



MEETING OF THE PLANNING COMMISSION

**Town Board Room
807 Mountain Avenue
Town of Berthoud, Colorado
Thursday, March 27th, 2025, 6:00 p.m.**

This is an IN-PERSON meeting at the location and time noted above.

This meeting will be streamed live on YouTube. The live stream is accessible by visiting www.berthoud.org/stream

1. Call Meeting To Order
2. Pledge Of Allegiance
3. Roll Call
4. Approval Of Meeting Minutes

Documents:

[MARCH 13 2025 PLANNING COMMISSION MINUTES.PDF](#)
[PLANNING COMMISSION WORK SESSION SUMMARY MARCH 13TH 2025.PDF](#)

5. Work Session Item - Natural Healing Centers And Natural Medicine Businesses
Introduced by Anne Johnson

Documents:

[00 INFO FORM.DOCX](#)
[01 STATE FAQ.PDF](#)
[02 SUMMARY INFORMATION.PDF](#)
[03 LEGISLATIVE SUMMARY SB 290.PDF](#)
[04 SB290 EXECUTED.PDF](#)
[05 CO ATTORNEY ARTICLE RE NATURAL MEDICINE.PDF](#)

6. Report By Staff
7. Adjourn

Individuals needing special accommodation may request assistance by contacting the Town Clerk at 807 Mountain Avenue, Berthoud, Colorado 80513, 970-532-2643 at least 24 hours in advance.



**Garden
Spot of
Colorado**

**Town of Berthoud Planning Commission Work Session
Town Hall
Board Room
807 Mountain Avenue, Berthoud, CO 80513
March 13, 2025 at 6:00 p.m.**

1. Meeting called to order – Chairperson Anderson at 6:01 p.m.
2. Roll Call

The following Planning Commission members were present:

Karen Anderson, Chair
Marc Hofmans, Commissioner
Mark Brodie, Commissioner
David Pond, Commissioner
Nick Semedalas, Commissioner

The following Planning Commission members were absent:

Abigail Smith, Vice Chair
Stacy Sigman, Commissioner

The following staff members were present:

Anne Johnson, Community Development Director
Tawn Hillenbrand, Planning Manager
Ethan Mattson, Planner

3. Approval of Minutes from the February 27, 2025, Planning Commission and Board of Adjustments
 - a. Approval of Planning Commission Minutes was motioned by Commissioner Nick Semendalas and seconded by Commissioner Mark Brodie.
 - b. Approval of Board of Adjustments Minutes was motioned by Commissioner Nick Semendalas and seconded by Commissioner Mark Brodie.
4. Work Session - Virtual Tour of Residential Development and Downtown Commercial Spaces presentation was given to the Planning Commission by Anne Johnson.
 - a. Find notes taken by staff reflective of the Planning Commission conversations during the virtual tour. These notes reflect common themes and are an overview.
5. Report by Staff:
 - a. March 27th, 2025: Consideration of a code amendment to allow natural healing centers in addition to facilities in which natural medicines are grown, processed, and manufactured.
 - b. April 10th, 2025: Ayres and Associates to present final Housing Diversity Plan to Housing Steering Committee.

6. Adjourn

The meeting was adjourned by Motion of Commissioner Nick Semendalas and seconded by Commissioner Marc Hofmans at 7:59 p.m.

Chairperson

Secretary

Commercial

Likes

-
- Historic elements
 - Honoring the past
 - Design consideration
- Modern touches
 - Infill acceptable
 - Compatibility/blending
- Creative design
- Promenade shops
 - Appropriate near high traffic volume
 - Outside of downtown areas
 - Residential potential
 - Walkability
- Quality landscaping
 - Buffers'
 - Tree lawns
- Architecture
 - Blend of old and new
 - Traditional, brick material
- Supporting Town values
- Commercial/Residential buildings
- Convenience
- Rail line access

Considerations

- One-way streets
- Higher density/ Austin example of mixed use would be appropriate at I-25 & Mountain
- Parking away from main strip is preferable

Dislikes

- "Fake" downtowns
- Too much variety (chaotic)
- Lacking uniformity
- Sterile/cold colors
- Excess concrete
- Parking dominating the streetscape

Residential

Likes

- Lot variety
- Courtyard layout
- Double sidewalks before Multi-family in Windsor
- Quality landscaping
 - Buffers
 - Green space
 - Tree canopy
 - Wide tree lawns
- Architecture
 - Varied facades
 - Varied colors
 - Multiple styles
 - Varied sizes (within the same area)
 - Farmhouse style
- Interior development parking
- Boulevards
- Starter home options
- Smaller homes with character
 - Old Town Berthoud styles
 - Feeling of age
- Staggering facades and setbacks
- Uniform front fences and alley fences
- Recessed lots
- Individual home expression
- Garage orientation options
 - Less garage façade

Considerations

- Pushing for more courtyards and larger usable open spaces if possible
- Apartment location and design
- Architectural variety is good, but should all still maintain the character of and fit into Berthoud
- Appropriate scale contributes to the small Town feel

Dislikes

- Attached sidewalks
- Stacking multi-family homes
- Excess concrete drives
- Impervious surfaces
- Monotonous design

PLANNING COMMISSION INFORMATION

COMMUNITY DEVELOPMENT DEPARTMENT



Meeting Date:	March 27, 2025
Agenda Title/Subject:	Information and Work Session regarding Natural Healing Centers and Natural Medicine Businesses
Type of Item:	Presentation
Purpose:	Work Session regarding Natural Healing Centers, Natural Medicine Businesses and local regulatory authority
Presented by:	Anne Johnson, Community Development Director

ATTACHMENTS:

- State-issued Frequently Asked Questions
- State Summary Information
- Legislative Summary for Senate Bill 23-290
- Senate Bill 23-290, executed version
- Article, "Colorado's Bold Move to Legalize Psychedelics" from the periodical, *Colorado Lawyer* dated July/August 2024

BACKGROUND:

The State of Colorado voted to pass Proposition 122 in November, 2022. This new legislation is known as the Natural Medicine Health Act which accomplished two items: to establish a regulatory program for access to natural medicine and to decriminalize personal use of natural medicine for adults.

The State Department of Revenue (DOR) is responsible for licensing and regulating healing centers as well as licensing and regulating cultivation, manufacturing and testing facilities. DOR has established that Natural Medicine currently includes Psilocybin and Psilocyn initially and the listing of medicines may expand. Proposition 122 also allows for personal use.

NEXT STEPS:

Local jurisdictions such as Berthoud are able to regulate "time, place and manner" of these land uses under the Natural Medicine Health Act. The Town will present an initial draft of regulations to the Planning Commission on April 10, 2025 followed by two readings before the Town Trustees on April 22, 2025 and May 13, 2025.

Frequently Asked Questions

This resource was prepared by Natural Medicine Division staff as a resource of local jurisdictions as they prepare for licensed natural medicine operations in 2025. This resource should not be construed as legal advice. Local jurisdictions across the state submitted the questions reflected below.

When will licenses start being issued?

- The Division will begin accepting applications on December 31, 2024. We anticipate **issuing** licenses in the first quarter of 2025.

Do the state rules anticipate that localities will have local licensing, or does it imply that local licensing is not allowed?

- The Natural Medicine Code (sections 44-50-101 et seq., C.R.S.) does not contemplate dual licensing or require local licensure. Rather, local jurisdictions have the authority to establish time, place, and manner requirements for Natural Medicine Businesses.

Can you confirm that distance requirements are only from childcare and schools and not residential uses broadly?

- Healing Centers, where natural medicine services will be provided, must be at least 1,000 feet from any **child care center, preschool, elementary, middle, junior, or high school; or a residential child care facility**. See § 44-50-302(1)(d)(I), C.R.S.
- Other types of Natural Medicine Businesses (cultivations, product manufacturers, and testing laboratories) are not subject to this distance restriction.

How will the Natural Medicine Division measure distance requirements for healing centers?

- The Natural Medicine Code requires distances to be computed by direct measurement from the nearest property line of the land used for a school or childcare facility to the nearest portion of the building where the natural medicine services will be provided. See § 44-50-302(1)(d)(II), C.R.S.
- This means **direct pedestrian access** to the business.

Are there distance restrictions between natural medicine businesses?

- **No.** For issuance of the state license, the Natural Medicine Division is not required to evaluate or verify the distance between Natural Medicine Businesses.

When do local zoning requirements need to be implemented to be in effect for a license?

- If the State Licensing Authority confirms the application complies with all state requirements and any existing local requirements, the license will be issued.
- Issuance of the state license is not dependent on local jurisdiction approval; however, licensees must comply with any local time, place, manner requirements the local jurisdiction adopts in accordance with section 44-50-302, C.R.S., and the Natural Medicine Rules.

If our local jurisdiction decides not to pass an ordinance regarding time, place, or manner, how will that affect applicants?

- Prior to issuing a license, the State Licensing Authority must confirm the proposed location complies with the statutory 1,000 feet, or specific local, distance restriction and complies with applicable local zoning ordinances.
- In the absence of local zoning ordinances specifically addressing Natural Medicine Business operations, the state license will be issued if all other requirements, including both the Natural Medicine Code distance restriction and any other local requirements, are met.

Last updated: 12/26/24



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)
<u>NEW PERSONAL USE PROVISIONS FOR NATURAL MEDICINE</u> OFFENSES P. 58 <u>(1) Persons under 21 Years of Age - Knowingly Possess or Consume</u> P. 58 <i>*Aligns with 18-13-122 for MJ</i> ➤ 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 <u>(2) Open and Public Display or Consumption:</u> P. 58 <i>*Aligns with 18-18-406(5)(b) for MJ</i> ➤ Drug petty offense - subject to: ○ Fine of not more than \$1,000; AND ○ Not more than twenty-four (24) hours of useful public service. <u>(3)(a) Knowing Cultivation (or allowance) - Private Property Exceeding 12x12 (non-contiguous)</u> P. 59 <i>*Aligns with lowest level penalty in 18-18-406(3) for MJ</i> ➤ 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)

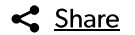
Appropriates funding to agencies for purposes of implementation

SECTION 45

Effective Date and Safety Clause (P. 74)

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

END



SB23-290

Natural Medicine Regulation And Legalization

Concerning natural medicine, and, in connection therewith, making an appropriation.

SESSION: 2023 Regular Session

SUBJECT: Liquor, Tobacco, & Marijuana

BILL SUMMARY

The act amends the regulatory framework for natural medicine and natural medicine product.

The act requires the director of the division of professions and occupations to:

- Regulate facilitators and the practice of regulation, including issuing licenses for facilitators;
- Promulgate rules necessary for the regulation of facilitators and the practice of facilitation; and
- Perform duties necessary for the implementation and administration of the “Natural Medicine Health Act of 2022”, including investigatory and disciplinary authority.

The act creates the natural medicine advisory board (board). The board’s duties include examining issues related to natural medicine and natural medicine product, and making recommendations to the director of the division of professions and occupations and the executive director of the state licensing authority.

The act creates the federally recognized American tribes and Indigenous community working group (working group). The working group’s duties include studying issues related to legalizing and regulating natural medicine and natural medicine product, the effect of legalization and regulation on federally recognized American tribes and Indigenous people and communities, and making recommendations to the director of the division of professions and occupations and the board.

The act creates within the department of revenue the natural medicine division for the purpose of regulating and licensing the cultivation, manufacturing, testing, storage, distribution, transport, transfer, and dispensation of natural medicine or natural medicine product between natural medicine licensees. The act requires the natural medicine division to:

- Regulate natural medicine, natural medicine product, and natural medicine businesses, including healing centers, cultivators, manufacturers, and testers, and issue licenses for such businesses;
- Promulgate rules necessary for the regulation of natural medicine, natural medicine product, and natural medicine businesses; and

The act requires the department of revenue to coordinate with the department of public health and environment concerning testing standards of regulated natural medicine and natural medicine product.

The act requires a sunset review for the articles governing the department of regulatory affairs and the department of revenue in the regulation of natural medicine, natural medicine product, facilitators, and natural medicine businesses.

The act states that:

- A person who is under 21 years of age who knowingly possesses or consumes natural medicine or natural medicine product commits a drug petty offense and is subject to a fine of not more than \$100 or not more than 4 hours of substance use education or counseling; except that a second or subsequent offense is subject to a fine of not more than \$100, not more than 4 hours of substance use education or counseling, and not more than 24 hours of useful public service;
- A person who openly and publicly consumes natural medicine or natural medicine product commits a drug petty offense and is subject to a fine of not more than \$100 and not more than 24 hours of useful public service;
- A person who knowingly cultivates natural medicine is required to do so on the person's private property, subject to area and physical security requirements. A person who violates this provision commits a drug petty offense and is subject to a fine of not more than \$1,000.
- A person who is not licensed to manufacture natural medicine product and who knowingly manufactures natural medicine product using an inherently hazardous substance commits a level 2 drug felony;
- Unless expressly limited, a person who, for the purpose of personal use and without remuneration, possesses, consumes, shares, cultivates, or manufactures natural medicine or natural medicine product does not violate state or local law; except that nothing permits a person to distribute natural medicine or natural medicine product to a person for certain unlawful purposes;
- Unless expressly limited, a person who performs testing on natural medicine or natural medicine product for another person who is 21 years of age or older who submits for testing natural medicine or natural medicine product intended for personal use does not violate state or local law;
- A peace officer is prohibited from arresting, and a district attorney is prohibited from charging or prosecuting, a person for a criminal offense pursuant to part 4 of article 18 of title 18 involving natural medicine or natural medicine product, unless expressly provided by the act;
- A lawful action related to natural medicine or natural medicine product must not be the sole reason to subject a person to a civil penalty, deny a right or privilege, or seize assets;
- A lawful action related to natural medicine or natural medicine product must not be used as the sole factor in a probable cause determination of any criminal offense; except that an action may be used in such determination if the original stop or search was lawful and other factors are present to support a probable cause determination of any criminal offense;
- The fact that a person is entitled to consume natural medicine or natural medicine product does not constitute a defense against any charge for violation of an offense related to operation of a vehicle, aircraft, boat, machinery, or other device;

- A local jurisdiction is prohibited from adopting, enacting, or enforcing a conflicting law; and

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- A person who occupies, owns, or controls property may prohibit or otherwise regulate the cultivation or manufacture of natural medicine or natural medicine product on or in that property.

