

COLORADO MUNICIPAL LEAGUE
ANNUAL SEMINAR ON MUNICIPAL LAW

Natural Medicine

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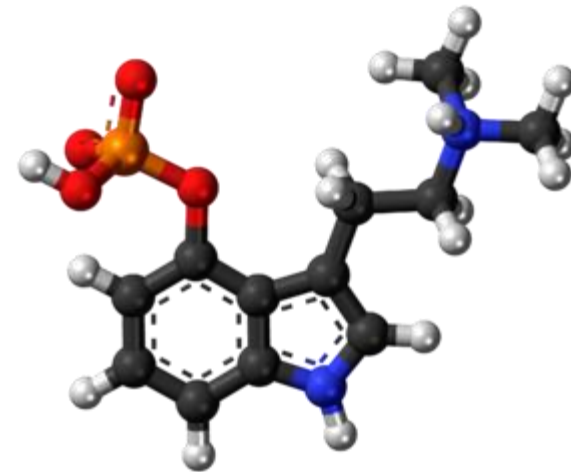
What is Natural Medicine?



- “Natural medicine” is defined to include psilocybin/psilocyn, as well as, if approved for use by the state at a later time, each of the following: dimethyltryptamine; ibogaine; and mescaline.
 - The definition does not include synthetic or synthetic analogs of these substances. Nor does it include peyote (except ceremonial).
- “Natural medicine product” means products infused with natural medicine that is intended for consumption.

What is Psilocybin?

- Psilocybin is a naturally occurring psychedelic compound found in more than 200 species of mushrooms,
- Psilocybin is itself biologically inactive but is quickly converted by the body to psilocin, which has mind-altering effects.
- Effects include:
 - euphoria,
 - visual and mental hallucinations,
 - changes in perception,
 - distorted sense of time, and
 - perceived spiritual experiences.



(Source: *Highly Reliable* Wikipedia)

Oregon Paves the Way

*November 2020 - Oregon Psilocybin Services Act passed

* Codified into law as ORS 475A

*Only the species *Psilocybe Cubensis* may be cultivated

*Synthetic and wild harvesting is not permitted

*State requirements for manufacture license – 21+, 50% ownership 2+ years residency, land use/zoning codes, permission from property owner, premises plan, criminal background, site inspection

* Unlike Colorado, Oregon's law allows for local jurisdictions to pass an ordinance to be approved by voters to either allow or prohibit these businesses.

*Oregon's law also allows time, place, & manner regulations related to manufacture, providing, hours of operation, public access, & location



*First Oregon center opened June 2023

*As of June 2024 -

*25 centers had been licensed

*Approximately 325 facilitators had been licensed

*Most customers from out of state, not seeing many customers overall

*Sessions can cost \$3000+

*One center has already closed

*Many facilitators working underground/illegally

Proposition 122 Approved by Voters

DECRIMINALIZED THE CULTIVATION, POSSESSION, CONSUMPTION AND SHARING OF NATURAL MEDICINE FOR:

- **PERSONAL USE FOR PERSONS 21 AND OVER**
 - **CAN SHARE PSYCHEDELICS IN THE CONTEXT OF COUNSELING, SPIRITUAL GUIDANCE AND “COMMUNITY-BASED USE.” NO EXCHANGE OF MONEY IS ALLOWED. (DIFFERENT THAN OREGON)**
- **THERAPEUTIC PURPOSES IN A STATE LICENSED NATURAL MEDICINE HEALING CENTER UNDER THE SUPERVISION OF A STATE LICENSED FACILITATOR**
- **OPEN DISPLAY AND CONSUMPTION ARE PROHIBITED**

SB 23-290: THE STATE LEGISLATURE AMENDED PROPOSITION 122 TO CLARIFY AND ESTABLISH A REGULATORY FRAMEWORK FOR A REGULATED NATURAL MEDICINE PROGRAM IN COLORADO

Timeline

- **November 2022** – Prop 122 passed by Colorado voters (53.64%)
- **December 30, 2022** – decriminalized personal use and possession by 21+
- **December 31, 2024** – licensing, certification, permitting and registration of businesses will be in place
- **January 1, 2025** – licenses to be issued after this date



State License Scheme

DORA to oversee occupational licensing requirements for facilitators

- Including requirements for training and experience
- DORA will also have an advisory board

DOR, Natural Medicine Division to oversee business licensing requirements for:

- healing centers,
- products manufacturers,
- cultivation faculties, and
- testing facilities



Adopted State Regulations

- DORA – Office of Natural Medicine Licensure
 - State Administrative Procedure Act
 - Natural Medicine Health Act of 2022
 - Practice Act
 - Facilitator Licensing
 - Obtaining and maintaining a license
 - Training
 - Practicing
- DOR – Natural Medicine Division
 - Healing Center Licensing
 - Public stakeholder meeting August 28, 2024
 - Final meeting September 16, 2024
 - Establish a schedule of application, licensing, renewal fees
 - Evaluate fees on an annual basis



Distance Requirements

Distance requirements of 1,000 feet from the property line of childcare centers, preschools, elementary, middle, junior or high schools or residential childcare facilities, using a direct pedestrian route

A local government may vary the distance restrictions or may eliminate one or more types of schools or facilities



What can local jurisdictions NOT do?

