planned Community Commercial (P-C)
- Permitted with Special Review Use:
 - Commercial Neighborhood (C-N)
 - Industrial (I)

Analysis of Natural Medicine Cultivation, Manufacturing, and Testing Facilities

The potential impact of Natural Medicine Cultivation, Manufacturing, and Testing Facilities are likely to be similar to manufacturing and light industrial uses already present in the city's industrial zone districts. As such, the use classification of Natural Medicine Cultivation, Manufacturing, and Testing Facilities would be most appropriately aligned with a “manufacturing facility”, generally defined in the Louisville Municipal Code (LMC) as *facilities for the manufacturing, fabrication, processing, or assembly of products; provided that such facilities are completely enclosed and provided that no effects from noise, smoke, glare, vibration, fumes or other environmental factors are measurable at the property line*. Manufacturing facilities are currently permitted uses in the Industrial (I) Planned Community Industrial (P-I) zoning districts.

RECOMMENDATION:

To comply with SB 23-290, City staff recommend the following changes to the Louisville Municipal Code (LMC).

- Define Natural Medicine Healing Centers and Natural Medicine Cultivation, Manufacturing, and Testing Facilities as two new land uses in LMC Title 17 (Zoning) to align with the new State law.
- Allow Natural Medicine Healing Centers the same as a “professional and medical office” in LMC Sec. 17.12.030 – Use Groups. See **Attachment C** that includes a map of such zoning districts.
- Allow Natural Medicine Cultivation, Manufacturing, and Testing Facilities the same as a “manufacturing facility” in LMC Sec. 17.12.030 – Use Groups. See **Attachment C** that includes a map of such zoning districts.
- Provide supplemental regulations for both Natural Medicine Healing Centers and Natural Medicine Cultivation, Manufacturing, and Testing Facilities that address the State law, including but not limited to the buffer requirements from schools and day cares.
- Require minimum parking the same as a medical and dental clinic in LMC Sec. 17.20.020.

It is important to note that Downtown Louisville is zoned Commercial Community (C-C). The schools and licensed childcare center buffer map (Attachment C) indicates that the majority of Downtown Louisville is within the buffer area of existing, licensed childcare facilities and schools which would prohibit Natural Medicine Businesses. As such, under the staff recommendation a Natural Medicine Healing Center may be established in Downtown Louisville if any schools or day cares were to close. For reference, retail and medical marijuana are currently prohibited uses in Downtown Louisville

CITY COUNCIL DIRECTION REQUESTED:

Staff are requesting feedback on the following items:

1. Does City Council agree with proposed zoning districts to allow both Natural Healing Centers and Natural Medicine Cultivation, Manufacturing, and Testing Facilities?
2. Does City Council agree with the approach to addressing Natural Healing Centers in Downtown Louisville?
3. Does City Council wish to evaluate additional regulations for Natural Medicine Businesses beyond what the State bill sets forth to address impacts (e.g., additional buffering, hours of operation, etc.)?

ATTACHMENTS:

- A. State Bill 23-290 Summary
- B. Natural Medicine Know the Law brochure
- C. School/Childcare Center Buffer Map

STRATEGIC PLAN IMPACT:

☐		Financial Stewardship & Asset Management	☐		Reliable Core Services
☐		Vibrant Economic Climate	☐		Quality Programs & Amenities
☐		Engaged Community	☐		Healthy Workforce
☐		Supportive Technology	☐		Collaborative Regional Partner



COLORADO
Department of Revenue

SB23-290 Natural Medicine Regulation & Legalization

NOTICE: This document reflects a summary and outline of SB23-290 prepared by the Department of Revenue and is for informational purposes only. The content herein should not be relied upon or construed as legal advice and does not represent the interpretation of any other agency.

I. BACKGROUND - PROPOSITION 122

- A. In November 2022 Colorado voted to pass [Proposition 122](#), the Natural Medicine Health Act, which (a) directed the establishment of a regulatory program for access to natural medicine; and (b) decriminalized personal use for adults
- B. Assigned the Department of Regulatory Agencies (DORA) with all regulatory responsibilities, including establishment of the [Natural Medicine Advisory Board](#)

II. SB23-290 REGULATORY PROGRAM

- A. **DORA** maintains the role of licensing and regulating Facilitators (persons licensed to provide natural medicine and related services). SB290 also maintained and added the following duties for DORA:
 - 1. Natural Medicine Advisory Board
 - 2. Federally Recognized Tribes & Indigenous Community Work Group
 - 3. Annual Reporting (in coordination with DOR)
- B. **The Department of Revenue (DOR)** is responsible for licensing and regulating healing centers, cultivations, manufacturers, and testing facilities under a new [Natural Medicine Division](#) and assigned the following duties to DOR:
 - 1. Testing and certification program (in coordination with CDPHE)
 - 2. Data collection (**LE incidents, adverse health events, healthcare system impacts, consumer protection claims, behavioral health impacts**)
 - 3. Public education campaigns
 - 4. Training materials for first and multi-responders
 - 5. Annual Reporting (in coordination with DORA)
- C. **Natural Medicine** defined to include only Psilocybin & Psilocyn initially

III. SB23-290 PERSONAL USE PROVISIONS

- A. **Natural Medicine** defined to include Psilocybin, Psilocyn, Ibogaine, Mescaline, and Dimethyltryptamine (DMT)
- B. **Personal Cultivation:** Not more than 12x12 feet (can be non-contiguous) on Private Property (defined) in enclosed & locked space
 - 1. Local authority to exceed the space limit
- C. **Personal Possession & Use:** No personal possession limit
 - 1. May share with an adult (21+) in context of counseling, spiritual guidance, community-based use, supported use, or related services
 - 2. No Remuneration (except allowed for bona fide harm reduction or support services used concurrently with sharing, subject to the following:
 - a) No advertisement related to sharing or services
 - b) Person sharing must inform if not a licensed Facilitator
 - 3. No manufacturing with Inherently Dangerous Substances (defined)
 - 4. No open and public display or consumption
 - 5. Personal testing by unlicensed labs allowed, subject to requirements
 - 6. Establishes [offenses](#) for violations

SB23-290 NATURAL MEDICINE REGULATION & LEGALIZATION

Detailed Bill Outline

- IV. **Department of Regulatory Agencies (DORA) - Title 12**
 - A. Definitions
 - B. Powers & Duties - Rulemaking Authority
 - C. Natural Medicine Board - Members & Duties
 - D. American Tribes & Indigenous Community Working Group
 - E. Facilitator Licensing - Requirements & Restrictions
 - F. Grounds for Discipline & Proceedings
 - G. Local Jurisdiction / Preemption
 - H. Protections
- V. **Department of Public Health & Environment (CDPHE) - Title 25**
 - A. Rulemaking - Testing & Certification
- VI. **Department of Revenue (DOR) - Title 44**
 - A. Definitions
 - B. Application Procedures
 - C. Protections - Employer, Schools, Hospitals, Detention Facilities
 - D. Local Jurisdiction Authority & Limitations
 - E. State Licensing Authority - Powers & Duties
 - 1. Licensing & Enforcement
 - 2. Reporting, Data Collection, Public Education, Training
 - F. Rulemaking - Mandatory & Permissive
 - G. Confidentiality
 - H. Application & Distance Restrictions
 - I. Classes of Licenses (Additional Rulemaking)
 - J. Protections
- VII. **Code of Criminal Procedure - Title 16 / Criminal Code - Title 18**
 - A. Class 1 & Class 2 Public Nuisance
 - B. Offenses
 - C. New Personal Use Provisions
- VIII. **Other - Additional Provisions**
 - A. Prohibiting Discrimination for Health Benefit Plan Coverage
 - B. Division of Adult Parole, State Board Parole, Conditions of Probation
 - C. Juvenile Court Jurisdiction
 - D. Child Neglect
 - E. Sealing of Criminal Conviction Records
 - F. Public Assistance Considerations
 - G. Organ Transplants
 - H. Farm Products - Defined (exclusion)
 - I. Income Tax & Net Income of Corporation

Natural Medicine Regulation & Legalization

SB23-290

Summary Based on - 4.24.23 [Version of Bill](#)

Department of Regulatory Agencies (DORA)

[DORA Natural Medicine Health Act Homepage](#)

SECTION 1

12-170-102. Legislative Declaration.