The act states that the juvenile court has exclusive original jurisdiction in proceedings concerning a juvenile 10 years of age or older who has violated an offense concerning natural medicine or natural medicine product. Furthermore, the juvenile court and county court have concurrent jurisdiction over a juvenile who is 10 years of age or older who has violated an offense concerning natural medicine product; except that if the juvenile court accepts jurisdiction, the county court jurisdiction terminates.

The act states that an act involving natural medicine or natural medicine product that is performed by a person:

- Does not solely constitute child abuse or neglect, or grounds for restricting or prohibiting family time;
- Does not constitute an offense such that its possession or use constitutes a violation of conditions of probation or parole;
- Does not solely constitute grounds for denying health insurance coverage;
- Does not solely constitute grounds for discrimination for organ donation; and
- Must not be considered for public assistance benefits eligibility, unless required by federal law.

The act makes a person eligible to file a motion to have conviction records related to natural medicine or natural medicine product sealed.

Under federal law, certain expenses are disallowed under section 280E of the internal revenue code. Under state law, the state income tax code permits taxpayers who are licensed under the "Colorado Marijuana Code" to subtract expenses that are disallowed by section 280E of the internal revenue code. The act expands this permission to taxpayers who are licensed under the "Colorado Natural Medicine Code".

For the 2023-24 state fiscal year, the act appropriates:

- \$733,658 from the general fund to the department of revenue, of which, \$190,332 is reappropriated to the department of law;
- \$101,150 from the legal services cash fund to the department of law; and
- \$838,402 from the general fund to the department of public health and environment.

APPROVED by Governor May 23, 2023

EFFECTIVE July 1, 2023

(Note: This summary applies to this bill as enacted.)

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Status

Introduced

Passed

Menu

Bill Text

Bill Text

All Versions (7)



DATE	BILL TYPE	DOCUMENTS
05/23/2023	Signed Act	PDF (https://leg.colorado.gov/sites/default/files/2023a_290_signed.pdf)
05/08/2023	Final Act	PDF (https://leg.colorado.gov/sites/default/files/documents/2023A/bills/2023a_290_enr.pdf)
04/29/2023	Rerevised	PDF (https://leg.colorado.gov/sites/default/files/documents/2023A/bills/2023a_290_rer.pdf)
04/28/2023	Revised	PDF (https://leg.colorado.gov/sites/default/files/documents/2023A/bills/2023a_290_rev.pdf)
04/25/2023	Reengrossed	PDF (https://leg.colorado.gov/sites/default/files/documents/2023A/bills/2023a_290_ren.pdf)
04/24/2023	Engrossed	PDF (https://leg.colorado.gov/sites/default/files/documents/2023A/bills/2023a_290_eng.pdf)
04/18/2023	Introduced	PDF (https://leg.colorado.gov/sites/default/files/documents/2023A/bills/2023a_290_01.pdf)

Preamended Versions (4)



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[Prohibit Flavored Tobacco Regulate Synthetic Nicotine \(/bills/hb22-1064\)](/bills/hb22-1064)

HB16-1176

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HB16-1427

[Multi-serving Liquid Marijuana Products \(/bills/hb16-1427/\)](#)

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[2022 Colorado Liquor Licensing Handbook \(/publications/2022-colorado-liquor-licensing-handbook\)](#)

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An Act

SENATE BILL 23-290

BY SENATOR(S) Fenberg, Bridges, Ginal, Jaquez Lewis, Marchman,
Priola;
also REPRESENTATIVE(S) Amabile, Garcia, McCormick, Valdez.

CONCERNING NATURAL MEDICINE, AND, IN CONNECTION THEREWITH,
MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 12-170-102, **amend**
(1)(b); and **add** (2) as follows:

12-170-102. Legislative declaration. (1) The voters of the state of
Colorado find and declare that:

(b) Coloradans are experiencing problematic mental health issues,
including but not limited to suicidality, addiction, END-OF-LIFE DISTRESS,
depression, and anxiety.

(2) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) CONSIDERABLE HARM MAY OCCUR TO THE FEDERALLY

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes
through words or numbers indicate deletions from existing law and such material is not part of
the act.*

RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS IF NATURAL MEDICINE IS OVERLY COMMODIFIED, COMMERCIALIZED, AND EXPLOITED IN A MANNER THAT RESULTS IN THE ERASURE OF IMPORTANT CULTURAL AND RELIGIOUS CONTEXT;

(b) CONSIDERABLE HARM MAY OCCUR TO THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS IF FACILITATORS, HEALING CENTERS, AND OTHER NATURAL MEDICINE LICENSEES WITH MINIMAL OR NO CONNECTION TO TRADITIONAL USE OF NATURAL MEDICINE MISAPPROPRIATE OR EXPLOIT TRIBAL AND INDIGENOUS CULTURES AND RELIGIONS;

(c) IT IS THE GENERAL ASSEMBLY'S INTENT TO ENSURE THAT THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS ARE HONORED AND RESPECTED AS THE STATE LEGALIZES AND REGULATES NATURAL MEDICINE. BY ENACTING LAWS, RULES, AND ORDERS TO IMPLEMENT THIS ARTICLE 170 AND ARTICLE 50 OF TITLE 44, THE GENERAL ASSEMBLY, DIVISION, AND STATE LICENSING AUTHORITY SHALL CONSIDER THE POTENTIAL FOR DIRECT AND INDIRECT HARM THAT MAY OCCUR TO THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS THAT HAVE A CONNECTION TO NATURAL MEDICINE; AND

(d) ALTHOUGH THERE MAY BE TREMENDOUS POTENTIAL IN UTILIZING NATURAL MEDICINE FOR MANAGING VARIOUS MENTAL HEALTH CONDITIONS, HEALING, AND SPIRITUAL GROWTH, THIS POTENTIAL MUST BE APPROPRIATELY BALANCED WITH THE HEALTH AND SAFETY RISKS THAT IT COULD POSE TO CONSUMERS AS WELL AS THE CULTURAL HARMS IT COULD POSE TO THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS AND TRADITIONAL COMMUNITIES THAT HAVE CONNECTIONS TO NATURAL MEDICINE.

SECTION 2. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-103 as follows:

12-170-103. Applicability of common provisions. ARTICLES 1 AND 20 OF THIS TITLE 12 APPLY, ACCORDING TO THEIR TERMS, TO THIS ARTICLE 170.

SECTION 3. In Colorado Revised Statutes, **repeal and reenact**,

with amendments, 12-170-104 as follows:

12-170-104. Definitions. AS USED IN THIS ARTICLE 170, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADMINISTRATION SESSION" MEANS A SESSION CONDUCTED AT A HEALING CENTER, OR ANOTHER LOCATION AS ALLOWED BY THIS ARTICLE 170 AND ARTICLE 50 OF TITLE 44, DURING WHICH A PARTICIPANT CONSUMES AND EXPERIENCES THE EFFECTS OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT UNDER THE SUPERVISION OF A FACILITATOR.

(2) "BOARD" MEANS THE STATE NATURAL MEDICINE ADVISORY BOARD CREATED IN SECTION 12-170-106.

(3) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OR THE DIRECTOR'S DESIGNEE.

(4) "DIVISION" MEANS THE DIVISION OF PROFESSIONS AND OCCUPATIONS CREATED IN THE DEPARTMENT PURSUANT TO SECTION 12-20-103.

(5) "FACILITATION" MEANS THE PERFORMANCE AND SUPERVISION OF NATURAL MEDICINE SERVICES FOR A PARTICIPANT.

(6) "FACILITATOR" MEANS AN INDIVIDUAL WHO IS TWENTY-ONE YEARS OF AGE OR OLDER; HAS THE NECESSARY QUALIFICATIONS, TRAINING, EXPERIENCE, AND KNOWLEDGE, AS REQUIRED PURSUANT TO THIS ARTICLE 170 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 170, TO PERFORM AND SUPERVISE NATURAL MEDICINE SERVICES FOR A PARTICIPANT; AND IS LICENSED BY THE DIRECTOR TO ENGAGE IN THE PRACTICE OF FACILITATION.

(7) "FEDERALLY RECOGNIZED AMERICAN TRIBE" HAS THE SAME MEANING AS "INDIAN TRIBE" AS DEFINED BY THE FEDERAL "FEDERALLY RECOGNIZED INDIAN TRIBE LIST ACT OF 1994", AS AMENDED.

(8) "HEALING CENTER" MEANS A FACILITY WHERE AN ENTITY IS LICENSED BY THE STATE LICENSING AUTHORITY PURSUANT TO ARTICLE 50 OF TITLE 44 THAT PERMITS A FACILITATOR TO PROVIDE AND SUPERVISE NATURAL MEDICINE SERVICES FOR A PARTICIPANT.

(9) "HEALTH-CARE FACILITY" MEANS AN ENTITY THAT IS LICENSED, CERTIFIED, OR OTHERWISE PERMITTED BY LAW TO ADMINISTER MEDICAL TREATMENT IN THIS STATE, INCLUDING A HOSPITAL, CLINIC, HOSPICE ENTITY, COMMUNITY MENTAL HEALTH CENTER, FEDERALLY QUALIFIED HEALTH CENTER, RURAL HEALTH CLINIC, ORGANIZATION PROVIDING A PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY, LONG-TERM CARE FACILITY, CONTINUING CARE RETIREMENT COMMUNITY, OR OTHER TYPE OF ENTITY WHERE HEALTH CARE IS PROVIDED.

(10) "INTEGRATION SESSION" MEANS A MEETING BETWEEN A PARTICIPANT AND FACILITATOR THAT OCCURS AFTER THE COMPLETION OF AN ADMINISTRATION SESSION.

(11) "LOCAL JURISDICTION" MEANS A COUNTY, MUNICIPALITY, OR CITY AND COUNTY.

(12)(a) "NATURAL MEDICINE" MEANS THE FOLLOWING SUBSTANCES:

(I) PSILOCYBIN; OR

(II) PSILOCYN.

(b) IN ADDITION TO THE SUBSTANCES LISTED IN SUBSECTION (12)(a) OF THIS SECTION, "NATURAL MEDICINE" INCLUDES:

(I) DIMETHYLTRYPTAMINE, IF RECOMMENDED BY THE BOARD AND APPROVED BY THE DIRECTOR AND THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY FOR INCLUSION ON OR AFTER JUNE 1, 2026;

(II) IBOGAINE, IF RECOMMENDED BY THE BOARD AND APPROVED BY THE DIRECTOR AND THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY; OR

(III) Mescaline, IF RECOMMENDED BY THE BOARD AND APPROVED BY THE DIRECTOR AND THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY FOR INCLUSION ON OR AFTER JUNE 1, 2026.

(c) "NATURAL MEDICINE" DOES NOT MEAN A SYNTHETIC OR SYNTHETIC ANALOG OF THE SUBSTANCES LISTED IN SUBSECTIONS (12)(a) AND (12)(b) OF THIS SECTION, INCLUDING A DERIVATIVE OF A NATURALLY

OCCURRING COMPOUND OF NATURAL MEDICINE THAT IS PRODUCED USING CHEMICAL SYNTHESIS, CHEMICAL MODIFICATION, OR CHEMICAL CONVERSION.

(d) NOTWITHSTANDING SUBSECTION (12)(b)(III) OF THIS SECTION, "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 THE PLANT, AND EVERY COMPOUND, SALT, DERIVATIVE, MIXTURE, OR PREPARATION OF THE PLANT; OR ITS SEEDS OR EXTRACTS.

(13) "NATURAL MEDICINE PRODUCT" MEANS A PRODUCT INFUSED WITH NATURAL MEDICINE THAT IS INTENDED FOR CONSUMPTION.

(14) "NATURAL MEDICINE SERVICES" MEANS A PREPARATION SESSION, ADMINISTRATION SESSION, AND INTEGRATION SESSION PROVIDED PURSUANT TO THIS ARTICLE 170.

(15) "PARTICIPANT" MEANS AN INDIVIDUAL WHO IS TWENTY-ONE YEARS OF AGE OR OLDER AND WHO RECEIVES NATURAL MEDICINE SERVICES PERFORMED BY AND UNDER THE SUPERVISION OF A FACILITATOR.

(16) "PREPARATION SESSION" MEANS A MEETING BETWEEN A PARTICIPANT AND FACILITATOR THAT OCCURS BEFORE AN ADMINISTRATION SESSION. "PREPARATION SESSION" DOES NOT MEAN AN INITIAL CONSULTATION, AN INQUIRY, OR RESPONSE ABOUT NATURAL MEDICINE SERVICES.

(17) "REGULATED NATURAL MEDICINE" MEANS NATURAL MEDICINE THAT IS CULTIVATED, MANUFACTURED, TESTED, STORED, DISTRIBUTED, TRANSPORTED, TRANSFERRED, OR DISPENSED PURSUANT TO ARTICLE 50 OF TITLE 44.

(18) "REGULATED NATURAL MEDICINE PRODUCT" MEANS NATURAL MEDICINE PRODUCT THAT IS CULTIVATED, MANUFACTURED, TESTED, STORED, DISTRIBUTED, TRANSPORTED, TRANSFERRED, OR DISPENSED PURSUANT TO ARTICLE 50 OF TITLE 44.

(19) "REMUNERATION" MEANS ANYTHING OF VALUE, INCLUDING MONEY, REAL PROPERTY, TANGIBLE AND INTANGIBLE PERSONAL PROPERTY,

CONTRACT RIGHT, CHOSE IN ACTION, SERVICE, AND ANY RIGHT OF USE OR EMPLOYMENT OR PROMISE OR AGREEMENT CONNECTED THEREWITH, BUSINESS PROMOTION, OR COMMERCIAL ACTIVITY.

(20) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION, MANUFACTURING, TESTING, STORING, DISTRIBUTION, TRANSPORTATION, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT IN THIS STATE PURSUANT TO SECTION 44-50-201.

SECTION 4. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-105 as follows:

12-170-105. Director powers and duties - prohibition - rules.