Cannot prohibit the establishment or operation of licenses within its boundaries

Cannot adopt ordinances or regulations that are unreasonable or conflict with the Colorado Natural Medicine Code

Cannot prohibit transportation on public roads by licensed individuals



What can local jurisdictions do?

Regulate time, place, and manner

- Zoning
- Licensing
- And more!





Examples of Local Regulations

Parker, Castle Rock, and Boulder

The Town of Parker Starts Discussing Mushrooms



Alice: "If I had a world of my own, everything would be nonsense. Nothing would be what it is because everything would be what it isn't. And contrariwise, what it is, it wouldn't be, and what it wouldn't be, it would. You see?"

Mushrooms in Parker?

The Town of Parker and Douglas County prohibit commercial and retail marijuana

Since Proposition 122 prohibits local governments from banning natural healing centers and natural medicine businesses but allows time, place, and manner regulations under zoning authority, Town staff starts discussing legal requirements with Town Council

The time, place, and manner restrictions must be reasonable

But what exactly is "reasonable"???



Parker Planning Commission

Due to the potential Municipal Code amendments being presented to the Town Council that included an update to sections of the Town's Land Development Ordinance the proposed amendments had to be presented to the Town's Planning Commission for review and recommendations to the Town Council

Things did not quite go as anticipated...

Town of Parker – Municipal Code Updates

February 2024 – Parker Town Council passes two Ordinances amending the Municipal Code to add the following:

- Criminal violation for the unlawful cultivation of natural medicine
- Updates to certain zoning areas to allow healing centers, cultivation facilities, manufacturers, and testing facilities
- Chapter 13.17 - Natural Medicine Businesses



Parker – Zoning Requirements

TIME:

- ❖ Hours of operation – M-F 8am-5pm

PLACE:

- ❖ Natural healing centers limited to Business and Commercial Districts
 - ❖ Treated similarly to medical offices
- ❖ Cultivation, manufacturing, and testing limited to Light Industrial Districts
 - ❖ Treated similarly to other industrial types of businesses
- ❖ 1,000-foot requirement between schools, childcare centers, residential areas

MANNER:

- ❖ Operational requirements including screening, lighting, odor pollution, storage, disposal, security, and hazardous materials



Castle Rock Proposed Regulations

*Lately, it occurs to me
what a long, strange
trip it's been...*

- Robert Hunter



May 2024 - Castle Rock's journey begins

- Owner of a local clinic contacts the Mayor
- Clinic provides acupuncture, massage, nutrition counseling and personal training
- With the decriminalization of psilocybin, clinic now offers “psychedelic services”
- Owner asks Mayor to write a letter of support for their natural medicine healing center license application



June 2024 – Castle Rock's Response



Town Manager and Town Attorney recommend that Town Council consider an ordinance regulating the time, place, and manner of the operation of natural medicine licenses

Like a good neighbor, we suggested using the Town of Parker's ordinance as a model

Like Parker, Castle Rock's ordinance imposes a 1,000-foot distance requirement between natural medicine businesses and existing schools and residences

Castle Rock's ordinance, however, goes further by relegating natural medicine businesses to the I-1-Light Industrial and I-2 General Industrial zone districts

July 2024 – Discussions with Town Council

- Mayor and Town Council were receptive, expressing their displeasure that the state law precluded the exclusion of natural medicine businesses from the Town
- Several Councilmembers voiced their opinion that the ordinance be made as stringent as possible
- One Councilmember asked Town staff to explore a greater distance restriction than 1,000 feet for schools
- All supported adding language to make any violation of the operational requirements a criminal offense that could be prosecuted in Municipal Court
- Council directed Town staff to place the ordinance on the next agenda for first reading.





Did NOT see that coming!

July 16 – Whoa! I did not see that coming

- Our ordinance takes a wholly unexpected turn
- The clinic owner who started us on our journey showed up to testify, along with several members of her staff, extolling the health benefits of psilocybin
- One staff member recounted his personal experiences with treatment and the positive difference it made in his life
- One Councilmember expressed an interest in finding a path forward for existing businesses to obtain a natural medicine healing center license absent compliance with the proposed location and distance restrictions
- Council voted 5 to 2 to continue first reading until the September 17th meeting, asking Town staff to draft language for Council to consider



Turn off your mind, relax and float downstream

- John Lennon

- Proposed amendment allows the owner of an existing business seeking to operate a natural medicine healing center to apply for an exemption from the location requirements and distance restrictions
- To qualify for the exemption, the owner must apply for and obtain a natural medicine healing center license from the State by June 30, 2025
- Such owner must demonstrate that at least one licensed natural medicine facilitator is employed at the center
- The center must be located in a B-Business/Commercial zone district or comparable use area in a Planned Unit Development
- An exempt natural medicine healing center shall be considered a legal non-conforming use