Declares intent and directs state agencies to honor and respect federally recognized tribes and indigenous people in order to prevent natural medicine being overly commodified / commercialized / misappropriated / exploited. Directs agencies to consider potential for direct and indirect harm.

SECTION 2

12-170-103. Applicability of Common Provisions.

Applies Title 12, Art. 1 (General Provisions) & Art. 20 (Div. of Professions & Occupations) to Article 170.

SECTION 3

12-170-104. Definitions. (P. 3-6)

Defines: Administration Session; Board; Director; Division; Facilitation; Facilitator; Federally Recognized American Tribe; Healing Center; Health-Care Facility; Integration Session; Local Jurisdiction; Natural Medicine; Natural Medicine Product; Natural Medicine Services; Participant; Preparation Session; Regulated Natural Medicine; Regulated Natural Medicine Product; Remuneration; State Licensing Authority.

Summary Definition - Natural Medicine:

(12)(a) (I) **Psilocybin**; or (II) **Psilocyn**

(12)(b)(II) **Ibogaine** (if recommended by the Board & agency approved);

(12)(b) **ON OR AFTER JUNE 2026** (if recommended by the Board & agency approved):

(I) **Dimethyltryptamine** (DMT)

(III) **Mescaline** [does NOT include Peyote, meaning all parts of the plant classified botanically as *Lophophora Williamsii* Lemaire, whether growing or not; its seed; any extract from any part of plant, and every compound, salt, derivative, mixture, or preparation of the plant, or its seed or extracts]

(12)(c): Natural Medicine **DOES NOT MEAN** a synthetic or synthetic analog of the substances, including a derivative of a naturally occurring compound of natural medicine that is produced using chemical synthetic, chemical modification, or chemical conversion.

SECTION 4

12-170-105. DORA - Director Powers & Duties - Rules (P. 6-10)

(1)(a)(I) Rules for safe provision of regulated natural medicine and services, including:

(A) Parameters for a preparation, administration, and integration session;

(B) Health and safety warnings required before each session;

(C) Educational materials that must be provided before each session;

(D) A form a participant, facilitator, and authorized representative of the Healing Center must sign (establishes minimum requirements regarding health information, drug contraindications, participant expectations, parameters for physical contact, and risks of participation);

(E) Proper supervision during the administration session and requirements for a discharge plan or safe transportation;

- (F) Provisions for group administration sessions;
- (G) Provisions to refuse services based on health and safety risks;
- (H) Dosage limits for administration sessions.

(1)(a)(II) Requirements for Facilitator licensing, practice and professional conduct, including:

- (A) Form and procedures for license applications;
- (B) Educational and experiential requirements and qualifications (including education and training on participant safety, drug interactions, contraindications, mental health and state, physical health and state, social and cultural considerations, preparation, administration, integration, and ethics).
Must not require a separate professional license or degree (unless multiple tiers)
- (C) Oversight/supervision requirements, including continuing education
- (D) Professional standards of conduct
- (E) Parameters for physical contact, including informed consent for physical contact
- (F) Permitting remuneration for provision of natural medicine services
- (G) Group administration sessions and participant limits
- (H) Record-keeping, privacy, confidentiality (and exemptions)
- (I) Parameters for permissible and prohibited financial interests in a license
Financial Interest Restriction: A **Facilitator** cannot have a financial interest in more than five (5) NM business licenses.
- (J) Parameters for other authorized locations, including a health-care facility or private residence.
- (K) Standards for advertising and marketing, including to avoid misappropriation and exploitation of tribes and indigenous people, avoiding excessive commercialization, and targeting underage.

(1)(a)(III)-(V) Other Rules:

- (III) Rules necessary to differentiate between types of regulated natural medicine provided during an administration session based on qualities, traditional uses, and safety profile
- (IV)-(V) Other matters determined necessary to implement/administer

SECTION 4 (Continued)

12-170-105. DORA - Director Powers & Duties (P. 10-12)

(1)(b)-(k) DORA Duties Include:

- (1)(b) December 31, 2024 - DORA begins accepting applications/granting licenses
Prioritization of Applications: Shall prioritize review of applications from CO residents
- (c) Establish licenses, registrations, etc.
- (d) Establish, when financially feasible, procedures, policies, and programs to ensure rules are equitable and inclusive (for which the Director may consult the Board)
- (e) Conduct investigations and hearings, gather evidence, and pursue disciplinary actions
- (f) Take disciplinary action or limit scope of practice upon proof of violation
- (g) Cease-and-desist orders pursuant to Section 405
- (h) Petition a district court for an investigative subpoena or injunction under certain circumstances
- (i) Maintain an **ONLINE PUBLIC LIST** of licensees, registrants, etc, including whether the person had its credentials limited, suspended, or revoked
- (j) Publish an **ANNUAL REPORT** on the implementation/administration (in coordination with DOR)
- (k) Perform other functions and duties necessary to administer

Other Requirements & Limitations:

- (2) Director shall consult the Board when considering/promulgating rules
- (3) Authority to collect available and relevant data
- (4) Regulators prohibited from pecuniary gain from licensees for 6 months after employment

SECTION 5	12-170-106. DORA - Natural Medicine Advisory Board
<u>Creates Natural Medicine Advisory Board (2 and 4 year terms), Pg. 13</u> At expiration of term, the Governor shall appoint members, without consent of the Senate (4 year term). May serve up to 2 consecutive terms. Can be removed for misconduct, incompetence, neglect of duty, unprofessional conduct. <u>Board Recommendation Subjects, Pg. 14-15:</u> ➤ Accurate public health approaches regarding use, benefits, harms, and risk reduction ➤ Content and scope of educational campaigns ➤ Research related to the efficacy and regulation, including product safety, harm reduction, and cultural responsibility ➤ Facilitator Requirements - Proper content of training programs, educational and experiential requirements, and qualifications. When making recommendations, the Board may consider: (I) Tiered facilitator licensing; (II) Limited waivers of education and training requirements based on experience, training, skills; (III) Removal of unreasonable or logistical barriers ➤ Affordable, equitable, ethical, and culturally responsible access to NM (may consider recommendations on ways to reduce costs of licensure, incentives for reduced costs for services, and incentives for services in geographic and culturally diverse regions) ➤ Regulatory considerations for each type of NM and each type of session ➤ Addition of other types of NM, based on medical, psychological, and scientific studies, research, and other information related to safety and efficacy - Shall prioritize consideration of Ibogaine ➤ All rules to be promulgated by DORA & DOR ➤ Requirements for accurate and complete data collection, reporting, and publication <u>Other Board Duties, Pg. 15:</u> ➤ Shall, on an ongoing basis: ○ Review and evaluate existing and current research, studies, and real-world data related to NM and make recommendations to the GA and agencies regarding coverage under health first Colorado or other insurance programs for various mental health conditions ○ Review and evaluate sustainability issues and impacts on tribal and indigenous cultures and documenting existing reciprocity efforts and continuing support measures needed ➤ Board shall publish an ANNUAL REPORT describing activities	
SECTION 6	12-170-107. American Tribes & Indigenous Working Group (P. 16)
<u>Federally Recognized American Tribes & Indigenous Community Working Group</u> ➤ To avoid misappropriation, exploitation, excessive commercialization, conservation issues (including potential for further depletion of peyote due to it being a source of mescaline), best practices, and open communication to avoid unnecessary burdens. ➤ Shall advise the Board and DORA on findings and recommendations ➤ Encourages DORA To engage with those who have significant experience with traditional use	
SECTION 7	12-170-108. License - Unauthorized Practice - Disclosures (P. 17)
<u>Facilitator License Requirements & Restrictions</u> ➤ Shall not engage in Facilitation or represent self as a Facilitator without a license ➤ Shall conspicuously display license in Healing Center, including info on how to file a complaint ➤ Shall provide specific information in writing prior to each session (P. 18) ○ Name, address, and phone # of the licensee; ○ Explanation of regulations applicable to the licensee; ○ Listing of training, educational and experiential requirements and qualifications satisfied	