(1) IN ADDITION TO ANY OTHER POWERS AND DUTIES GRANTED OR IMPOSED ON THE DIRECTOR PURSUANT TO THIS ARTICLE 170 OR BY ANY OTHER LAW, THE DIRECTOR HAS THE FOLLOWING POWERS AND DUTIES:

(a) TO PROMULGATE RULES PURSUANT TO SECTION 12-20-204 CONCERNING THE FOLLOWING SUBJECTS:

(I) REQUIREMENTS FOR THE SAFE PROVISION OF REGULATED NATURAL MEDICINE, REGULATED NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES TO A PARTICIPANT, INCLUDING:

(A) PARAMETERS FOR A PREPARATION SESSION, AN ADMINISTRATION SESSION, AND AN INTEGRATION SESSION, INCLUDING REQUIREMENTS FOR PROVIDING AND VERIFYING THE COMPLETION OF EACH SESSION; WHETHER ANY OF THE SESSIONS MAY BE CONDUCTED USING TELEPHONE OR AUDIO-VISUAL COMMUNICATION TECHNOLOGY; AND ANY TIMELINESS REQUIREMENTS FOR WHEN EACH SESSION MUST BE COMPLETED IN RELATION TO THE OTHER SESSIONS;

(B) HEALTH AND SAFETY WARNINGS THAT MUST BE PROVIDED TO A PARTICIPANT BEFORE THE PREPARATION SESSION, ADMINISTRATION SESSION, AND INTEGRATION SESSION BEGIN;

(C) EDUCATIONAL MATERIALS THAT MUST BE PROVIDED TO A PARTICIPANT BEFORE THE PREPARATION SESSION, ADMINISTRATION SESSION,

AND INTEGRATION SESSION BEGIN;

(D) A FORM THAT A PARTICIPANT, FACILITATOR, AND AN AUTHORIZED REPRESENTATIVE OF THE HEALING CENTER MUST SIGN, UNLESS THE FACILITATOR IS A SOLE PRACTITIONER, THEN ONLY THE PARTICIPANT AND FACILITATOR MUST SIGN, BEFORE THE PREPARATION SESSION, ADMINISTRATION SESSION, AND INTEGRATION SESSION BEGIN. AT A MINIMUM, THE FORM MUST PROVIDE THAT THE PARTICIPANT PROVIDED THE PARTICIPANT'S COMPLETE AND ACCURATE HEALTH INFORMATION TO THE FACILITATOR AND THAT THE FACILITATOR PROVIDED TO THE PARTICIPANT IDENTIFIED RISK FACTORS BASED UPON THE PARTICIPANT'S PROVIDED HEALTH INFORMATION AND DRUG CONTRAINDICATIONS; PARTICIPANT EXPECTATIONS OF THE NATURAL MEDICINE SERVICES; PARAMETERS FOR PHYSICAL CONTACT DURING NATURAL MEDICINE SERVICES, THE REQUIREMENT OF INFORMED CONSENT PERMITTING PHYSICAL CONTACT, AND THE RIGHT TO WITHDRAW CONSENT FOR PHYSICAL CONTACT; AND RISKS OF PARTICIPATING IN NATURAL MEDICINE SERVICES.

(E) PROPER SUPERVISION BY THE FACILITATOR DURING THE ADMINISTRATION SESSION, AND REQUIREMENTS TO ENSURE THAT THE PARTICIPANT HAS A DISCHARGE PLAN OR SAFE TRANSPORTATION FROM THE HEALING CENTER;

(F) PROVISIONS FOR GROUP ADMINISTRATION SESSIONS, INCLUDING REQUIREMENTS FOR AN ADMINISTRATION SESSION THAT HAS ONE OR MORE FACILITATORS PERFORMING AND SUPERVISING THE ADMINISTRATION SESSION FOR MORE THAN ONE PARTICIPANT;

(G) PROVISIONS TO PERMIT A FACILITATOR TO REFUSE TO PROVIDE NATURAL MEDICINE SERVICES TO A PERSON BASED UPON HEALTH AND SAFETY RISKS, OR CIRCUMSTANCES PROMULGATED BY RULE; AND

(H) THE DOSAGE LIMIT OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT THAT MAY BE PROVIDED TO A PARTICIPANT FOR CONSUMPTION DURING AN ADMINISTRATION SESSION.

(II) REQUIREMENTS FOR THE LICENSING OF FACILITATORS, PRACTICE OF FACILITATION, AND PROFESSIONAL CONDUCT OF FACILITATORS, INCLUDING:

(A) THE FORM AND PROCEDURES FOR APPLYING FOR A NEW LICENSE OR RENEWING OR REINSTATING A LICENSE ISSUED PURSUANT TO THIS ARTICLE 170;

(B) THE EDUCATIONAL AND EXPERIENTIAL REQUIREMENTS AND QUALIFICATIONS FOR AN INDIVIDUAL TO BECOME A FACILITATOR, 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. THE EDUCATIONAL REQUIREMENTS MUST NOT REQUIRE A PROFESSIONAL LICENSE OR PROFESSIONAL DEGREE OTHER THAN A FACILITATOR LICENSE ISSUED PURSUANT TO THIS ARTICLE 170, EXCEPT THAT IF THERE ARE MULTIPLE TIERS OF FACILITATOR LICENSES, AN ADVANCED TIER OF FACILITATOR LICENSES MAY REQUIRE ANOTHER PROFESSIONAL LICENSE OR PROFESSIONAL DEGREE;

(C) OVERSIGHT AND SUPERVISION REQUIREMENTS, INCLUDING PROFESSIONAL RESPONSIBILITY STANDARDS AND CONTINUING EDUCATION REQUIREMENTS;

(D) ESTABLISHMENT OF PROFESSIONAL STANDARDS OF CONDUCT TO PRACTICE FACILITATION, OR A LICENSE, REGISTRATION, PERMIT, OR CERTIFICATION PURSUANT TO THIS ARTICLE 170;

(E) PARAMETERS FOR PHYSICAL CONTACT WITH A PARTICIPANT DURING NATURAL MEDICINE SERVICES, INCLUDING REQUIREMENTS FOR OBTAINING SIGNED INFORMED CONSENT FOR PERMISSIBLE PHYSICAL CONTACT AND PERMITTING A PARTICIPANT TO WITHDRAW CONSENT FOR PERMISSIBLE PHYSICAL CONTACT WITH A PARTICIPANT IN ANY MANNER AND AT ANY TIME;

(F) PERMITTING REMUNERATION FOR THE PROVISION OF NATURAL MEDICINE SERVICES;

(G) PERMITTING PROVISION OF GROUP ADMINISTRATION SESSIONS BY ONE FACILITATOR WHO IS PERFORMING AND SUPERVISING THE ADMINISTRATION SESSION FOR MORE THAN ONE PARTICIPANT, AND ESTABLISH A LIMIT ON THE TOTAL NUMBER OF PARTICIPANTS WHO MAY PARTICIPATE IN A GROUP ADMINISTRATION SESSION THAT IS PERFORMED AND SUPERVISED BY ONE FACILITATOR;

(H) RECORD-KEEPING, PRIVACY, AND CONFIDENTIALITY REQUIREMENTS FOR LICENSEES, REGISTRANTS, PERMITTEES, AND CERTIFICATE HOLDERS, INCLUDING PROTECTIONS PREVENTING DISCLOSURE OF A PROSPECTIVE PARTICIPANT'S OR PARTICIPANT'S PERSONALLY IDENTIFIABLE INFORMATION TO THE PUBLIC, THIRD PARTIES, OR ANY GOVERNMENT AGENCY, EXCEPT AS ALLOWED FOR PURPOSES EXPRESSLY STATED PURSUANT TO THIS ARTICLE 170, RULES PROMULGATED PURSUANT TO THIS ARTICLE 170, ARTICLE 50 OF TITLE 44, RULES PROMULGATED PURSUANT TO ARTICLE 50 OF TITLE 44, OR FOR STATE OR LOCAL LAW ENFORCEMENT AGENCIES TO ACCESS RECORDS AND INFORMATION FOR OTHER STATE OR LOCAL LAW ENFORCEMENT. THE INFORMATION OR RECORDS RELATED TO A PARTICIPANT CONSTITUTE MEDICAL DATA AS DESCRIBED IN SECTION 24-72-204 (3)(a)(I), AND THE INFORMATION OR RECORDS MAY ONLY BE DISCLOSED TO THOSE PERSONS DIRECTLY INVOLVED WITH AN ACTIVE INVESTIGATION OR PROCEEDING.

(I) PARAMETERS FOR A FACILITATOR'S PERMISSIBLE AND PROHIBITED FINANCIAL INTERESTS IN A HEALING CENTER, LICENSE PURSUANT TO THIS ARTICLE 170, OR LICENSE PURSUANT TO ARTICLE 50 OF TITLE 44; EXCEPT THAT A FACILITATOR MAY NOT HAVE A FINANCIAL INTEREST IN MORE THAN FIVE NATURAL MEDICINE BUSINESS LICENSES PURSUANT TO ARTICLE 50 OF TITLE 44.

(J) PARAMETERS FOR A FACILITATOR TO PROVIDE AND SUPERVISE NATURAL MEDICINE SERVICES AT AN AUTHORIZED LOCATION THAT IS NOT A HEALING CENTER'S LICENSED PREMISES, INCLUDING A HEALTH-CARE FACILITY OR A PRIVATE RESIDENCE;

(K) STANDARDS FOR ADVERTISING AND MARKETING A LICENSEE'S SERVICES, INCLUDING: AVOIDING THE MISAPPROPRIATION AND EXPLOITATION OF THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS; AVOIDING THE EXCESSIVE COMMERCIALIZATION OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES; PROHIBITING ADVERTISING AND MARKETING OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES DIRECTED TO INDIVIDUALS WHO ARE UNDER TWENTY-ONE YEARS OF AGE; AND OTHER PARAMETERS DETERMINED NECESSARY BY THE DIRECTOR.

(III) ANY RULES NECESSARY TO DIFFERENTIATE BETWEEN THE TYPES

OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT PROVIDED FOR PARTICIPANT CONSUMPTION DURING AN ADMINISTRATION SESSION BASED ON QUALITIES, TRADITIONAL USES, AND SAFETY PROFILE;

(IV) ANY RULES DETERMINED NECESSARY BY THE DIRECTOR RELATED TO THE POWERS OR DUTIES GRANTED OR IMPOSED ON THE DIRECTOR PURSUANT TO THIS ARTICLE 170 OR BY ANY OTHER LAW; AND

(V) ANY OTHER MATTERS DETERMINED NECESSARY BY THE DIRECTOR TO IMPLEMENT OR ADMINISTER THIS ARTICLE 170.

(b) BEGINNING ON OR BEFORE DECEMBER 31, 2024, TO REVIEW APPLICATIONS IN THE FORM AND MANNER DETERMINED BY THE DIRECTOR FOR NEW LICENSES, REGISTRATIONS, PERMITS, OR CERTIFICATES AFTER PAYMENT OF THE REQUIRED FEE AND TO GRANT OR DENY LICENSES, REGISTRATIONS, PERMITS, OR CERTIFICATES AS PROVIDED IN THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170. THE DIVISION SHALL PRIORITIZE REVIEWING APPLICATIONS FROM APPLICANTS WHO HAVE ESTABLISHED RESIDENCY IN COLORADO.

(c) TO ESTABLISH LICENSES, REGISTRATIONS, PERMITS, OR CERTIFICATES DETERMINED NECESSARY BY THE DIRECTOR TO IMPLEMENT OR ADMINISTER THIS ARTICLE 170, AND TO ESTABLISH ELIGIBILITY REQUIREMENTS AND PRIVILEGES UNDER THE LICENSES, REGISTRATIONS, PERMITS, OR CERTIFICATES;

(d) TO ESTABLISH, WHEN FINANCIALLY FEASIBLE, PROCEDURES, POLICIES, AND PROGRAMS TO ENSURE THIS ARTICLE 170 AND RULES PROMULGATED PURSUANT TO THIS ARTICLE 170 ARE EQUITABLE AND INCLUSIVE AND PROMOTE THE LICENSING, REGISTRATION, AND PERMITTING OF, AND PROVISION OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT TO, PERSONS FROM COMMUNITIES THAT HAVE BEEN DISPROPORTIONATELY HARMED BY HIGH RATES OF ARREST FOR CONTROLLED SUBSTANCES, PERSONS WHO FACE BARRIERS TO HEALTH-CARE ACCESS, PERSONS WHO HAVE TRADITIONAL, TRIBAL, OR INDIGENOUS HISTORY WITH NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, OR TO PERSONS WHO ARE VETERANS. THE DIRECTOR MAY CONSULT THE BOARD WHEN CONSIDERING PROCEDURES, POLICIES, AND PROGRAMS PURSUANT TO THIS SUBSECTION (1)(d).