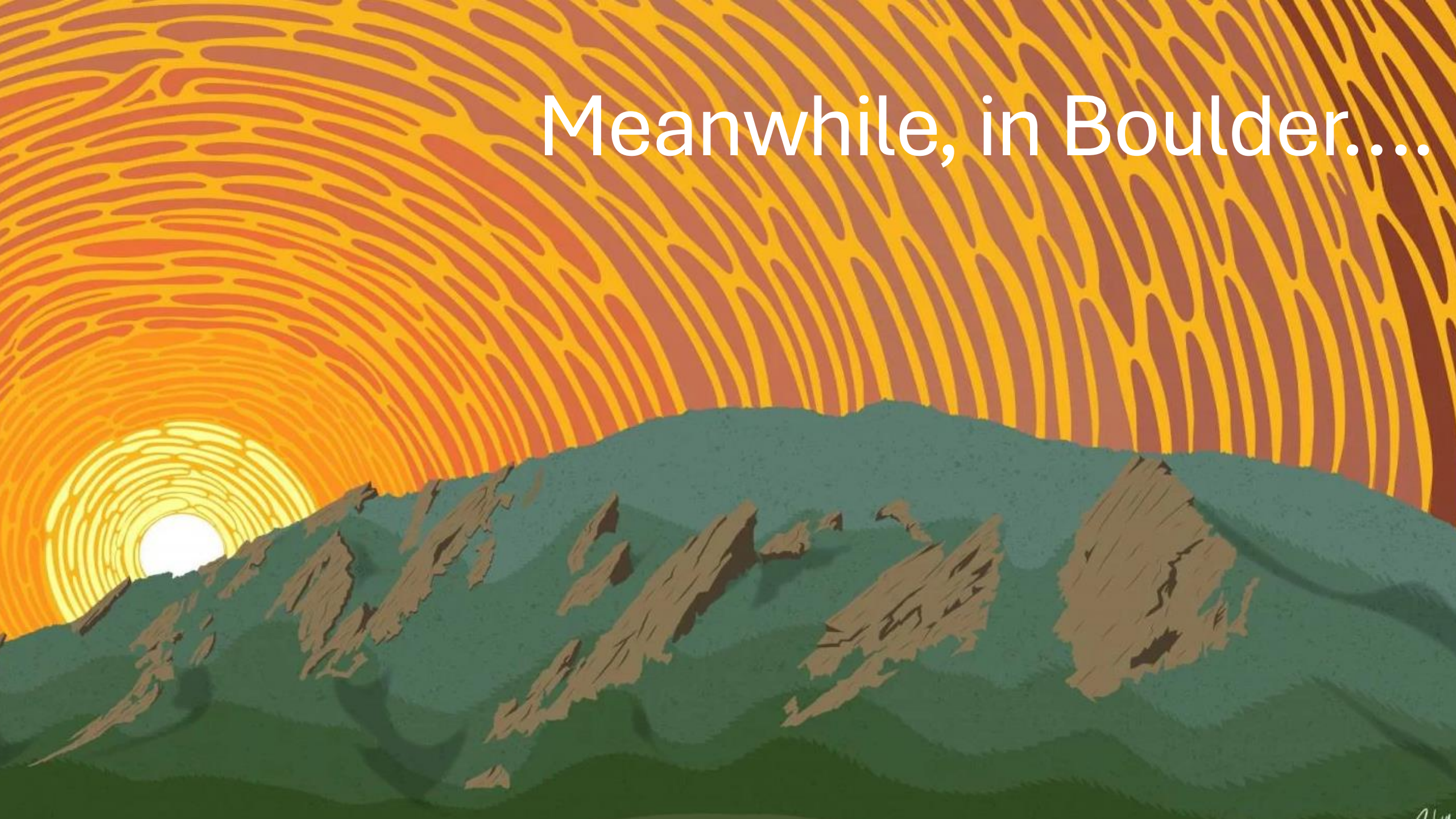


So, Mike, What Did Your Town Council Do?

Stay tuned ...



Meanwhile, in Boulder....





4/20 "Smoke Out" on the University Campus

Boulder Proposed Regulations

Council Study Session on 8/1/24

Ordinance scheduled to be heard in December

Licensing:

- No local licensing regime
- But... inspections?



Boulder Proposed Regulations

Zoning:

- Regulate natural medicine healing centers as a “Medical office” use.
 - Only permit healing centers in areas where medical offices are permitted by-right and
 - No closer than 1,000 feet from any residential use.
- Regulate Natural Medicine Cultivation Facilities, Natural Medicine Products Manufacturers, and Testing Facilities as “Light manufacturing” uses.



Colorado's "first psychedelic church" for magic mushrooms opens in Colorado Springs

Attendees can choose 2 grams of dried psilocybin mushrooms, two weeks' worth of microdoses or a light dose of dimethyltryptamine, or DMT

Source: [Colorado Sun](#)



Questions?



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Thank You!



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