- to obtain a license ○ Statement indicating the participant is entitled to receive information about services, may terminate services and may terminate informed consent for physical contact at any time ➤ Nothing prohibits a person from performing a bona fide religious, culturally traditional, or spiritual ceremony, but must inform that they are not a licensed facilitator and so long as the ceremony is not associated with commercial, business, or for-profit activity	
SECTION 8	12-170-109. Grounds for Discipline (P. 19)
<u>DORA Permissive Authority to Take Disciplinary or Other Action Upon Proof of Following:</u> ➤ Violation of this Article 170 or rules, Article 20, or any valid order of DORA ➤ Convicted of or entered plea of nolo contendere to a felony ➤ Misstatement of an application or fraud, deception, or misrepresentation ➤ Act or omission necessary to meet generally accepted professional standards of conduct ➤ Excessive or habitual use or abuse of alcohol or controlled substances ➤ Guilty of unprofessional or dishonest conduct ➤ Advertising by means of false or deceptive statement ➤ Failure to display license as required ➤ Guilty of willful misrepresentation ➤ Failure to disclose within 45 days a conviction for a felony or any crime related to practice ➤ Aids/abets unlicensed practice of facilitation ➤ Fails to timely respond to a complaint end by the Director (DORA) pursuant to 12-170-110	
SECTION 9	12-170-110. Disciplinary Proceedings (P. 20)
Establishes bases and process for disciplinary proceedings, including hearings and judicial review	
SECTION 10	12-170-111. Fees - Cash Fund (P. 21)
Establishes a cash fund. Shall set and adjust fees so revenue approximates the direct and indirect costs of the program. Fees shall not exceed the amount necessary to administer the Article.	
SECTIONS 11 & 14	12-170-112 & 115. Local Jurisdiction (P.21) / Preemption (P.23)
Consistent with Prop 122, local governments cannot prohibit Facilitation of NM Services and can not adopt ordinances/regulations that are unreasonable or in conflict with Article 170.	
SECTION 12	12-170-113. Protections (P. 22)
<u>Protections Include:</u> (1)(a) Licensed activity and allowing use of property for licensed activity are not an offense under state or local law; are not subject to civil fine or sanction; are not a basis for detention, search, or arrest; and are not a basis to deny any right or seize or forfeit assets. (b) Contracts enforceable (federal prohibition does not render a contract unenforceable) (c) Mental health care, substance use services, or behavioral health services covered under the CO Medical Assistance Act, Title 25.5, Articles 4-6, cannot be denied on the basis of federal prohibition of NM. However, Insurance providers are not required to cover the cost of NM. (d) Nothing prevents the Director from enforcing rules or limits state or local LE to investigate unlawful activity in relation to a licensee. (2) Professional or occupational license not subject to professional discipline on the basis of federal prohibition, but this does not authorize conduct that violates standards of care or scope of practice.	

SECTIONS 13-16	12-170-114 - 12-170-117. Construction & Repeal (P. 23)
➤ Section 13. 12-170-114. Liberal Construction - Article 170 must be liberally construed ➤ Section 15. 12-170-116. Self-Executing, Severability, Conflicting Provisions - Provisions are self-executing except as specified and supersede conflicting state and local provisions ➤ Section 16. 12-170-117. Repeal & Review - Article 170 subject to review prior to repeal 9/1/2032	
SECTION 17	12-20-407. Unauthorized Practice
Class 2 Misdemeanor if a person practices or offers or attempts to practice/engage in Facilitation	
Department of Revenue (DOR) - DOR Website & Department of Public Health & Environment (CDPHE) - CDPHE Website	
SECTION 18	24-1-117. Department of Revenue - New Division (P. 24)
Creates the DOR Natural Medicine Division, a type 2 entity (as defined in 24-1-105)	
SECTION 19	24-34-104. Review for Repeal or Continuation (P. 25)
September 1, 2032 - Scheduled repeal of Article 170 of Title 12 and Article 50 of Title 44	
SECTION 20	25-1.5-120. CDPHE - Testing and Standards - Rules (P. 25)
CDPHE authority to establish (in coordination with DOR) rules for testing and certification. 44-50-203 also gives permissive authority for DOR to allow for personal use testing. <u>Minimum testing rules must include:</u> ➤ Testing standards and certification requirements ➤ Independent testing and certification program within a timeline established by the DOR, to ensure products do not contain contaminants injurious to health and ensure correct labeling ➤ Quarantine and notification procedures if results indicate substances deemed injurious; ➤ Ensure testing verifies concentration representations and homogeneity for labeling; ➤ Acceptable variance for concentration and procedures to address misrepresentations; and ➤ Protocols and frequency of testing.	
SECTION 21	PART 1: NEW ARTICLE 50 - CO Natural Medicine Code (P. 26)
Establishes Article 50 in Title 44 - The Colorado Natural Medicine Code, 44-50-101 - 102	
SECTION 21	PART 1: 44-50-103. Definitions (P. 27)
44-50-103. Definitions: Consistent with Title 12 (underlined terms are new) Administration Session; Board; Director; Division; Facilitator; Healing Center; Health-Care Facility; Integration Session; <u>License</u>; <u>Licensed Premises</u>; <u>Licensee</u>; Local Jurisdiction; Natural Medicine; <u>Natural Medicine Business</u>; Natural Medicine Product; Natural Medicine Services; Participant; <u>Person</u>; Preparation Session; <u>Principle File</u>, Regulated Natural Medicine; Regulated Natural Medicine Product; Remuneration; State Licensing Authority; <u>Transfer</u>	