(e) TO CONDUCT INVESTIGATIONS AND HEARINGS, GATHER EVIDENCE, AND PURSUE DISCIPLINARY ACTIONS PURSUANT TO SECTIONS 12-20-403, 12-20-404, AND 24-4-105, AND THIS ARTICLE 170, WITH RESPECT TO LICENSES, REGISTRATIONS, PERMITS, OR CERTIFICATES WHEN THE DIRECTOR HAS REASONABLE CAUSE TO BELIEVE THAT AN INDIVIDUAL OR ENTITY IS VIOLATING THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170;

(f) TO TAKE DISCIPLINARY OR OTHER ACTION AS AUTHORIZED IN SECTION 12-20-404 OR LIMIT THE SCOPE OF PRACTICE OF AN APPLICANT, LICENSEE, REGISTRANT, PERMITTEE, OR CERTIFICATE HOLDER UPON PROOF OF A VIOLATION OF THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170;

(g) TO ISSUE CEASE-AND-DESIST ORDERS UNDER THE CIRCUMSTANCES AND IN ACCORDANCE WITH THE PROCEDURES SPECIFIED IN SECTION 12-20-405;

(h) (I) TO PETITION A DISTRICT COURT FOR AN INVESTIGATIVE SUBPOENA APPLICABLE TO A PERSON WHO IS NOT LICENSED, REGISTERED, PERMITTED, OR CERTIFIED PURSUANT TO THIS ARTICLE 170 TO OBTAIN DOCUMENTS OR INFORMATION NECESSARY TO ENFORCE A PROVISION OF THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170 AFTER REASONABLE EFFORTS HAVE BEEN MADE TO OBTAIN REQUESTED DOCUMENTS OR INFORMATION WITHOUT A SUBPOENA;

(II) TO APPLY TO ANY COURT OF COMPETENT JURISDICTION TO TEMPORARILY RESTRAIN OR PRELIMINARILY OR PERMANENTLY ENJOIN THE ACT IN QUESTION OF AN INDIVIDUAL WHO OR ENTITY THAT IS NOT LICENSED, REGISTERED, PERMITTED, OR CERTIFIED PURSUANT TO THIS ARTICLE 170 AND TO ENFORCE COMPLIANCE WITH THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170 WHENEVER IT APPEARS TO THE DIRECTOR UPON SUFFICIENT EVIDENCE SATISFACTORY TO THE DIRECTOR THAT AN INDIVIDUAL OR ENTITY HAS BEEN OR IS COMMITTING AN ACT PROHIBITED BY THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170, AND THE ACT:

(A) THREATENS PUBLIC HEALTH OR SAFETY; OR

(B) CONSTITUTES AN UNLAWFUL ACT FOR WHICH THE INDIVIDUAL OR

ENTITY DOES NOT HOLD THE REQUIRED LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE PURSUANT TO THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170;

(i) TO MAINTAIN AND UPDATE AN ONLINE LIST THAT IS ACCESSIBLE TO THE PUBLIC OF LICENSEES, REGISTRANTS, PERMITTEES, AND CERTIFICATE HOLDERS THAT INCLUDES WHETHER THE LICENSEE, REGISTRANT, PERMITTEE, OR CERTIFICATE HOLDER HAS HAD ITS LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE LIMITED, SUSPENDED, OR REVOKED IN ACCORDANCE WITH A DISCIPLINARY ACTION PURSUANT TO THIS ARTICLE 170;

(j) IN COORDINATION WITH THE STATE LICENSING AUTHORITY PURSUANT TO SECTION 44-50-202 (1)(k), ANNUALLY PUBLISH A PUBLICLY AVAILABLE REPORT CONCERNING THE IMPLEMENTATION AND ADMINISTRATION OF THIS ARTICLE 170 AND ARTICLE 50 OF TITLE 44. THE REPORT MUST USE RELEVANT DATA, AS DETERMINED BY THE DIRECTOR AND THE STATE LICENSING AUTHORITY, AND MUST NOT DISCLOSE THE IDENTITY OF ANY PARTICIPANT OR INCLUDE ANY INFORMATION THAT COULD DISCLOSE THE IDENTITY OF A PARTICIPANT.

(k) PERFORM OTHER FUNCTIONS AND DUTIES NECESSARY TO ADMINISTER THIS ARTICLE 170.

(2) THE DIRECTOR SHALL CONSULT THE BOARD WHEN CONSIDERING AND PROMULGATING RULES PURSUANT TO THIS ARTICLE 170.

(3) THE DIVISION HAS AUTHORITY TO COLLECT AVAILABLE AND RELEVANT DATA NECESSARY TO PERFORM FUNCTIONS AND DUTIES NECESSARY TO ADMINISTER THIS ARTICLE 170.

(4) THE DIRECTOR OR A DIVISION EMPLOYEE WITH REGULATORY OVERSIGHT RESPONSIBILITIES FOR LICENSEES, PERMITTEES, REGISTRANTS, OR CERTIFICATE HOLDERS PURSUANT TO THIS ARTICLE 170 SHALL NOT WORK FOR, REPRESENT, PROVIDE CONSULTING SERVICES TO, OR OTHERWISE DERIVE PECUNIARY GAIN FROM A LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER THAT IS REGULATED PURSUANT TO THIS ARTICLE 170 OR ANY OTHER BUSINESS ESTABLISHED FOR THE PRIMARY PURPOSE OF PROVIDING SERVICES TO THE NATURAL MEDICINE INDUSTRY FOR A PERIOD OF SIX MONTHS AFTER THE EMPLOYEE'S LAST DAY OF EMPLOYMENT WITH THE DIVISION.

SECTION 5. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-106 as follows:

12-170-106. Board - creation - appointment - duties - report.

(1) THERE IS CREATED WITHIN THE DIVISION A NATURAL MEDICINE ADVISORY BOARD, WHICH CONSISTS OF FIFTEEN MEMBERS, TO ADVISE THE DIVISION AND THE STATE LICENSING AUTHORITY CONCERNING THE IMPLEMENTATION OF THIS ARTICLE 170 AND ARTICLE 50 OF TITLE 44.

(2) THE GOVERNOR SHALL APPOINT INITIAL BOARD MEMBERS ON OR BEFORE JANUARY 31, 2023, WITH CONSENT OF THE SENATE. THE MEMBERS MUST INCLUDE:

(a) SEVEN MEMBERS WITH SIGNIFICANT EXPERTISE AND EXPERIENCE IN ONE OR MORE OF THE FOLLOWING AREAS: NATURAL MEDICINE THERAPY, MEDICINE, AND RESEARCH; MYCOLOGY AND NATURAL MEDICINE CULTIVATION; LICENSEE QUALIFICATIONS; EMERGENCY MEDICAL SERVICES AND SERVICES PROVIDED BY FIRST RESPONDERS; MENTAL AND BEHAVIORAL HEALTH CARE; HEALTH-CARE INSURANCE AND HEALTH-CARE POLICY; AND PUBLIC HEALTH, DRUG POLICY, AND HARM REDUCTION; AND

(b) EIGHT MEMBERS WITH SIGNIFICANT EXPERTISE AND EXPERIENCE IN ONE OR MORE OF THE FOLLOWING AREAS: RELIGIOUS USE OF NATURAL MEDICINES; ISSUES CONFRONTING VETERANS; TRADITIONAL TRIBAL OR INDIGENOUS USE OF NATURAL MEDICINES; LEVELS AND DISPARITIES IN ACCESS TO HEALTH-CARE SERVICES AMONG DIFFERENT COMMUNITIES; AND PAST CRIMINAL JUSTICE REFORM EFFORTS IN COLORADO. AT LEAST ONE OF THE EIGHT MEMBERS MUST HAVE EXPERTISE OR EXPERIENCE IN TRADITIONAL, TRIBAL, OR INDIGENOUS USE OF NATURAL MEDICINES.

(3) THE BOARD INCLUDES THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, SERVING AS A NON-VOTING MEMBER.

(4) (a) FOR THE INITIAL BOARD, SEVEN OF THE MEMBERS ARE APPOINTED TO A TERM OF TWO YEARS AND EIGHT MEMBERS ARE APPOINTED TO A TERM OF FOUR YEARS AS DESIGNATED IN THE GOVERNOR'S APPOINTMENT.

(b) AT THE EXPIRATION OF THE TERMS OF THE MEMBERS OF THE

INITIAL BOARD PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE GOVERNOR SHALL APPOINT MEMBERS TO THE BOARD, WITHOUT CONSENT OF THE SENATE. EACH MEMBER APPOINTED BY THE GOVERNOR IS APPOINTED TO A TERM OF FOUR YEARS.

(c) EXCEPT FOR THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY, OR THE EXECUTIVE DIRECTOR'S DESIGNEE, MEMBERS OF THE BOARD MAY SERVE UP TO TWO CONSECUTIVE TERMS. MEMBERS ARE SUBJECT TO REMOVAL FOR MISCONDUCT, INCOMPETENCE, NEGLECT OF DUTY, OR UNPROFESSIONAL CONDUCT.

(5) THE BOARD SHALL MAKE RECOMMENDATIONS TO THE DIRECTOR AND STATE LICENSING AUTHORITY RELATED TO, BUT NOT LIMITED TO, THE FOLLOWING AREAS:

(a) ACCURATE PUBLIC HEALTH APPROACHES REGARDING USE, BENEFITS, HARMS, AND RISK REDUCTION FOR NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT AND THE CONTENT AND SCOPE OF EDUCATIONAL CAMPAIGNS RELATED TO NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT;

(b) RESEARCH RELATED TO THE EFFICACY AND REGULATION OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT, INCLUDING RECOMMENDATIONS RELATED TO PRODUCT SAFETY, HARM REDUCTION, AND CULTURAL RESPONSIBILITY;

(c) THE PROPER CONTENT OF TRAINING PROGRAMS, EDUCATIONAL AND EXPERIENTIAL REQUIREMENTS, AND QUALIFICATIONS FOR FACILITATORS. WHEN CONSIDERING RECOMMENDATIONS MADE PURSUANT TO THIS SUBSECTION (5)(c), THE BOARD MAY CONSIDER:

(I) TIERED FACILITATOR LICENSING, FOR THE PURPOSE OF REQUIRING VARYING LEVELS OF EDUCATION AND TRAINING DEPENDENT UPON THE TYPE OF PARTICIPANT THAT THE FACILITATOR WILL BE PROVIDING SERVICES TO AND THE TYPE OF SERVICES THE FACILITATOR WILL BE PROVIDING;

(II) LIMITED WAIVERS OF EDUCATION AND TRAINING REQUIREMENTS BASED UPON THE APPLICANT'S PRIOR EXPERIENCE, TRAINING, OR SKILLS, INCLUDING BUT NOT LIMITED TO NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT; AND

(III) THE REMOVAL OF UNREASONABLE FINANCIAL OR LOGISTICAL BARRIERS THAT MAKE OBTAINING A FACILITATOR LICENSE COMMERCIALY UNREASONABLE FOR INDIVIDUALS, INCLUDING LOW-INCOME INDIVIDUALS.

(d) AFFORDABLE, EQUITABLE, ETHICAL, AND CULTURALLY RESPONSIBLE ACCESS TO NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT AND REQUIREMENTS TO ENSURE THIS ARTICLE 170 IS EQUITABLE AND INCLUSIVE. IN PERFORMING THIS REQUIREMENT, THE BOARD MAY CONSIDER MAKING RECOMMENDATIONS ON WAYS TO REDUCE THE COSTS OF LICENSURE FOR LOW-INCOME INDIVIDUALS, FOR PROVIDING INCENTIVES FOR THE PROVISION OF NATURAL MEDICINE SERVICES AT A REDUCED COST TO INDIVIDUALS WITH LOW INCOME, AND PROVIDING INCENTIVES FOR THE PROVISION OF NATURAL MEDICINE SERVICES IN GEOGRAPHIC AND CULTURALLY DIVERSE REGIONS OF THE STATE.

(e) APPROPRIATE REGULATORY CONSIDERATIONS FOR EACH TYPE OF NATURAL MEDICINE, AND THE PREPARATION SESSION, ADMINISTRATION SESSION, AND INTEGRATION SESSION;

(f) THE ADDITION OF OTHER TYPES OF NATURAL MEDICINE TO THIS ARTICLE 170 AND ARTICLE 50 OF TITLE 44 PURSUANT TO SECTION 12-170-104 (12)(b)(I), (12)(b)(II), OR (12)(b)(III) BASED ON AVAILABLE MEDICAL, PSYCHOLOGICAL, AND SCIENTIFIC STUDIES, RESEARCH, AND OTHER INFORMATION RELATED TO THE SAFETY AND EFFICACY OF EACH NATURAL MEDICINE, AND SHALL PRIORITIZE CONSIDERING THE ADDITION OF IBOGAINE PURSUANT TO SECTION 12-170-104 (12)(b)(II), TO THIS ARTICLE 170, AND ARTICLE 50 OF TITLE 44;

(g) ALL RULES TO BE PROMULGATED BY THE DIRECTOR PURSUANT TO THIS ARTICLE 170, AND THE STATE LICENSING AUTHORITY PURSUANT TO ARTICLE 50 OF TITLE 44; AND

(h) REQUIREMENTS FOR ACCURATE AND COMPLETE DATA COLLECTION, REPORTING, AND PUBLICATION OF INFORMATION RELATED TO THE IMPLEMENTATION OF THIS ARTICLE 170.

(6) THE BOARD SHALL, ON AN ONGOING BASIS, REVIEW AND EVALUATE EXISTING AND CURRENT RESEARCH, STUDIES, AND REAL-WORLD DATA RELATED TO NATURAL MEDICINE AND MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY AND OTHER RELEVANT STATE AGENCIES AS TO

WHETHER NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, NATURAL MEDICINE SERVICES, AND ASSOCIATED SERVICES SHOULD BE COVERED UNDER HEALTH FIRST COLORADO OR OTHER INSURANCE PROGRAMS AS A COST-EFFECTIVE INTERVENTION FOR VARIOUS MENTAL HEALTH CONDITIONS, INCLUDING, BUT NOT LIMITED TO, END-OF-LIFE DISTRESS, SUBSTANCE USE DISORDER, ALCOHOL USE DISORDER, DEPRESSIVE DISORDERS, NEUROLOGICAL DISORDERS, CLUSTER HEADACHES, AND POST-TRAUMATIC STRESS DISORDER.

(7) THE BOARD SHALL, ON AN ONGOING BASIS, REVIEW AND EVALUATE SUSTAINABILITY ISSUES RELATED TO NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT AND THE IMPACT ON TRIBAL AND INDIGENOUS CULTURES AND DOCUMENT EXISTING RECIPROCITY EFFORTS AND CONTINUING SUPPORT MEASURES THAT ARE NEEDED.

(8) THE BOARD SHALL PUBLISH AN ANNUAL REPORT DESCRIBING ITS ACTIVITIES, INCLUDING THE RECOMMENDATIONS AND ADVICE PROVIDED TO THE DIRECTOR, THE STATE LICENSING AUTHORITY, AND THE GENERAL ASSEMBLY.

(9) THE DIVISION SHALL PROVIDE REASONABLE REQUESTED TECHNICAL, LOGISTICAL, AND OTHER SUPPORT TO THE BOARD TO ASSIST THE BOARD WITH ITS DUTIES AND OBLIGATIONS.

