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Final Fiscal Note

Drafting Number:	LLS 24-0982	Date:	August 9, 2024
Prime Sponsors:	Sen. Fenberg; Michaelson Jenet Rep. Brown; McCormick	Bill Status:	Signed into Law
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Bill Topic: **REGULATED NATURAL MEDICINE IMPLEMENTATION**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill requires the Department of Regulatory Agencies to regulate natural medicine facilitators educational programs and makes other clarifications to the regulation of natural medicine. The bill minimally increases state workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This final fiscal note reflects the enacted bill.

Summary of Legislation

Under Natural Medicine Health Act of 2022 the Department of Regulatory Agencies (DORA) licenses the facilitators of certain natural psychedelics (mainly psilocybin and psilocin, which are found in certain mushrooms). Under the bill, DORA will also approve educational programs that prepare individuals for the license. These programs are also exempted from the regulation placed on private educational schools by the Department of Higher Education (CDHE). The bill also clarifies language and makes technical adjustments to the regulation of natural medicine.

Background

In 2022, Colorado voters passed Proposition 122, which required DORA to establish a regulatory frame work for the administration of certain natural psychedelics in licensed facilities and to decriminalize the use of certain natural psychedelics (psilocybin, psilocin, dimethyltryptamine, ibogaine, and mescaline excluding peyote). [Senate Bill 23-290](#) modified provisions related to how state departments regulate natural psychedelics by shifting certain responsibilities to the Department of Revenue and updated the criminal provisions related to the measure.

State Expenditures

Starting in FY 2024-25, the bill increases workload within DORA to approving facilitator educational programs. The fiscal note assumes this workload can be accomplished within appropriations provided through SB 23-290.

Workload will also minimally increase for the Department of Public Health and Environment and the Department of Revenue to incorporate the clarifications and technical changes under the bill into their rules and regulations of natural medicines. No change in appropriations is required.

Effective Date

This bill was signed into law by the Governor and took effect on June 6, 2024.

State and Local Government Contacts

Higher Education
Revenue

Public Health and Environment

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).