SECTION 21	PART 1: 44-50-104. Applicability (P. 32)
<u>Application Procedures</u> ➤ Requires SLA to <u>prioritize review</u> of applications from Colorado residents ➤ Application & License fees are credited to the Regulated Natural Medicine Cash Fund <u>Employer, School, Hospital, Detention Facility, Related Protections</u> ➤ Employers are not required to permit or accommodate NM use, consumption, possession, etc., or impairment in the workplace ➤ Employers may have policies restricting use or impairment in the workplace ➤ An employer, school, hospital, detention facility, corporation, or other entity that occupies, owns, or controls property can prohibit/regulate NM activities on such property <u>Local Jurisdiction Authority & Limitations</u> ➤ May enact ordinances/regulations governing time, place, manner of operation of licenses ➤ May NOT prohibit: ○ Establishment or operation of licenses ○ Transportation of NM on public roads by licensed persons ➤ May NOT adopt ordinances/regulations that are unreasonable or in conflict	
SECTION 21	PART 2: 44-50-201. State Licensing Authority (P. 33)
Establishes the DOR Executive Director as the State Licensing Authority (can delegate to NM Division Director), who may employ Department officers and employees as necessary.	
SECTION 21	PART 2: 44-50-202. Powers & Duties of SLA (P. 33)
<u>Licensing & Enforcement: PP. 33-34</u> ➤ December 31, 2024 - DOR begins accepting applications/granting licenses ➤ Authority to suspend, fine, restrict, revoke licenses (active, expired, or surrendered) ➤ Conduct investigations and hearings, gather evidence, and pursue disciplinary actions ➤ Petition a district court for an investigative subpoena to unlicensed persons after reasonable efforts to obtain requested documents/information ➤ Petition a court to temporarily restrain or enjoin action of an unlicensed person when the NM Division director finds sufficient evidence that the person has or is committing a prohibited act and such act (A) threatens public health or safety; or (B) constitutes an unlawful act ➤ Hearing procedures and authority ➤ Develop forms, licenses, ID cards, and applications <u>Reporting, Public Education & Training: PP. 34-36</u> ➤ In coordination with DORA, publish an ANNUAL REPORT on the implementation/administration (must not include information that could disclose the identity of a participant) ○ DATA COLLECTION REQUIREMENT (to include in annual report): In coordination with other agencies, the SLA shall request data concerning LE incidences / adverse health events / impacts to health care systems / consumer protection claims / and behavioral health impacts ➤ Develop and promote PUBLIC EDUCATION CAMPAIGNS (including public service announcements, educational materials, and crisis response materials) ➤ Develop and promote TRAINING MATERIALS for first responders and multi-responders (LE, emergency medical providers, social service providers, fire fighters) <u>Other Duties & Limitations: PP. 35-36</u> ➤ SLA cannot fix prices for regulated NM ➤ Nothing requires LE ability to investigate unlawful activity related to a licensee ➤ LE has authority to run a criminal history record check during an investigation of unlawful activity	

- Establish, when financially feasible, procedures, policies, and programs to ensure rules are equitable and inclusive (for which the SLA may consult the Board)

SECTION 21

PART 2: 44-50-203. Rulemaking Authority (P. 37)

DOR MANDATORY RULEMAKING

General Licensing:

- Licensing procedures & requirements (for issuance, denial, renewal, reinstatement, modification, suspension, and revocation)
- Oversight requirements for licensees
- A schedule of application, licensing, and renewal fees

Qualifications and eligibility requirements for licensure

- Tax Compliance: Eligibility includes requirements for timely payment of state taxes, timely filing of returns, and timely curing of tax deficiencies. Authorizes the DOR to have access to licensing information to ensure compliance.

Permitted and prohibited financial interests:

- A Person cannot have a financial interest in more than five (5) NM business licenses

Testing Program: DOR rules in coordination with CDPHE

- Establishment of a natural medicine independent testing and certification program.
- At a minimum, to ensure product does not contain contaminants injurious to health and to ensure correct labeling
- Certification requirements and requirements that results cannot be used unless the lab is certified
- Testing procedures and frequency
- Whether to allow unlicensed persons to request/utilize testing services of regulated labs
- Definitions, permissions, and prohibitions concerning conflicts of interest
- Procedures and requirements necessary for coordination with CDPHE duties

Regulation of Licensed Premises:

- Co-location of a Healing Center with another Healing Center or Health-Care Facility

Transportation Requirements:

- Security requirements
- Vehicle requirements, including surveillance
- Limits on amounts that may be carried in a vehicle
- Record keeping
- Transport manifest

Production Management

- Limits on the amount of NM allowed for production by licensees based on metrics
- Shall consider total current and anticipated demand

Record Keeping

- Records licensees are required to maintain and make available for inspection by the SLA

Other

- Requirements to prevent diversion
- Requirements to prevent underage access
- Permitted and prohibited transfers of NM between licensees
- Standards for advertising/marketing (including avoiding misappropriation and exploitation of tribes and indigenous people / avoiding excessive commercialization)

DOR PERMISSIVE RULEMAKING (P. 40)

- Establishment of licenses
- Principle file process
- Product requirements and restrictions
- Packaging and labeling requirements, including warning labels, serving and per-package serving amounts; and concentration of product
- Security and surveillance, among other minimum procedures for internal control
- Reporting requirements for changes
- Health and safety standards and sanitary requirements
- Waste handling/disposal
- Storage and transportation
- Inventory tracking/management
- Procedures for disciplinary actions
- Penalties schedule
- Specifications of duties of officers/employees of SLA
- Guidance for law enforcement
- Inspections and investigations (including searches, seizures, forfeitures, embargo, quarantine, recalls, and such additional activities as may become necessary)
- Prohibition on misrepresentation and unfair practices
- Other matters as necessary

Other Requirements & Limitations (P. 43)

- Shall consult the advisory board when considering and promulgating rules
- May establish procedures for conditional issuance of an employee license and ID at time of application (remains subject to denial pending results of criminal history check)
- Fingerprint requirements - by local LE agency or third party approved by CBI (requirement for SLA to send fingerprints to CBI for processing)

SECTION 21

PART 2: 44-50-204. Confidentiality (P. 43)

Gives similar protections and exemptions as in the Marijuana Code. Certain licensee information must be maintained as confidential (e.g. financial records, security plans) with limited exceptions

SECTION 21

PART 3: 44-50-301. Classes of Licenses (P. 44)

- Creates licenses issued by DOR: Healing Center, Cultivation, Manufacturer, Testing Facility, Occupational license (with authority to establish other licenses as necessary for implementation)
- Authorizes a state chartered bank or credit union to loan money to licensees
- Prohibits operation of a license at the same location as a license or permit issued under Articles 3, 4, 5, or 10 of Art. 44 (alcohol, fermented malt beverages, special event liquor permits; marijuana)

SECTION 21

PART 3: 44-50-302. Application & Distance Restrictions (P. 45)

- Distance restrictions, including within 1,000 feet of a child care center, preschool, elementary, middle, junior, or high school, or residential child care facility or if not permitted by local zoning.
- Local jurisdictions may vary the distance restrictions or may eliminate facilities from restrictions.
- Application approval requires the applicant to demonstrate it is or will be entitled to possession of premises via lease, rental agreement, ownership, or other arrangement.

CONTINUES TO NEXT PAGE

SECTION 21	PART 4: 44-50-401. Healing Center (P. 47)
<u>General Requirements & Restrictions</u> ➤ License may be issued only to a person that employs or contracts with a Facilitator ➤ May transfer regulated NM to another HC ➤ Prior to initiating NM Services, a Facilitator shall verify the Participant is 21+ ➤ Shall comply with all provisions of Article 34, Title 24, as related to persons with disabilities <u>Additional Rulemaking Authority</u> ➤ Shall not transfer more than amount permitted by rule in a single Administration Session ➤ SLA may establish exemptions to the above administration limitations and may establish record-keeping requirements for HCs pursuant to any such exemption	
SECTION 21	PART 4: 44-50-402. Cultivation Facility (P. 48)
<u>Transfer Allowances/Restrictions</u> ➤ License may be issued only to a person who cultivates regulated NM for transfer and distribution to NM healing centers, manufacturers, or other cultivations <u>Activities Restricted on Premises</u> ➤ NM cannot be consumed on the premises unless co-located with HC premises	
SECTION 21	PART 4: 44-50-403. Product Manufacturer (P. 48)
<u>General Requirements & Restrictions</u> ➤ License may be issued only to a person who manufactures regulated NM products ➤ Licensee shall NOT: ○ Add regulated NM to a food product that holds a trademark, unless it's used only as a component or as part of the recipe and only if the licensee does not state or advertise to the consumer that the final product contains a trademarked product ○ Intentionally or knowingly label or package in a manner that would cause reasonable confusion as to whether the product was trademarked ○ Label or package in a manner that violates federal trademark law/regs <u>Activities Restricted on Premises</u> ➤ NM cannot be consumed on premises unless co-located with HC premises	
SECTION 21	PART 4: 44-50-404. Testing Facility (P. 49)
<u>General Requirements & Restrictions</u> ➤ License may be issued only to a person who performs testing and research on NM ➤ Testing is a matter of statewide concern ➤ A testing licensee cannot have an interest in another NM business license <u>Additional Rulemaking Authority</u> ➤ Acceptable testing and research practices, including but not limited to: ○ Standards ○ Quality control analysis ○ Equipment certification and calibration ○ Identification of chemicals and other substances used in bona fide research methods ○ Whether to allow persons 21+ to request and use testing services for personal use	