SECTION 6. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-107 as follows:

12-170-107. Federally recognized American tribes and Indigenous community working group - creation - duties. (1) THE DIRECTOR SHALL ESTABLISH THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS COMMUNITY WORKING GROUP FOR THE PURPOSE OF ENGAGING AND CREATING A DIALOGUE TO IDENTIFY ISSUES RELATED TO THE COMMERCIALIZATION OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES FOR TRIBAL AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS. THE COMMUNITY WORKING GROUP SHALL STUDY THE FOLLOWING:

(a) AVOIDING THE MISAPPROPRIATION AND EXPLOITATION OF THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS;

(b) AVOIDING THE EXCESSIVE COMMERCIALIZATION OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES;

(c) ANY CONSERVATION ISSUES ASSOCIATED WITH THE LEGALIZATION AND REGULATION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, INCLUDING THE POTENTIAL FOR FURTHER DEPLETION OF PEYOTE DUE TO PEYOTE BEING A SOURCE OF MESCALINE; AND

(d) BEST PRACTICES AND OPEN COMMUNICATION TO BUILD TRUST AND UNDERSTANDING BETWEEN THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE AND COMMUNITIES, THE BOARD, THE DIVISION, THE STATE LICENSING AUTHORITY, AND LAW ENFORCEMENT AGENCIES, FOR THE PURPOSE OF AVOIDING UNNECESSARY BURDENS AND CRIMINALIZATION OF TRADITIONAL TRIBAL AND INDIGENOUS USES OF NATURAL MEDICINE.

(2) THE WORKING GROUP SHALL ADVISE THE BOARD AND THE DIVISION ON ITS FINDINGS AND RECOMMENDATIONS PURSUANT TO THE SUBJECTS IDENTIFIED IN SUBSECTION (1) OF THIS SECTION.

(3) THE DIRECTOR IS ENCOURAGED TO ENGAGE WITH THE FEDERALLY RECOGNIZED AMERICAN TRIBES AND INDIGENOUS PEOPLE WHO HAVE SIGNIFICANT EXPERIENCE WITH TRADITIONAL USE OF NATURAL MEDICINE AND OTHER PERSONS DEEMED NECESSARY BY THE DIRECTOR FOR THE PURPOSE OF THIS SECTION.

SECTION 7. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-108 as follows:

12-170-108. License required - unauthorized practice - mandatory disclosure of information - rule. (1) AN INDIVIDUAL SHALL NOT ENGAGE IN FACILITATION, OR REPRESENT TO THE PUBLIC OR IDENTIFY THE INDIVIDUAL'S SELF AS A FACILITATOR, IN THIS STATE UNTIL THE INDIVIDUAL HAS RECEIVED A LICENSE FROM THE DIRECTOR.

(2) A FACILITATOR SHALL CONSPICUOUSLY DISPLAY THE LICENSE ISSUED BY THE DIRECTOR IN THE HEALING CENTER, INCLUDING INFORMATION CONCERNING HOW TO FILE A COMPLAINT AGAINST THE FACILITATOR WITH THE DIRECTOR.

(3) EVERY LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER SHALL PROVIDE THE FOLLOWING INFORMATION IN WRITING TO EACH PARTICIPANT PRIOR TO A PREPARATION SESSION, ADMINISTRATION SESSION, AND INTEGRATION SESSION:

(a) THE NAME, ADDRESS, AND PHONE NUMBER OF THE LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER;

(b) AN EXPLANATION OF THE REGULATIONS APPLICABLE TO THE LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER PURSUANT TO THIS ARTICLE 170 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 170;

(c) A LISTING OF TRAINING, EDUCATIONAL AND EXPERIENTIAL REQUIREMENTS, AND QUALIFICATIONS THE LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER PURSUANT TO THIS ARTICLE 170 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 170 SATISFIED IN ORDER TO OBTAIN A LICENSE, PERMIT, REGISTRATION, OR CERTIFICATE;

(d) A STATEMENT INDICATING THAT THE LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER IS REGULATED BY THE DIVISION, AND AN ADDRESS AND TELEPHONE NUMBER FOR THE DIVISION; AND

(e) A STATEMENT INDICATING THAT THE PARTICIPANT IS ENTITLED TO RECEIVE INFORMATION ABOUT NATURAL MEDICINE SERVICES, MAY TERMINATE NATURAL MEDICINE SERVICES AT ANY TIME, AND MAY TERMINATE PREVIOUSLY PROVIDED INFORMED CONSENT FOR PHYSICAL CONTACT AT ANY TIME.

(4) NOTHING IN THIS SECTION PROHIBITS AN INDIVIDUAL FROM PERFORMING A BONA FIDE RELIGIOUS, CULTURALLY TRADITIONAL, OR SPIRITUAL CEREMONY, IF THE INDIVIDUAL INFORMS AN INDIVIDUAL ENGAGING IN THE CEREMONY THAT THE INDIVIDUAL IS NOT A LICENSED FACILITATOR, AND THAT THE CEREMONY IS NOT ASSOCIATED WITH COMMERCIAL, BUSINESS, OR FOR-PROFIT ACTIVITY.

SECTION 8. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-109 as follows:

12-170-109. Grounds for discipline. (1) THE DIRECTOR MAY TAKE DISCIPLINARY OR OTHER ACTION AS AUTHORIZED IN SECTION 12-20-404

UPON PROOF THAT THE LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER:

(a) VIOLATED A PROVISION OF THIS ARTICLE 170 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 170;

(b) HAS BEEN CONVICTED OF OR HAS ENTERED A PLEA OF NOLO CONTENDERE TO A FELONY. IN CONSIDERING THE CONVICTION OF OR THE PLEA TO ANY SUCH CRIME, THE DIRECTOR SHALL BE GOVERNED BY THE PROVISIONS OF SECTIONS 12-20-202 (5) AND 24-5-101.

(c) MADE ANY MISSTATEMENT ON AN APPLICATION FOR A LICENSE, REGISTRATION, OR PERMIT TO PRACTICE PURSUANT TO THIS ARTICLE 170 OR ATTEMPTED TO OBTAIN A LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE TO PRACTICE BY FRAUD, DECEPTION, OR MISREPRESENTATION;

(d) COMMITTED AN ACT OR FAILED TO PERFORM AN ACT NECESSARY TO MEET THE GENERALLY ACCEPTED PROFESSIONAL STANDARDS OF CONDUCT TO PRACTICE A PROFESSION LICENSED PURSUANT TO THIS ARTICLE 170 OR PROMULGATED BY RULE PURSUANT TO 12-170-105 (1)(a)(II)(D), INCLUDING PERFORMING SERVICES OUTSIDE OF THE PERSON'S AREA OF TRAINING, EXPERIENCE, OR COMPETENCE;

(e) EXCESSIVELY OR HABITUALLY USES OR ABUSES ALCOHOL OR CONTROLLED SUBSTANCES;

(f) VIOLATED ANY OF THE PROVISIONS OF THIS ARTICLE 170, AN APPLICABLE PROVISION OF ARTICLE 20 OF THIS TITLE 12, OR ANY VALID ORDER OF THE DIRECTOR;

(g) IS GUILTY OF UNPROFESSIONAL OR DISHONEST CONDUCT;

(h) ADVERTISES BY MEANS OF FALSE OR DECEPTIVE STATEMENT;

(i) FAILS TO DISPLAY THE LICENSE AS PROVIDED IN SECTION 12-170-108 (2);

(j) FAILS TO COMPLY WITH THE RULES PROMULGATED BY THE DIRECTOR PURSUANT TO THIS ARTICLE 170;

(k) IS GUILTY OF WILLFUL MISREPRESENTATION;

(l) FAILS TO DISCLOSE TO THE DIRECTOR WITHIN FORTY-FIVE DAYS A CONVICTION FOR A FELONY OR ANY CRIME THAT IS RELATED TO THE PRACTICE AS A FACILITATOR;

(m) AIDS OR ABETS THE UNLICENSED PRACTICE OF FACILITATION; OR

(n) FAILS TO TIMELY RESPOND TO A COMPLAINT SENT BY THE DIRECTOR PURSUANT TO SECTION 12-170-110.

SECTION 9. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-110 as follows:

12-170-110. Disciplinary proceedings - administrative law judges - judicial review. (1) THE DIRECTOR MAY, THROUGH THE DEPARTMENT, EMPLOY ADMINISTRATIVE LAW JUDGES TO CONDUCT HEARINGS AS PROVIDED BY THIS SECTION OR ON ANY MATTER WITHIN THE DIRECTOR'S JURISDICTION UPON SUCH CONDITIONS AND TERMS AS THE DIRECTOR MAY DETERMINE.

(2) A PROCEEDING FOR DISCIPLINE OF A LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER MUST BE COMMENCED WHEN THE DIRECTOR HAS REASONABLE GROUNDS TO BELIEVE THAT A LICENSEE, PERMITTEE, REGISTRANT, OR CERTIFICATE HOLDER HAS COMMITTED ACTS THAT MAY VIOLATE THE PROVISIONS OF THIS ARTICLE 170 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 170. THE GROUNDS MAY BE ESTABLISHED BY AN INVESTIGATION BEGUN BY THE DIRECTOR ON THE DIRECTOR'S OWN MOTION OR BY AN INVESTIGATION PURSUANT TO A WRITTEN COMPLAINT. SECTION 12-20-403 AND ARTICLE 4 OF TITLE 24 GOVERN PROCEEDINGS BROUGHT PURSUANT TO THIS SECTION.

(3) ANY HEARING ON THE REVOCATION OR SUSPENSION OF A LICENSE, PERMIT, REGISTRATION, OR CERTIFICATE, OR ON THE DENIAL OF AN APPLICATION FOR A NEW LICENSE, PERMIT, REGISTRATION, OR CERTIFICATE, OR FOR RENEWAL OF A PREVIOUSLY ISSUED LICENSE, PERMIT, REGISTRATION, OR CERTIFICATE MUST BE CONDUCTED BY AN ADMINISTRATIVE LAW JUDGE.

(4) FINAL ACTION BY THE DIRECTOR MAY BE JUDICIALLY REVIEWED PURSUANT TO SECTION 12-20-408.

SECTION 10. In Colorado Revised Statutes, **repeal and reenact, with amendments,** 12-170-111 as follows:

12-170-111. Fees - cash fund - created. (1) BASED UPON THE APPROPRIATION MADE AND SUBJECT TO THE APPROVAL OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REGULATORY AGENCIES, THE DIRECTOR SHALL ESTABLISH AND ADJUST FEES THAT THE DIRECTOR IS AUTHORIZED BY LAW TO COLLECT SO THAT THE REVENUE GENERATED FROM THE FEES APPROXIMATES ITS DIRECT AND INDIRECT COSTS; EXCEPT THAT FEES MUST NOT EXCEED THE AMOUNT NECESSARY TO ADMINISTER THIS ARTICLE 170.

(2) THE NATURAL MEDICINE FACILITATOR CASH FUND, REFERRED TO IN THIS SECTION AS THE "FUND", IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF FEES CREDITED TO THE FUND PURSUANT TO THIS ARTICLE 170 AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

(3) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(4) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT FOR THE ADMINISTRATION OF THIS ARTICLE 170.

SECTION 11. In Colorado Revised Statutes, **repeal and reenact, with amendments,** 12-170-112 as follows:

12-170-112. Local jurisdiction. (1) A LOCAL JURISDICTION SHALL NOT PROHIBIT A FACILITATOR FROM PROVIDING NATURAL MEDICINE SERVICES WITHIN ITS BOUNDARIES IF THE INDIVIDUAL IS A LICENSED FACILITATOR PURSUANT TO THIS ARTICLE 170.

(2) A LOCAL JURISDICTION SHALL NOT ADOPT ORDINANCES OR REGULATIONS THAT ARE UNREASONABLE OR IN CONFLICT WITH THIS ARTICLE 170.

SECTION 12. In Colorado Revised Statutes, **repeal and reenact, with amendments,** 12-170-113 as follows:

12-170-113. Protections. (1) SUBJECT TO THE LIMITATIONS IN THIS

ARTICLE 170 AND ARTICLE 50 OF TITLE 44, BUT NOTWITHSTANDING ANY OTHER PROVISION OF LAW:

(a) ACTIONS AND CONDUCT PERMITTED PURSUANT TO A LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE ISSUED BY THE DIRECTOR PURSUANT TO THIS ARTICLE 170, OR BY THOSE WHO ALLOW PROPERTY TO BE USED PURSUANT TO A LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE ISSUED BY THE DIRECTOR PURSUANT TO THIS ARTICLE 170, ARE LAWFUL AND ARE NOT AN OFFENSE UNDER STATE LAW, OR THE LAWS OF ANY LOCAL JURISDICTION WITHIN THIS STATE; ARE NOT SUBJECT TO A CIVIL FINE, PENALTY, OR SANCTION; ARE NOT A BASIS FOR DETENTION, SEARCH, OR ARREST; AND ARE NOT A BASIS TO DENY ANY RIGHT OR PRIVILEGE, OR TO SEIZE OR FORFEIT ASSETS UNDER STATE LAW OR THE LAWS OF ANY LOCAL JURISDICTION WITHIN THIS STATE.

(b) A CONTRACT IS NOT UNENFORCEABLE ON THE BASIS THAT NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, AS ALLOWED PURSUANT TO THIS ARTICLE 170, IS PROHIBITED BY FEDERAL LAW;

(c) MENTAL HEALTH CARE, SUBSTANCE USE DISORDER INTERVENTION SERVICES, OR BEHAVIORAL HEALTH SERVICES OTHERWISE COVERED PURSUANT TO THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4 TO 6 OF TITLE 25.5, MUST NOT BE DENIED ON THE BASIS THAT THEY ARE COVERED IN CONJUNCTION WITH NATURAL MEDICINE SERVICES, OR THAT NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT ARE PROHIBITED BY FEDERAL LAW. INSURANCE OR AN INSURANCE PROVIDER IS NOT REQUIRED TO COVER THE COST OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT.

(d) NOTHING IN THIS SECTION MAY BE CONSTRUED OR INTERPRETED TO PREVENT THE DIRECTOR FROM ENFORCING RULES PROMULGATED BY THE DIRECTOR AGAINST A LICENSEE, REGISTRANT, PERMITTEE, OR CERTIFICATE HOLDER OR LIMIT A STATE OR LOCAL LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL ACTIVITY IN RELATION TO A LICENSEE, REGISTRANT, PERMITTEE, OR CERTIFICATE HOLDER.