SECTION 21	PART 5: 44-50-501. Unlawful Acts (P. 50)
➤ Knowingly transfer to person under 21 ➤ Knowingly adulterate or alter test samples (or attempt to do so)	
SECTION 21	PART 6: 44-50-601 - 602. Fees (P. 50)
<u>Establishes the Regulated Natural Medicine Division Cash Fund</u> ➤ Fees must cover direct and indirect costs of agency operations to implement and administer ➤ May charge for the cost of each fingerprint analysis and background investigation to qualify new officers, directors, managers, or employees ➤ Shall annually review and, if necessary, adjust fees to reflect direct and indirect costs ➤ Fees must not exceed the amount necessary to administer ➤ Shall also establish a subpoena fee (not applicable to government agencies)	
SECTION 21	PARTS 7 - 8: 44-50-701 - 801. Disciplinary Actions (P. 52)
Establishes process for disciplinary actions with notice, hearing, and judicial review.	
SECTION 21	PART 9: 44-50-901. Protections, Construction, Preemption, Severability (P. 53)
<u>44-50-901. Protections (PP. 53-54)</u> ➤ Licensed activity and allowing use of property for licensed activity are not an offense under state or local law; are not subject to civil fine or sanction; are not a basis for detention, search, or arrest; and are not a basis to deny any right or seize or forfeit assets. ➤ Contracts enforceable (federal prohibition does not render a contract unenforceable) ➤ Licenses under this Article are not subject to professional discipline for providing advice or services related to NM on the basis of federal prohibition, but does not authorize malpractice. ➤ Mental health care, substance use services, or behavioral health services covered under the CO Medical Assistance Act, Title 25.5, Articles 4-6, cannot be denied on the basis of federal prohibition of NM. However, Insurance providers are not required to cover the cost of NM. ➤ Nothing prevents the Director from enforcing rules or limits state or local LE to investigate unlawful activity in relation to a licensee. <u>44-50-902 - 904. Construction, Preemption, Severability (P. 55)</u> Article 50 must be liberally construed to effectuate its purpose; local jurisdictions cannot adopt any ordinance, rule, or resolution in conflict with this Article; If any provision of this Article is found to be unconstitutional, the remaining provisions are valid.	
SECTION 21	PART 10: 44-50-1001. Sunset Review & Repeal (P. 55)
Effective September 1, 2032 ; Scheduled for Sunset Review under 24-32-104(5)	
TITLE 16 CODE OF CRIMINAL PROCEDURE	
SECTIONS 22 -23	PART 10: 16-13-303 - 304. Class 1 & 2 Public Nuisance (P. 55)
Not a Class 1 or 2 public nuisance if in compliance with 18-18-434, Title 12, or Title 44	

TITLE 18 CRIMINAL CODE

SECTIONS 24 - 26

18-18-403.5. Unlawful Possession of Controlled Substance
18-18-404. Unlawful Use of Controlled Substance
18-18-405. Unlawful Distro, Manufacturing, Dispense, Sale

Exemptions if in compliance with Title 12, Title 27, Title 18, and Title 44

SECTION 27

18-18-410. Declaration of Class 1 Public Nuisance (P. 57)

Exemptions regarding use of places for storage, manufacture, sale, or distribution

SECTION 28

18-18-411. Property & Controlled Substances (P. 57)

Exemptions for persons (keeping, controlling, renting, making property available for distribution or manufacture) if in compliance with 18-18-434, Article 170 of Title 12, or Article 50 of Title 44

SECTION 29

18-18-412.7. Sale or Distribution of Materials to Manufacture CS

Exemptions if in compliance with 18-18-434, Title 12, and Title 44

SECTION 30

18-18-430.5. Drug Paraphernalia - Exemption (P. 58)

Exemptions from 18-18-425 - 18-18-430 if using equipment, products, or materials in compliance

SECTION 31

NEW 18-18-434. Offenses Relating to Natural Medicine (P. 58)

NEW PERSONAL USE PROVISIONS FOR NATURAL MEDICINE

OFFENSES P. 58

(1) Persons under 21 Years of Age - Knowingly Possess or Consume P. 58

**Aligns with 18-13-122 for MJ*

- **Drug petty offense** - subject to:
 - Fine of not more than \$100; OR
 - Not more than four (4) hours of substance use education or counseling
- **Second or subsequent conviction:**
 - Fine of not more than \$100
 - Not more than four (4) hours of substance use education or counseling; AND
 - Not more than twenty-four (24) hours of useful public service

(2) Open and Public Display or Consumption: P. 58

**Aligns with 18-18-406(5)(b) for MJ*

- **Drug petty offense** - subject to:
 - Fine of not more than \$1,000; AND
 - Not more than twenty-four (24) hours of useful public service.

(3)(a) Knowing Cultivation (or allowance) - Private Property Exceeding 12x12 (non-contiguous) P. 59

**Aligns with lowest level penalty in 18-18-406(3) for MJ*

- **Drug petty offense** - subject to: Fine of not more than \$1,000

(3)(b) Knowing Cultivation (or allowance) - Private Property Enclosed & Locked Space P. 59

**Aligns with lowest level penalty in 18-18-406(3) for MJ*

- **Drug petty offense** - subject to: Fine of not more than \$1,000

(4) Knowing Manufacture w/Inherently Hazardous Substances P. 60

**Aligns with 18-18-406.6 for MJ*

- **Level 2 Drug Felony** - Unlawful to knowingly manufacture or allow manufacture of NM Product using an **Inherently Hazardous Substance**
- **Defined:** Any liquid, chemical, compressed gas, or commercial product that has a flash point at or lower than 38 degrees celsius or 100 degrees fahrenheit, including butane, propane, and diethyl ether, and excluding all forms of alcohol and ethanol)

PERSONAL USE P. 59

Personal Cultivation

- Limited to an area not more than **12x12 feet** on Private Property
- 12x12 space not required to be contiguous
- A local jurisdiction may allow cultivation exceeding the space limit
- Defines **“Private Property”**
 - A dwelling, its curtilage, and a structure within the curtilage being used for habitation and that is not open to the public.
- 18-18-434(3)(b)(II) - Not a violation if:
 - The person is 21+; AND
 - The cultivation area is located in a dwelling on the Private Property; AND
 - If an underage person lives at the dwelling, the cultivation is enclosed and locked.
 - If no underage person lives at the dwelling, the external locks on the dwelling constitute an enclosed and locked space, **BUT**
 - If a person underage lives at the dwelling, shall ensure access is reasonably restricted

(5)(b) Personal Use Testing Allowances - via Unlicensed Labs P. 60

- Allows a person to perform testing for persons 21+ (for personal use) if:
 - The person gives written notice that they are not licensed by the state to conduct testing; &
 - The person who submits samples gives a signed statement that the natural medicine is for personal use only

(5)(c) Nothing in this Section Permits the Following P. 61

- Underage access
- Remuneration except as allowed
- Engage in personal use actions related to natural medicine other than as allowed
- Engage in action as part of a business promotion or commercial activity except as allowed
- Dispense, sell, or distribute, or possess Ibogaine w/intent to distribute except as allowed

(5)(d) - (10) Law Enforcement & Local Jurisdiction Limitations P. 61

- Shall not arrest or charge or prosecute for an offense involving natural medicine except as expressly provided in this Section (may arrest, charge, or prosecute for an offense not expressly lawful under Titles 12 and 44)
- A lawful action cannot be the sole reason to
 - (a) subject a person to a civil fine, penalty, or sanction
 - (b) deny a person a right or privilege; or
 - (c) seize or forfeit assets
- A lawful action cannot be the sole factor in a probable cause determination. Such action can be

used as a factor IF:

- The original stop or search was lawful; AND
- Other factors are present to support a PC determination
- Entitlement to consume does not constitute a defense against a charge for violation related to operation of a vehicle, aircraft, boat, machinery, or other device
- A local jurisdiction shall not impose any greater criminal or civil penalty

(11) Exceptions for Living Plants for Ornamental Purposes

Offenses do not apply to a living plant for ornamental purposes (plants commonly and lawfully sold prior to this Act). A living plant does not include mushrooms or other fungal matter

Defines Natural Medicine P. 63

- Means: (A) Dimethyltryptamine (B) Mescaline; (C) Ibogaine; (D) Psilocybin; or (E) Psilocyn
- Exclusions:
 - Natural Medicine does **NOT** mean a synthetic or synthetic analog of the substances, including a derivative of a naturally occurring compound of natural medicine that is produced using chemical synthetic, chemical modification, or chemical conversion.
 - Mescaline does **NOT** include Peyote, meaning all parts of the plant classified botanically as *Lophophora Williamsii* Lemaire, whether growing or not; its seed; any extract from any part of plant, and every compound, salt, derivative, mixture, or preparation of the plant, or its seed or extracts.

Defines Personal Use P. 64

- Consumption or use of Natural Medicine or Natural Medicine Product; or
- The amount a person may lawfully possess, cultivate, or manufacture that is necessary to share with another person 21+ within the context of:
 - Counseling
 - Spiritual guidance
 - Beneficial community-based use and healing; or
 - Supported use or related services
- Does NOT mean:
 - Remuneration;
 - Possession, cultivation, or manufacture with intent to sell for remuneration;
 - Possession, cultivation, manufacture, or distribution for business or commercial purposes
- Does not preclude Remuneration for bona fide harm reduction or support services used concurrently with sharing. IF:
 - No advertisement related to sharing or the services AND
 - The individual giving services informs they are not a licensed Facilitator

OTHER

SECTION 32

10-16-158. Prohibiting Discrimination for Coverage (P. 65)

- Carriers shall not, solely on the basis of consumption, decline or limit health benefit plan coverage of a person or penalize covered persons or reduce or limit coverage; shall not deny, decline, or limit coverage for an organ transplant or related service; shall not decline or limit coverage for the purpose of avoiding the requirements of this section; shall not penalize, reduce, or limit coverage for healthcare services related to organ transplantation.
- However, does not require a plan to provide coverage for the donation of an anatomical gift, transplant, or related treatment or services

SECTION 33 - 35	17-2-102. Division of Adult Parole (P. 66) 17-2-201. State Board Parole (P. 67) 18-1.3-204. Conditions of Probation (P. 67)
➤ Exempts subsection (8.5)(d) from a parolee who possesses or uses NM as authorized ➤ Possession or use authorized under this law cannot be considered a violation of parole conditions	
SECTION 36	19-2.5-103. Juvenile Court Jurisdiction (P. 67)
Juvenile court exclusive original jurisdiction concerning a juvenile 10 yrs + involving natural medicine	
SECTION 37	19-3-103. Child Neglect (P. 68)
Actions lawful in Titles 12, 18, 44 do not constitute neglect and a court shall not restrict or prohibit family time or make similar determinations, UNLESS a court determines family time would endanger the child's physical health or significantly impair the child's emotional development.	
SECTION 38	24-72-706. Sealing of Criminal Conviction Records
(1)(f.5) Can file a motion for the sealing of conviction records for an offense that is no longer unlawful. If a motion is filed, the defendant shall provide notice to the DA, who (within 42 days from receipt of the motion) may object after considering specific factors. ➤ If no DA objection, the court may grant with or without a hearing ➤ If DA objection, shall set the matter for hearing ➤ Burden is on the defendant - preponderance of evidence standard ➤ The defendant's motion is NOT required to include a verified copy of a criminal history ➤ Must not be charged fees/costs for filing a motion pursuant to this section	
SECTION 39	24-76.5-104. Public Assistance Considerations (P. 70)
Eligibility does not require consideration related to natural medicine unless required by federal law	
SECTION 40	25-56-104.5. Discrimination for Organ Transplants (P. 70)
➤ Limitations and requirements for covered entities that provide coverage related to the organ transplant process. Requirements for covered entities include: (a) making reasonable modifications to policies, practices, and procedures; (b) take reasonable and necessary steps to ensure consumption is not the reason for denial of services, unless the entity demonstrates such steps would fundamentally alter the nature of services or result in undue burden for the entity. ➤ Does not require the entity to make a referral or perform a medically inappropriate transplant.	
SECTION 41	35-36-102. Rules - Definitions (P. 72)
Amends the definition of "Farm Products" to exclude NM as defined under Title 12 (<i>similar to MJ</i>)	
SECTIONS 42-43	39-22-104 & 304. Income Tax & Net Income of Corporation (P. 72)
For tax years commencing on or after Jan. 1, 2024, a Title 44 licensee can subtract expenditures eligible to be claimed as a federal income tax deduction, but is disallowed by 280E of the IRS Code	
SECTIONS 44	Appropriation (P. 73)

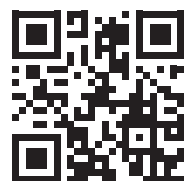
Appropriates funding to agencies for purposes of implementation

SECTION 45

Effective Date and Safety Clause (P. 74)

Effective July 1, 2023, applies to offenses committed on or after July 1, 2023

END



Who To Contact

For information about licenses for healing centers, cultivations, manufacturers, or testing labs, contact the Department of Revenue at: DOR_NaturalMedicine@state.co.us

For information about facilitator training, licensing, or the Natural Medicine Advisory Board, contact the Department of Regulatory Agencies at: dora_natural_medicine@state.co.us



COLORADO
Department of Revenue
Natural Medicine Division



COLORADO
Department of Revenue
Natural Medicine Division

KNOW THE LAW

The following resource is intended to increase general awareness and does not include legal or medical advice. Please contact a qualified professional for additional information.



The Basics - Personal Use

- Natural Medicine includes: Psilocybin, psilocyn, ibogaine, mescaline, and dimethyltryptamine (DMT)
 - Mescaline cannot be sourced from peyote
- Personal possession, cultivation, and use provisions are already effective
 - **Possession:** no limits on personal possession limits
 - **Cultivation:** a person over 21 years of age can cultivate natural medicine in an **enclosed and locked space** no bigger than 12 feet by 12 feet on private property
 - **Use:** An adult (21+) can share with another adult (21+) in the context of “counseling, spiritual guidance, community-based use, supported use, or related services”
 - **Sale:** No one can sell natural medicine
 - » This does not preclude payment for bona fide harm reduction or support services

Reminders

- Open display and consumption are prohibited
- There are still some offenses for violations of the law
 - Illegal for anyone under 21 to knowingly possess or consume
 - Illegal to cultivate in a space bigger than 12 x 12 or that is not an enclosed & locked space on private property
 - Manufacturing with inherently hazardous substances
- **Advertising:** Personal use does not mean natural medicine activities for business or commercial purposes.