(2) A PROFESSIONAL OR OCCUPATIONAL LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE HOLDER IS NOT SUBJECT TO PROFESSIONAL DISCIPLINE OR LOSS OF A PROFESSIONAL OR OCCUPATIONAL LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE FOR PROVIDING ADVICE OR

SERVICES ARISING OUT OF OR RELATED TO A NATURAL MEDICINE LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE ISSUED PURSUANT TO THIS ARTICLE 170 OR ARTICLE 50 OF TITLE 44 OR APPLICATION FOR LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE ISSUED PURSUANT TO THIS ARTICLE 170 OR ARTICLE 50 OF TITLE 44 ON THE BASIS THAT NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT ARE PROHIBITED BY FEDERAL LAW, OR FOR PERSONAL USE OF NATURAL MEDICINE OR NATURAL MEDICINE ALLOWED PURSUANT TO THIS ARTICLE 170. THIS ARTICLE 170 DOES NOT AUTHORIZE AN INDIVIDUAL TO ENGAGE IN CONDUCT THAT IN THE COURSE OF PRACTICING UNDER THE INDIVIDUAL'S LICENSE, REGISTRATION, PERMIT, OR CERTIFICATE WOULD VIOLATE STANDARDS OF CARE OR SCOPE OF PRACTICE OF THE INDIVIDUAL'S PROFESSION OR OCCUPATION AS REQUIRED BY ANY PROVISION OF LAW OR RULE.

SECTION 13. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-114 as follows:

12-170-114. Liberal construction. THIS ARTICLE 170 MUST BE LIBERALLY CONSTRUED TO EFFECTUATE ITS PURPOSE.

SECTION 14. In Colorado Revised Statutes, **repeal and reenact, with amendments**, 12-170-115 as follows:

12-170-115. Preemption. A LOCAL JURISDICTION SHALL NOT ADOPT, ENACT, OR ENFORCE ANY ORDINANCE, RULE, OR RESOLUTION THAT IS OTHERWISE IN CONFLICT WITH THE PROVISIONS OF THIS ARTICLE 170.

SECTION 15. In Colorado Revised Statutes, **add** 12-170-116 as follows:

12-170-116. Self-executing, severability, conflicting provisions. ALL PROVISIONS OF THIS ARTICLE 170 ARE SELF-EXECUTING EXCEPT AS SPECIFIED HEREIN, ARE SEVERABLE, AND, EXCEPT WHEN OTHERWISE INDICATED, SHALL SUPERSEDE CONFLICTING STATE STATUTORY, LOCAL CHARTER, ORDINANCE, OR RESOLUTION PROVISIONS, AND OTHER STATE AND LOCAL PROVISIONS. IF ANY PROVISION OF THIS ARTICLE 170 OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF THIS ARTICLE 170 THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS ARTICLE 170

ARE SEVERABLE.

SECTION 16. In Colorado Revised Statutes, **add** 12-170-117 as follows:

12-170-117. Repeal of article - review of functions. THIS ARTICLE 170 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2032. BEFORE THE REPEAL, THIS ARTICLE 170 IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.

SECTION 17. In Colorado Revised Statutes, 12-20-407, **amend** (1)(a)(V)(V) and (1)(a)(V)(W); and **add** (1)(a)(V)(X) as follows:

12-20-407. Unauthorized practice of profession or occupation - penalties - exclusions. (1) (a) A person commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501 if the person:

(V) Practices or offers or attempts to practice any of the following professions or occupations without an active license, certification, or registration issued under the part or article of this title 12 governing the particular profession or occupation:

(V) Respiratory therapy, as regulated under article 300 of this title 12; ~~or~~

(W) Veterinary medicine or as a veterinary technician, as regulated under article 315 of this title 12; OR

(X) FACILITATING NATURAL MEDICINE SERVICES, AS REGULATED UNDER ARTICLE 170 OF THIS TITLE 12.

SECTION 18. In Colorado Revised Statutes, 24-1-117, **amend** (4)(a)(X) and (4)(a)(XI); and **add** (4)(a)(XII) as follows:

24-1-117. Department of revenue - creation. (4) (a) The department of revenue consists of the following divisions:

(X) The auto industry division, created in section 44-20-105. The division is a **type 2** entity, as defined in section 24-1-105, and exercises its powers and performs its duties and functions under the department of

revenue; and

(XI) The state licensing authority created in section 44-10-201; AND

(XII) THE NATURAL MEDICINE DIVISION, CREATED IN SECTION 44-50-201, WHICH IS A **TYPE 2** ENTITY, AS DEFINED IN SECTION 24-1-105.

SECTION 19. In Colorado Revised Statutes, 24-34-104, **add** (33)(a)(VII) and (33)(a)(VIII) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal. (33) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2032:

(VII) THE "NATURAL MEDICINE HEALTH ACT OF 2022", ARTICLE 170 OF TITLE 12;

(VIII) THE "COLORADO NATURAL MEDICINE CODE", ARTICLE 50 OF TITLE 44.

SECTION 20. In Colorado Revised Statutes, **add** 25-1.5-120 as follows:

25-1.5-120. Natural medicine testing and standards - rules.

(1) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, IN COORDINATION WITH THE DEPARTMENT OF REVENUE, TO ENSURE CONSISTENCY BETWEEN RULES, SHALL PROMULGATE RULES CONCERNING TESTING STANDARDS AND CERTIFICATION REQUIREMENTS OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT REGULATED BY THE DEPARTMENT OF REVENUE PURSUANT TO ARTICLE 50 OF TITLE 44.

(2) AT A MINIMUM, THE RULES MUST:

(a) ESTABLISH NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT TESTING STANDARDS AND CERTIFICATION REQUIREMENTS;

(b) ESTABLISH A NATURAL MEDICINE INDEPENDENT TESTING AND CERTIFICATION PROGRAM FOR LICENSEES PURSUANT TO ARTICLE 50 OF TITLE 44, WITHIN AN IMPLEMENTATION TIME FRAME ESTABLISHED BY THE

DEPARTMENT OF REVENUE, REQUIRING LICENSEES TO TEST NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT TO ENSURE, AT A MINIMUM, THAT PRODUCTS TRANSFERRED FOR HUMAN CONSUMPTION BY NATURAL PERSONS OR ENTITIES LICENSED PURSUANT TO ARTICLE 50 OF TITLE 44 DO NOT CONTAIN CONTAMINANTS THAT ARE INJURIOUS TO HEALTH AND TO ENSURE CORRECT LABELING;

(c) ESTABLISH PROCEDURES THAT ENSURE NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT ARE QUARANTINED AND NOTIFICATION PROCEDURES IF TEST RESULTS INDICATE THE PRESENCE OF QUANTITIES OF ANY SUBSTANCE DETERMINED TO BE INJURIOUS TO HEALTH;

(d) ENSURE THAT TESTING VERIFIES CONCENTRATION REPRESENTATIONS AND HOMOGENEITY FOR CORRECT LABELING;

(e) ESTABLISH AN ACCEPTABLE VARIANCE FOR CONCENTRATION REPRESENTATIONS AND PROCEDURES TO ADDRESS CONCENTRATION MISREPRESENTATIONS; AND

(f) ESTABLISH THE PROTOCOLS AND FREQUENCY OF NATURAL MEDICINE TESTING BY LICENSEES.

SECTION 21. In Colorado Revised Statutes, **add** article 50 to title 44 as follows:

ARTICLE 50
Natural Medicine

PART 1
COLORADO NATURAL MEDICINE CODE

44-50-101. Short title. THE SHORT TITLE OF THIS ARTICLE 50 IS THE "COLORADO NATURAL MEDICINE CODE".

44-50-102. Legislative declaration. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) THE PEOPLE OF COLORADO APPROVED STATUTORY MEASURES THAT, IN PART, INTENDED TO ENSURE THAT PEOPLE IN COLORADO HAVE ACCESS TO REGULATED NATURAL MEDICINE AND REGULATED NATURAL

MEDICINE PRODUCT;

(b) THE DEPARTMENT IS UNIQUELY SUITED TO REGULATE THE CULTIVATION, MANUFACTURING, TESTING, STORING, DISTRIBUTION, TRANSPORTATION, TRANSFERRING, AND DISPENSATION OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT BECAUSE OF ITS EXPERIENCE AND EXISTING RESOURCES IN REGULATING ALCOHOL, TOBACCO, AND MARIJUANA; AND

(c) IT IS NECESSARY TO ENTRUST THE REGULATION OF THE CULTIVATION, MANUFACTURING, TESTING, STORING, DISTRIBUTION, TRANSPORTATION, TRANSFERRING, AND DISPENSATION OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT TO THE DEPARTMENT IN ORDER TO IMPLEMENT THE REGULATORY MEASURES IN A MANNER THAT HONORS THE INTENT OF THE PEOPLE, PROMOTES PUBLIC TRUST, SUPPORTS THE INTEGRITY AND SUSTAINABILITY OF THE REGULATORY MEASURES, AND ENSURES REGULATORY EFFICIENCY.

(2) THE GENERAL ASSEMBLY DECLARES THAT THIS ARTICLE 50 IS DEEMED AN EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND MORALS OF THE PEOPLE OF THIS STATE.

(3) THE GENERAL ASSEMBLY DECLARES THAT IT IS UNLAWFUL UNDER STATE LAW TO CULTIVATE, MANUFACTURE, TEST, STORE, DISTRIBUTE, TRANSPORT, TRANSFER, AND DISPENSE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, EXCEPT IN COMPLIANCE WITH THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IN THIS ARTICLE 50; RULES PROMULGATED PURSUANT TO THIS ARTICLE 50; ARTICLE 170 OF TITLE 12; RULES PROMULGATED PURSUANT TO ARTICLE 170 OF TITLE 12; ARTICLE 1.5 OF TITLE 25; RULES PROMULGATED PURSUANT TO ARTICLE 1.5 OF TITLE 25; TITLE 16; AND TITLE 18.

44-50-103. Definitions. AS USED IN THIS ARTICLE 50, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADMINISTRATION SESSION" MEANS A SESSION CONDUCTED AT A HEALING CENTER, OR OTHER LOCATION IF PERMITTED BY THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50, DURING WHICH A PARTICIPANT CONSUMES AND EXPERIENCES THE EFFECTS OF NATURAL

MEDICINE UNDER THE SUPERVISION OF A FACILITATOR.

(2) "BOARD" MEANS THE STATE NATURAL MEDICINE ADVISORY BOARD CREATED IN SECTION 12-170-106.

(3) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF PROFESSIONS AND OCCUPATIONS OR THE DIRECTOR'S DESIGNEE.

(4) "DIVISION" MEANS THE DIVISION OF PROFESSIONS AND OCCUPATIONS CREATED IN THE DEPARTMENT PURSUANT TO SECTION 12-20-103.

(5) "FACILITATOR" MEANS A NATURAL PERSON WHO IS TWENTY-ONE YEARS OF AGE OR OLDER, HAS THE NECESSARY QUALIFICATIONS, TRAINING, EXPERIENCE, AND KNOWLEDGE TO PERFORM AND SUPERVISE NATURAL MEDICINE SERVICES FOR A PARTICIPANT, AND IS LICENSED BY THE DIRECTOR TO ENGAGE IN THE PRACTICE OF FACILITATION.

(6) "HEALING CENTER" MEANS A FACILITY WHERE AN ENTITY IS LICENSED BY THE STATE LICENSING AUTHORITY THAT PERMITS A FACILITATOR TO PROVIDE AND SUPERVISE NATURAL MEDICINE SERVICES FOR A PARTICIPANT.

(7) "HEALTH-CARE FACILITY" MEANS AN ENTITY THAT IS LICENSED, CERTIFIED, OR OTHERWISE PERMITTED BY LAW TO ADMINISTER MEDICAL TREATMENT IN THIS STATE, INCLUDING A HOSPITAL, HOSPICE FACILITY, COMMUNITY MENTAL HEALTH CENTER, FEDERALLY QUALIFIED HEALTH CENTER, RURAL HEALTH CLINIC, ORGANIZATION PROVIDING A PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY, LONG-TERM CARE FACILITY, CONTINUING CARE RETIREMENT COMMUNITY, OR OTHER TYPE OF ENTITY WHERE HEALTH CARE IS PROVIDED.

(8) "INTEGRATION SESSION" MEANS A MEETING BETWEEN A PARTICIPANT AND FACILITATOR THAT OCCURS AFTER THE COMPLETION OF AN ADMINISTRATION SESSION.

(9) "LICENSE" MEANS TO GRANT A LICENSE, PERMIT, OR REGISTRATION PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50.

(10) "LICENSED PREMISES" MEANS THE PREMISES SPECIFIED IN AN APPLICATION FOR A LICENSE PURSUANT TO THIS ARTICLE 50 THAT THE LICENSEE OWNS OR IS IN POSSESSION OF AND WITHIN WHICH THE LICENSEE IS AUTHORIZED TO CULTIVATE, MANUFACTURE, TEST, STORE, DISTRIBUTE, TRANSPORT, TRANSFER, OR DISPENSE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IN ACCORDANCE WITH THIS ARTICLE 50.

(11) "LICENSEE" MEANS A PERSON LICENSED, REGISTERED, OR PERMITTED PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50.

(12) "LOCAL JURISDICTION" MEANS A COUNTY, MUNICIPALITY, OR CITY AND COUNTY.

(13)(a) "NATURAL MEDICINE" MEANS THE FOLLOWING SUBSTANCES:

(I) PSILOCYBIN; OR

(II) PSILOCYN.

(b) IN ADDITION TO THE SUBSTANCES LISTED IN SUBSECTION (13)(a) OF THIS SECTION, "NATURAL MEDICINE" INCLUDES:

(I) DIMETHYLTRYPTAMINE, IF RECOMMENDED BY THE BOARD AND APPROVED BY THE DIRECTOR AND THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY FOR INCLUSION ON OR AFTER JUNE 1, 2026;

(II) IBOGAIN, IF RECOMMENDED BY THE BOARD AND APPROVED BY THE DIRECTOR AND THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY FOR INCLUSION; OR

(III) Mescaline, IF RECOMMENDED BY THE BOARD AND APPROVED BY THE DIRECTOR AND THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY FOR INCLUSION ON OR AFTER JUNE 1, 2026.

(c) "NATURAL MEDICINE" DOES NOT MEAN A SYNTHETIC OR SYNTHETIC ANALOG OF THE SUBSTANCES LISTED IN SUBSECTIONS (13)(a) AND (13)(b) OF THIS SECTION, INCLUDING A DERIVATIVE OF A NATURALLY OCCURRING COMPOUND OF NATURAL MEDICINE THAT IS PRODUCED USING CHEMICAL SYNTHESIS, CHEMICAL MODIFICATION, OR CHEMICAL

CONVERSION.