Plan Ahead

- Effects of natural medicine can have delayed onset
- If you're planning on consuming natural medicine:
 - **Do your research:** learn more about natural medicines and potential effects before consuming
 - **Set and Setting:**
 - » Where you'll consume and be when the effects settle in
 - » Create a transportation plan. Do not drive or operate a vehicle after consuming
 - » Safe storage away from children and pets
- If you don't feel well, contact poison control or your doctor
 - If your condition worsens, go to your nearest Emergency Room or see a healthcare provider
 - For adverse health event help and advice, call poison control at 1-800-222-1222 or contact a qualified medical professional

Considered Zone Districts - Natural Medicine Businesses

Legend

-  School or Child Care Property
-  School/Child Care 1,000 ft Buffer
-  Municipal Boundary

General Zoning Districts

-  Agriculture
-  Open Space/Recreation
-  Office
-  Industrial
-  Commercial
-  Commercial/Residential
-  Residential

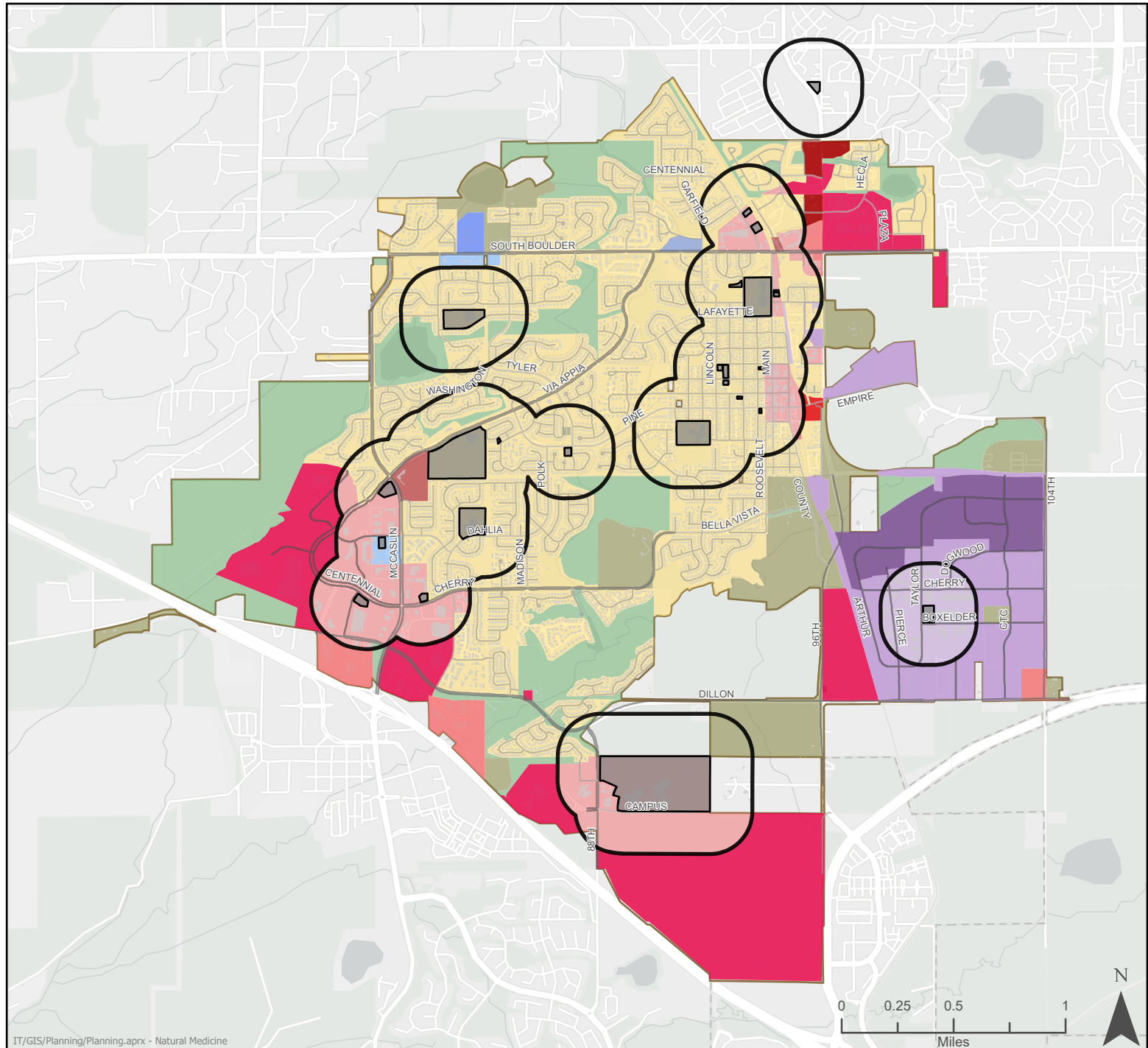
Considered Zones

Natural Medicine Healing Center

-  Administrative Office
-  Business Office
-  Commercial Business
-  Commercial Community
-  Planned Community Commercial
-  Planned Community Commercial/Residential

Natural Medicine Cultivation, Production, and Testing Facilities

-  Industrial
-  Planned Community Industrial



Considered Zone Districts - Natural Medicine Businesses

Legend

- School or Child Care Property
- School/Child Care 1,000 ft Buffer
- Municipal Boundary

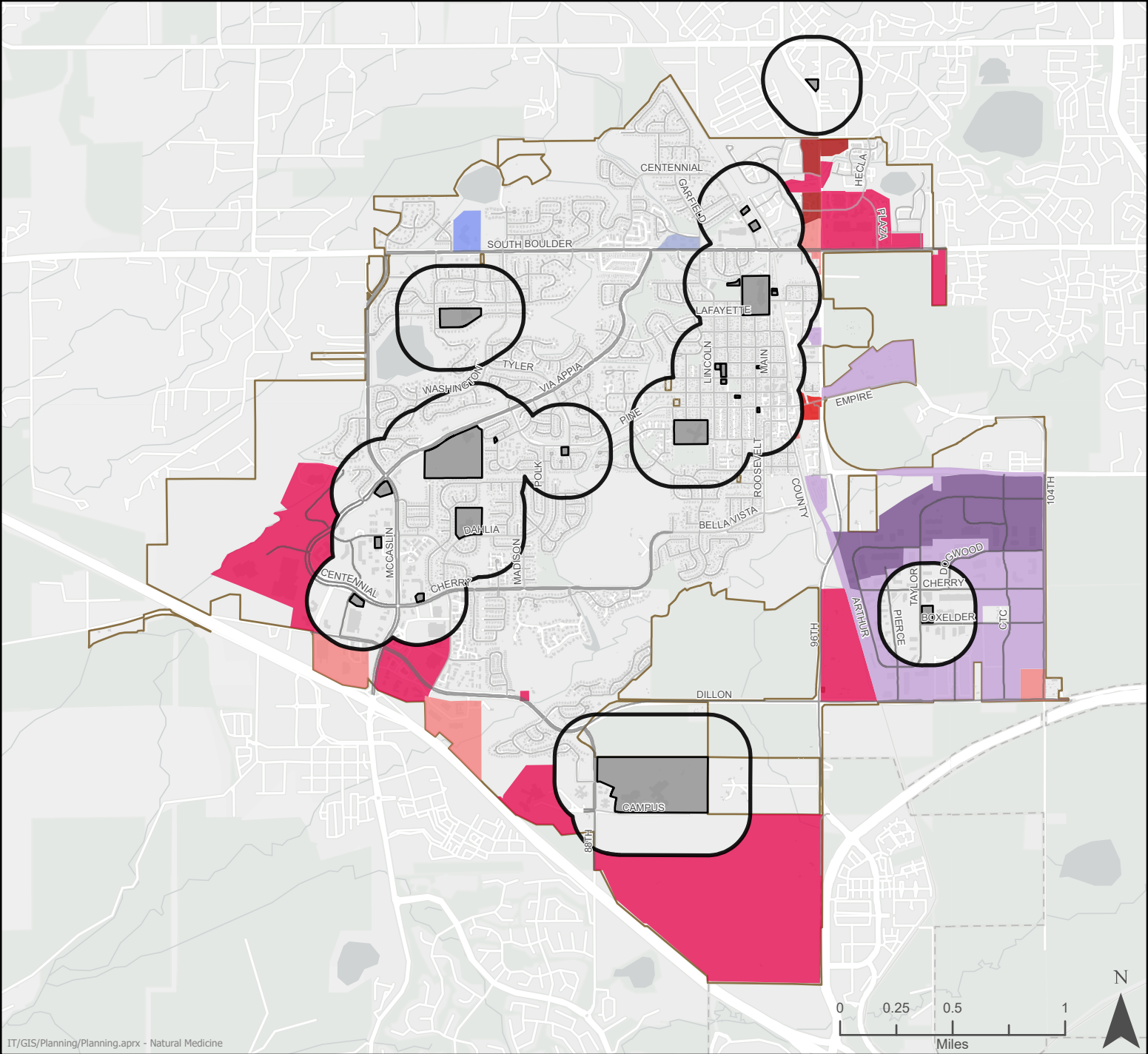
Considered Zones

Natural Medicine Healing Center

- Administrative Office
- Business Office
- Commercial Business
- Commercial Community
- Planned Community Commercial
- Planned Community Commercial/Residential

Natural Medicine Cultivation, Production, and Testing Facilities

- Industrial
- Planned Community Industrial



City Council
September 3, 2024

**Compliance with SB 23-290 Regarding
Natural Medicine Regulation and
Legalization**
Discussion/Direction

Discussion Goals

- Goals
 - Share requirements of SB 23-290
- Discussion and Direction:
 - Jurisdictional obligations
 - Agreement on proposed zoning districts for Natural Medicine Business uses
 - Natural Healing Centers in Downtown Louisville
 - Additional regulations for Natural Medicine Businesses

Summary: Natural Medicine

- Colorado voters passed Proposition 122 in November of 2022
- Decriminalized the possession, cultivation, sharing, and use of psilocybin and other related substances, referred to as “Natural Medicine”
- This State law Permits the supervised use of Natural Medicine and the cultivation, manufacturing, and testing of Natural Medicine at “Natural Medicine Businesses”
- Local jurisdictions may not prohibit Natural Medicine Businesses, though they may regulate the time, place, and manner.
- State will accept Natural Medicine Business applications in 2025

Natural Medicine Healing Centers

- Natural Medicine for mental health treatment or other medicinal purposes is restricted to “Natural Medicine Healing Centers”
- Allow for the supervised use of Natural Medicine administered by a trained and licensed facilitator
- Facilitator is licensed by the state after completing 150 hours of related coursework; best practices, ethics, rules and regulations, drug effects, contraindications and interactions, and trauma informed care
- Staff anticipate Natural Medicine Healing Centers to operate similar medical or therapy offices

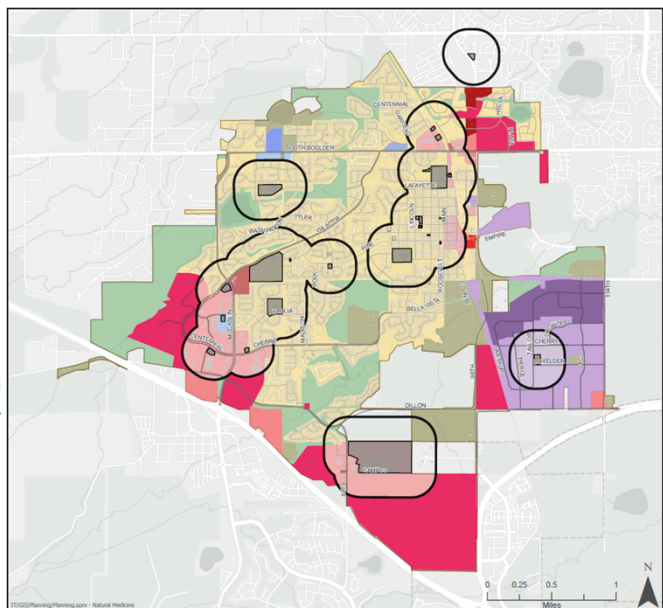
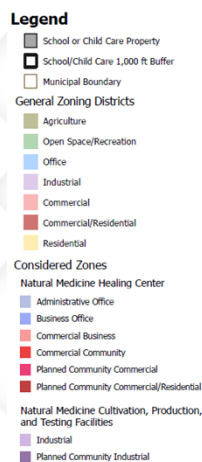
Natural Medicine Cultivation, Manufacturing, and Testing Facilities

- Natural Medicine Business permitting the cultivation, manufacture, and testing of Natural Medicine products.
- Staff anticipate these facilities to operate similar to light industrial or manufacturing facility uses
- Excluding testing facilities, the joint location of Natural Medicine Businesses – including Healing Centers – within one establishment or location is allowed and subject to local zoning restrictions

Buffer Requirements

- Natural Medicine Businesses must be located at least 1,000 feet from licensed childcare centers and schools.
- Downtown Louisville currently within the buffer area, but buffer is subject to change.

Considered Zone Districts - Natural Medicine Businesses



Natural Medicine Business Analysis

Natural Medicine Healing Center

- Staff anticipate Natural Medicine Healing Centers to operate similar to medical and therapy offices.
- Most appropriate to align with “professional or medical office”, permitted in the following zone districts.
 - Administrative Office (A-O)
 - Business Office (B-O)
 - Commercial Community (C-C)
 - Commercial Business (C-B)
 - Residential Mixed-Use (MU-R)
 - Planned Community Commercial (P-C)
 - Permitted with Special Review Use:
 - Commercial Neighborhood (C-N)
 - Industrial (I)

Natural Medicine Business Analysis Cont.

Natural Medicine Cultivation, Manufacturing, and Testing Facility

- Staff anticipate Natural Medicine Cultivation, Manufacturing, and Testing Facilities to operate similar to manufacturing and light industrial uses.
- Most appropriate to align with a “manufacturing facility” use, permitted in the following zone districts.
 - Industrial (I)
 - Planned Community Industrial (P-I)

Recommendation

- Define Natural Medicine Healing Centers and Natural Medicine Cultivation, Manufacturing, and Testing Facilities as two new land uses in LMC Title 17 (Zoning) to align with the new State law.
- Allow Natural Medicine Healing Centers the same as a “professional and medical office” in LMC Sec. 17.12.030 – Use Groups.
- Allow Natural Medicine Cultivation, Manufacturing, and Testing Facilities the same as a “manufacturing facility” in LMC Sec. 17.12.030
- Provide supplemental regulations for buffer requirements
- Require minimum parking to match similar use types
- Adopt additional provisions for offenses related to Natural Medicine

Discussion

1. Does City Council agree with proposed zoning districts to allow both Natural Healing Centers and Natural Medicine Cultivation, Manufacturing, and Testing Facilities?.
2. Does City Council agree with the approach to addressing Natural Healing Centers in Downtown Louisville?
3. Does City Council wish to evaluate additional regulations for Natural Medicine Businesses beyond what the State bill sets forth to address impacts (e.g., additional buffering, hours of operation, etc.)?