(d) NOTWITHSTANDING SUBSECTION (13)(b)(III) OF THIS SECTION, "Mescaline" DOES NOT INCLUDE PEYOTE, MEANING ALL PARTS OF THE PLANT CLASSIFIED BOTANICALLY AS *LOPHOPHORA WILLIAMSII* LEMAIRE, WHETHER GROWING OR NOT; ITS SEEDS; ANY EXTRACT FROM ANY PART OF THE PLANT, AND EVERY COMPOUND, SALT, DERIVATIVE, MIXTURE, OR PREPARATION OF THE PLANT; OR ITS SEEDS OR EXTRACTS.

(14) "NATURAL MEDICINE BUSINESS" MEANS ANY OF THE FOLLOWING ENTITIES LICENSED PURSUANT TO THIS ARTICLE 50: A NATURAL MEDICINE HEALING CENTER, A NATURAL MEDICINE CULTIVATION FACILITY, A NATURAL MEDICINE PRODUCTS MANUFACTURER, OR A NATURAL MEDICINE TESTING FACILITY, OR ANOTHER LICENSED ENTITY CREATED BY THE STATE LICENSING AUTHORITY.

(15) "NATURAL MEDICINE PRODUCT" MEANS A PRODUCT INFUSED WITH NATURAL MEDICINE THAT IS INTENDED FOR CONSUMPTION.

(16) "NATURAL MEDICINE SERVICES" MEANS A PREPARATION SESSION, ADMINISTRATION SESSION, AND INTEGRATION SESSION PROVIDED PURSUANT TO ARTICLE 170 OF TITLE 12.

(17) "PARTICIPANT" MEANS A PERSON WHO IS TWENTY-ONE YEARS OF AGE OR OLDER AND WHO RECEIVES NATURAL MEDICINE SERVICES PERFORMED BY AND UNDER THE SUPERVISION OF A FACILITATOR.

(18) "PERSON" MEANS A NATURAL PERSON OR AN ENTITY.

(19) "PREPARATION SESSION" MEANS A MEETING BETWEEN A PARTICIPANT AND FACILITATOR THAT OCCURS BEFORE THE START OF AN ADMINISTRATION SESSION. "PREPARATION SESSION" DOES NOT MEAN AN INITIAL CONSULTATION OR AN INQUIRY RESPONSE ABOUT NATURAL MEDICINE SERVICES.

(20) "PRINCIPLE FILE" MEANS A FILE THAT IS ESTABLISHED BY THE STATE LICENSING AUTHORITY AND CONTAINS LICENSING AND BACKGROUND INFORMATION FOR AN APPLICANT SEEKING LICENSES PURSUANT TO THIS ARTICLE 50.

(21) "REGULATED NATURAL MEDICINE" MEANS NATURAL MEDICINE THAT IS CULTIVATED, MANUFACTURED, TESTED, STORED, DISTRIBUTED, TRANSPORTED, TRANSFERRED, OR DISPENSED PURSUANT TO THIS ARTICLE 50.

(22) "REGULATED NATURAL MEDICINE PRODUCT" MEANS NATURAL MEDICINE PRODUCT THAT IS CULTIVATED, MANUFACTURED, TESTED, STORED, DISTRIBUTED, TRANSPORTED, TRANSFERRED, OR DISPENSED PURSUANT TO THIS ARTICLE 50.

(23) "REMUNERATION" MEANS ANYTHING OF VALUE, INCLUDING MONEY, REAL PROPERTY, TANGIBLE AND INTANGIBLE PERSONAL PROPERTY, CONTRACT RIGHT, CHOSE IN ACTION, SERVICE, AND ANY RIGHT OF USE OR EMPLOYMENT OR PROMISE OR AGREEMENT CONNECTED THEREWITH, BUSINESS PROMOTION, OR COMMERCIAL ACTIVITY.

(24) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORTATION, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT IN THIS STATE PURSUANT TO SECTION 44-50-201.

(25) "TRANSFER" MEANS TO GRANT, CONVEY, HAND OVER, ASSIGN, SELL, EXCHANGE, DONATE, OR BARTER, IN ANY MANNER AND BY ANY MEANS, WITH OR WITHOUT REMUNERATION.

44-50-104. Applicability. (1) ALL BUSINESSES, FOR THE PURPOSE OF CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT, AS DEFINED IN THIS ARTICLE 50, ARE SUBJECT TO THE TERMS AND CONDITIONS OF THIS ARTICLE 50 AND RULES PROMULGATED PURSUANT TO THIS ARTICLE 50.

(2) A PERSON APPLYING FOR LICENSURE PURSUANT TO THIS ARTICLE 50 MUST COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING AUTHORITY AND MUST PAY THE APPLICATION FEE AND THE LICENSING FEE, WHICH MUST BE CREDITED TO THE REGULATED NATURAL MEDICINE DIVISION CASH FUND ESTABLISHED PURSUANT TO SECTION 44-50-601. THE STATE LICENSING AUTHORITY SHALL PRIORITIZE REVIEWING APPLICATIONS FROM APPLICANTS WHO HAVE ESTABLISHED RESIDENCY IN COLORADO.

(3) THIS ARTICLE 50 SETS FORTH THE EXCLUSIVE MEANS THAT CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT MAY OCCUR IN THIS STATE.

(4) (a) NOTHING IN THIS ARTICLE 50 IS INTENDED TO REQUIRE AN EMPLOYER TO PERMIT OR ACCOMMODATE THE USE, CONSUMPTION, POSSESSION, CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF OR IMPAIRMENT FROM NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IN THE WORKPLACE OR TO AFFECT THE ABILITY OF EMPLOYERS TO HAVE POLICIES RESTRICTING THE USE OF OR IMPAIRMENT FROM NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT BY EMPLOYEES IN THE WORKPLACE.

(b) NOTHING IN THIS ARTICLE 50 PROHIBITS A PERSON, EMPLOYER, SCHOOL, HOSPITAL, DETENTION FACILITY, CORPORATION, OR ANY OTHER ENTITY THAT OCCUPIES, OWNS, OR CONTROLS A PROPERTY FROM PROHIBITING OR OTHERWISE REGULATING THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT ON OR IN THAT PROPERTY.

(5) (a) A LOCAL JURISDICTION MAY ENACT ORDINANCES OR REGULATIONS GOVERNING THE TIME, PLACE, AND MANNER OF THE OPERATION OF LICENSES ISSUED PURSUANT TO THIS ARTICLE 50 WITHIN ITS BOUNDARIES.

(b) A LOCAL JURISDICTION MAY NOT PROHIBIT THE ESTABLISHMENT OR OPERATION OF LICENSES PURSUANT TO THIS ARTICLE 50 WITHIN ITS BOUNDARIES.

(c) A LOCAL JURISDICTION MAY NOT PROHIBIT THE TRANSPORTATION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT WITHIN ITS BOUNDARIES ON PUBLIC ROADS BY A PERSON LICENSED TO EXERCISE SUCH PRIVILEGES PURSUANT TO THIS ARTICLE 50.

(d) A LOCAL JURISDICTION MAY NOT ADOPT ORDINANCES OR REGULATIONS THAT ARE UNREASONABLE OR CONFLICT WITH THIS ARTICLE 50.

PART 2
STATE LICENSING AUTHORITY

44-50-201. State licensing authority - creation. (1) FOR THE PURPOSE OF REGULATING AND LICENSING THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT BY AND BETWEEN NATURAL MEDICINE LICENSEES IN THIS STATE, THERE IS CREATED THE STATE LICENSING AUTHORITY, WHICH IS THE EXECUTIVE DIRECTOR, OR THE DIRECTOR OF THE NATURAL MEDICINE DIVISION IF DESIGNATED BY THE EXECUTIVE DIRECTOR.

(2) THE EXECUTIVE DIRECTOR IS THE CHIEF ADMINISTRATIVE OFFICER OF THE STATE LICENSING AUTHORITY AND MAY EMPLOY, PURSUANT TO SECTION 13 OF ARTICLE XII OF THE STATE CONSTITUTION, SUCH OFFICERS AND EMPLOYEES AS DETERMINED TO BE NECESSARY. THE OFFICERS AND EMPLOYEES ARE A PART OF THE DEPARTMENT.

(3) THE EXECUTIVE DIRECTOR OF THE STATE LICENSING AUTHORITY OR A STATE LICENSING AUTHORITY EMPLOYEE WITH REGULATORY OVERSIGHT RESPONSIBILITIES FOR THE NATURAL MEDICINE LICENSEES THAT ARE LICENSED BY THE STATE LICENSING AUTHORITY SHALL NOT WORK FOR, REPRESENT, PROVIDE CONSULTING SERVICES TO, OR OTHERWISE DERIVE PECUNIARY GAIN FROM A NATURAL MEDICINE LICENSEE THAT IS LICENSED BY THE STATE LICENSING AUTHORITY OR ANY OTHER BUSINESS ESTABLISHED FOR THE PRIMARY PURPOSE OF PROVIDING SERVICES TO THE NATURAL MEDICINE INDUSTRY FOR A PERIOD OF SIX MONTHS AFTER THE EMPLOYEE'S LAST DAY OF EMPLOYMENT WITH THE STATE LICENSING AUTHORITY.

44-50-202. Powers and duties of state licensing authority - report. (1) THE STATE LICENSING AUTHORITY SHALL:

(a) BEGINNING ON OR BEFORE DECEMBER 31, 2024, GRANT OR REFUSE STATE LICENSES FOR THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT; SUSPEND, FINE, RESTRICT, OR REVOKE SUCH LICENSES, WHETHER ACTIVE, EXPIRED, OR SURRENDERED, UPON A VIOLATION OF THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50; AND IMPOSE ANY PENALTY AUTHORIZED BY THIS ARTICLE 50 OR A RULE PROMULGATED

PURSUANT TO THIS ARTICLE 50. THE STATE LICENSING AUTHORITY MAY TAKE ANY ACTION WITH RESPECT TO A REGISTRATION OR PERMIT PURSUANT TO THIS ARTICLE 50 AS IT MAY WITH RESPECT TO A LICENSE ISSUED PURSUANT TO THIS ARTICLE 50, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT TO THIS ARTICLE 50.

(b) PROMULGATE RULES FOR THE PROPER REGULATION AND CONTROL OF THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT AND FOR THE ENFORCEMENT OF THIS ARTICLE 50 AND PROMULGATE AMENDED RULES AND SUCH SPECIAL RULINGS AND FINDINGS AS NECESSARY;

(c) CONDUCT INVESTIGATIONS AND HEARINGS, GATHER EVIDENCE, AND PURSUE DISCIPLINARY ACTIONS WITH RESPECT TO LICENSES WHEN THE STATE LICENSING AUTHORITY HAS REASONABLE CAUSE TO BELIEVE THAT A PERSON OR ENTITY IS VIOLATING THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50;

(d) (I) PETITION A DISTRICT COURT FOR AN INVESTIGATIVE SUBPOENA APPLICABLE TO A PERSON WHO IS NOT LICENSED PURSUANT TO THIS ARTICLE 50 TO OBTAIN DOCUMENTS OR INFORMATION NECESSARY TO ENFORCE A PROVISION OF THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50 AFTER REASONABLE EFFORTS HAVE BEEN MADE TO OBTAIN REQUESTED DOCUMENTS OR INFORMATION WITHOUT A SUBPOENA;

(II) APPLY TO ANY COURT OF COMPETENT JURISDICTION TO TEMPORARILY RESTRAIN OR PRELIMINARILY OR PERMANENTLY ENJOIN THE ACT IN QUESTION OF A PERSON WHO IS NOT LICENSED PURSUANT TO THIS ARTICLE 50 AND TO ENFORCE COMPLIANCE WITH THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50 WHENEVER IT APPEARS TO THE DIRECTOR OF THE NATURAL MEDICINE DIVISION UPON SUFFICIENT EVIDENCE SATISFACTORY TO THE DIRECTOR OF THE NATURAL MEDICINE DIVISION THAT A PERSON HAS BEEN OR IS COMMITTING AN ACT PROHIBITED BY THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50, AND THE ACT:

(A) THREATENS PUBLIC HEALTH OR SAFETY; OR

(B) CONSTITUTES AN UNLAWFUL ACT FOR WHICH THE PERSON DOES NOT HOLD THE REQUIRED LICENSE PURSUANT TO THIS ARTICLE 50;

(e) HEAR AND DETERMINE AT A PUBLIC HEARING ANY CONTESTED STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE, AND ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24. THE STATE LICENSING AUTHORITY MAY, IN ITS DISCRETION, DELEGATE TO THE DEPARTMENT'S HEARING OFFICERS THE AUTHORITY TO CONDUCT LICENSING, DISCIPLINARY, AND RULE-MAKING HEARINGS PURSUANT TO SECTION 24-4-105. WHEN CONDUCTING THE HEARINGS, THE HEARING OFFICERS ARE EMPLOYEES OF THE STATE LICENSING AUTHORITY UNDER THE DIRECTION AND SUPERVISION OF THE EXECUTIVE DIRECTOR AND THE STATE LICENSING AUTHORITY.

(f) DEVELOP FORMS, LICENSES, IDENTIFICATION CARDS, AND APPLICATIONS AS NECESSARY OR CONVENIENT IN THE DISCRETION OF THE STATE LICENSING AUTHORITY FOR THE ADMINISTRATION OF THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50;

(g) IN COORDINATION WITH THE DIVISION OF PROFESSIONS AND OCCUPATIONS WITHIN THE DEPARTMENT OF REGULATORY AGENCIES PURSUANT TO SECTION 12-170-105 (1)(j), ANNUALLY PUBLISH A PUBLICLY AVAILABLE REPORT CONCERNING THE IMPLEMENTATION AND ADMINISTRATION OF THIS ARTICLE 50 AND ARTICLE 170 OF TITLE 12. THE REPORT MUST USE RELEVANT DATA, AS DETERMINED BY THE STATE LICENSING AUTHORITY AND THE DIRECTOR, AND MUST NOT DISCLOSE THE IDENTITY OF ANY PARTICIPANT OR INCLUDE ANY INFORMATION THAT COULD DISCLOSE THE IDENTITY OF A PARTICIPANT.

(h) DEVELOP AND PROMOTE ACCURATE PUBLIC EDUCATION CAMPAIGNS RELATED TO THE USE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, INCLUDING PUBLIC SERVICE ANNOUNCEMENTS, EDUCATIONAL MATERIALS, AND APPROPRIATE CRISIS RESPONSE MATERIALS, AND DEVELOP AND PROMOTE TRAINING MATERIALS FOR FIRST RESPONDERS AND MULTI-RESPONDERS, INCLUDING LAW ENFORCEMENT, EMERGENCY MEDICAL PROVIDERS, SOCIAL SERVICES PROVIDERS, AND FIRE FIGHTERS.

(2) NOTHING IN THIS ARTICLE 50 DELEGATES TO THE STATE

LICENSING AUTHORITY THE POWER TO FIX PRICES FOR REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT.

(3) NOTHING IN THIS ARTICLE 50 LIMITS A LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL ACTIVITY IN RELATION TO A NATURAL MEDICINE LICENSEE. A LAW ENFORCEMENT AGENCY HAS THE AUTHORITY TO RUN A COLORADO CRIME INFORMATION CENTER CRIMINAL HISTORY RECORD CHECK OF A LICENSEE OR EMPLOYEE OF A LICENSEE DURING AN INVESTIGATION OF UNLAWFUL ACTIVITY RELATED TO NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT.

(4) THE STATE LICENSING AUTHORITY SHALL COORDINATE WITH THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT CONCERNING THE ESTABLISHMENT OF STANDARDS FOR LICENSING LABORATORIES PURSUANT TO THE REQUIREMENTS OUTLINED IN SECTION 25-1.5-120 FOR REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT.

(5) THE STATE LICENSING AUTHORITY SHALL, WHEN FINANCIALLY FEASIBLE, ESTABLISH PROCEDURES, POLICIES, AND PROGRAMS TO ENSURE THIS ARTICLE 50 AND RULES PROMULGATED PURSUANT TO THIS ARTICLE 50 ARE EQUITABLE AND INCLUSIVE, PROMOTE THE LICENSING, REGISTRATION, AND PERMITTING OF, AND PROVISION OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT TO, PERSONS FROM COMMUNITIES THAT HAVE BEEN DISPROPORTIONATELY HARMED BY HIGH RATES OF ARREST FOR CONTROLLED SUBSTANCES, PERSONS WHO FACE BARRIERS TO HEALTH-CARE ACCESS, PERSONS WHO HAVE TRADITIONAL, TRIBAL, OR INDIGENOUS HISTORY WITH NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, OR TO PERSONS WHO ARE VETERANS. THE STATE LICENSING AUTHORITY MAY CONSULT THE BOARD WHEN CONSIDERING PROCEDURES, POLICIES, AND PROGRAMS PURSUANT TO THIS SUBSECTION (5).

(6) THE STATE LICENSING AUTHORITY HAS AUTHORITY TO COLLECT AVAILABLE AND RELEVANT DATA NECESSARY TO PERFORM FUNCTIONS AND DUTIES NECESSARY TO ADMINISTER THIS ARTICLE 50.

(7) THE STATE LICENSING AUTHORITY, IN COORDINATION WITH OTHER RELEVANT AGENCIES, SHALL REQUEST AVAILABLE AND RELEVANT DATA CONCERNING LAW ENFORCEMENT INCIDENCES, ADVERSE HEALTH EVENTS, IMPACTS TO HEALTH CARE SYSTEMS, CONSUMER PROTECTION

CLAIMS, AND BEHAVIORAL HEALTH IMPACTS RELATED TO NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE BUSINESSES. THE STATE LICENSING AUTHORITY SHALL INCLUDE THE AVAILABLE AND RELEVANT DATA IN THE REPORT REQUIRED PURSUANT TO SUBSECTION (1)(g) OF THIS SECTION.

(8) THE STATE LICENSING AUTHORITY SHALL PERFORM OTHER FUNCTIONS AND DUTIES NECESSARY TO ADMINISTER THIS ARTICLE 50.

44-50-203. State licensing authority - rules - legislative declaration. (1) **Mandatory rule-making.** RULES PROMULGATED PURSUANT TO SECTION 44-50-202 (1)(b) MUST INCLUDE THE FOLLOWING SUBJECTS:

(a) PROCEDURES AND REQUIREMENTS CONSISTENT WITH THIS ARTICLE 50 FOR THE ISSUANCE, DENIAL, RENEWAL, REINSTATEMENT, MODIFICATION, SUSPENSION, AND REVOCATION OF LICENSES;

(b) OVERSIGHT REQUIREMENTS FOR LICENSEES;

(c) A SCHEDULE OF APPLICATION, LICENSING, AND RENEWAL FEES FOR LICENSES;

(d) QUALIFICATIONS AND ELIGIBILITY REQUIREMENTS FOR LICENSURE PURSUANT TO THIS ARTICLE 50, INCLUDING CONTINUING ELIGIBILITY EXPECTATIONS, INCLUDING TIMELY PAYING TAXES OWED TO THE DEPARTMENT OF REVENUE, TIMELY FILING TAX RETURNS, AND TIMELY CURING ANY TAX DEFICIENCIES, AND AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO HAVE ACCESS TO LICENSING INFORMATION TO ENSURE TAX PAYMENT FOR THE EFFECTIVE ADMINISTRATION OF THIS ARTICLE 50;

(e) PERMISSIBLE AND PROHIBITED FINANCIAL INTERESTS IN A LICENSE ISSUED PURSUANT TO THIS ARTICLE 50 OR A LICENSE ISSUED PURSUANT TO ARTICLE 170 OF TITLE 12; EXCEPT THAT A PERSON MAY NOT HAVE A FINANCIAL INTEREST IN MORE THAN FIVE NATURAL MEDICINE BUSINESS LICENSES;

(f) (I) ESTABLISHMENT OF A NATURAL MEDICINE INDEPENDENT TESTING AND CERTIFICATION PROGRAM FOR LICENSEES WITHIN AN IMPLEMENTATION TIME FRAME ESTABLISHED BY THE DIVISION, REQUIRING

LICENSEES TO TEST REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT TO ENSURE, AT A MINIMUM, THAT REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT TRANSFERRED FOR HUMAN CONSUMPTION BY PERSONS LICENSED PURSUANT TO THIS ARTICLE 50 DO NOT CONTAIN CONTAMINANTS THAT ARE INJURIOUS TO HEALTH AND TO ENSURE CORRECT LABELING, AS WELL AS:

(A) CERTIFICATION REQUIREMENTS FOR LABORATORIES THAT TEST REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT, AND REQUIREMENTS THAT THE TEST RESULTS PRODUCED BY A LABORATORY MUST NOT BE USED UNLESS THE LABORATORY IS CERTIFIED;

(B) TESTING PROCEDURES AND FREQUENCY OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT BY LICENSEES;

(C) WHETHER TO ALLOW FOR ANY NATURAL PERSON TO REQUEST AND UTILIZE TESTING SERVICES OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT IF THE NATURAL PERSON IS TWENTY-ONE YEARS OF AGE OR OLDER;

(D) DEFINITIONS, PERMISSIONS, AND PROHIBITIONS CONCERNING CONFLICTS OF INTEREST RELATED TO, AND ECONOMIC INTERESTS FOR, PERSONS WHO OWN OR ARE ASSOCIATED WITH A NATURAL MEDICINE TESTING LICENSE AND OTHER LICENSES; AND

(E) PROCEDURES AND REQUIREMENTS NECESSARY TO FACILITATE THE COORDINATION OF DUTIES WITH RESPECT TO THE NATURAL MEDICINE TESTING AND CERTIFICATION PROGRAM WITH THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

(II) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES PURSUANT TO THIS SUBSECTION (1)(f) IN COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT TO ENSURE CONSISTENCY BETWEEN RULES.

(g) THE REGULATION OF A LICENSED PREMISES, INCLUDING RULES THAT ALLOW A NATURAL MEDICINE HEALING CENTER LICENSEE'S LICENSED PREMISES TO BE CO-LOCATED WITH ANOTHER NATURAL MEDICINE HEALING CENTER LICENSEE'S LICENSED PREMISES OR A HEALTH-CARE FACILITY;

(h) REQUIREMENTS FOR THE TRANSPORTATION OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT, INCLUDING:

(I) SECURITY REQUIREMENTS;

(II) TRANSPORTATION VEHICLE REQUIREMENTS, INCLUDING REQUIREMENTS FOR SURVEILLANCE;

(III) LIMITS ON THE AMOUNT OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT THAT MAY BE CARRIED IN A TRANSPORTATION VEHICLE;

(IV) RECORD-KEEPING REQUIREMENTS; AND

(V) TRANSPORTATION MANIFEST REQUIREMENTS;

(i) LIMITS ON THE AMOUNT OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT THAT IS ALLOWED FOR PRODUCTION BY A NATURAL MEDICINE CULTIVATION FACILITY LICENSE OR NATURAL MEDICINE PRODUCT MANUFACTURER LICENSE BASED ON A METRIC OR SET OF METRICS. WHEN CONSIDERING ANY LIMITATIONS, THE STATE LICENSING AUTHORITY SHALL CONSIDER THE TOTAL CURRENT AND ANTICIPATED DEMAND FOR REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT IN COLORADO AND ATTEMPT TO MINIMIZE THE MARKET FOR UNLAWFUL NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT.

(j) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED AVAILABILITY OF THE RECORDS FOR INSPECTION BY THE STATE LICENSING AUTHORITY;

(k) REQUIREMENTS TO PREVENT THE TRANSFER OR DIVERSION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT TO PERSONS UNDER TWENTY-ONE YEARS OF AGE;

(l) PERMITTED AND PROHIBITED TRANSFERS OF REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT BETWEEN LICENSEES;

(m) STANDARDS FOR ADVERTISING AND MARKETING A LICENSEE'S SERVICES, INCLUDING: AVOIDING THE MISAPPROPRIATION AND EXPLOITATION OF THE FEDERALLY RECOGNIZED AMERICAN TRIBES, AS DEFINED IN SECTION 12-170-104 (7), AND INDIGENOUS PEOPLE, COMMUNITIES, CULTURES, AND RELIGIONS; AVOIDING THE EXCESSIVE COMMERCIALIZATION OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES; PROHIBITING ADVERTISING AND MARKETING OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, AND NATURAL MEDICINE SERVICES DIRECTED TO INDIVIDUALS WHO ARE UNDER TWENTY-ONE YEARS OF AGE; AND OTHER PARAMETERS DETERMINED NECESSARY BY THE STATE LICENSING AUTHORITY.

(n) THE STANDARDS FOR QUALIFICATION AS A LICENSEE, INCLUDING ENVIRONMENTAL, SOCIAL, AND GOVERNANCE CRITERIA DIRECTED TO THE FINDINGS AND DECLARATIONS SET FORTH IN SECTION 12-170-102.

(2) **Permissive rule-making.** RULES PROMULGATED PURSUANT TO SECTION 44-50-202 (1)(b) MAY INCLUDE, BUT NEED NOT BE LIMITED TO, THE FOLLOWING SUBJECTS:

(a) ESTABLISHMENT OF LICENSES, AND THE PRIVILEGES AND RESTRICTIONS PURSUANT TO SUCH LICENSES, DETERMINED NECESSARY BY THE STATE LICENSING AUTHORITY TO IMPLEMENT OR ADMINISTER THIS ARTICLE 50;

(b) ESTABLISHMENT OF A PRINCIPLE FILE PROCESS AND REQUIREMENTS FOR AN APPLICANT SEEKING TO EXERCISE THE PRIVILEGES OF A LICENSE TYPE IN MULTIPLE LOCATIONS OR SEEKING TO EXERCISE THE PRIVILEGES OF MULTIPLE LICENSE TYPES;

(c) REQUIREMENTS FOR ISSUANCE OF CO-LOCATION PERMITS TO A LICENSEE AUTHORIZING CO-LOCATION WITH ANOTHER LICENSED PREMISES;

(d) REQUIREMENTS AND RESTRICTIONS ON DIFFERENT TYPES OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT;

(e) PACKAGING AND LABELING REQUIREMENTS FOR REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT, INCLUDING:

(I) WARNING LABELS;

(II) INDIVIDUAL SERVING AND PER-PACKAGE SERVING AMOUNTS;
AND

(III) CONCENTRATION OF THE REGULATED NATURAL MEDICINE OR
REGULATED NATURAL MEDICINE PRODUCT;

(f) SECURITY REQUIREMENTS FOR LICENSED PREMISES, INCLUDING
LIGHTING, PHYSICAL SECURITY, VIDEO, AND ALARM REQUIREMENTS, AND
OTHER MINIMUM PROCEDURES FOR INTERNAL CONTROL AS DEEMED
NECESSARY BY THE STATE LICENSING AUTHORITY TO PROPERLY ADMINISTER
AND ENFORCE THE PROVISIONS OF THIS ARTICLE 50, INCLUDING REPORTING
REQUIREMENTS FOR CHANGES, ALTERATIONS, MODIFICATIONS TO THE
PREMISES, OR ACTIVITIES OR INCIDENTS ON THE PREMISES;

(g) HEALTH AND SAFETY REGULATIONS AND STANDARDS;

(h) SANITARY REQUIREMENTS;

(i) WASTE, DISPOSAL, AND DESTRUCTION REQUIREMENTS OF
REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE
PRODUCT, INCLUDING RECORD-KEEPING REQUIREMENTS;

(j) STORAGE AND TRANSPORTATION OF REGULATED NATURAL
MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT;

(k) REQUIREMENTS OF LICENSEES TO TRACK AND MANAGE
INVENTORY;

(l) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF ANY
PROVISION OF THIS ARTICLE 50, ARTICLE 18 OF TITLE 18, OR ANY RULE
PROMULGATED PURSUANT TO THIS ARTICLE 50, INCLUDING PROCEDURES AND
GROUNDS FOR DENYING, SUSPENDING, FINING, MODIFYING, RESTRICTING, OR
REVOKING A STATE LICENSE ISSUED PURSUANT TO THIS ARTICLE 50 OR ANY
RULE PROMULGATED PURSUANT TO THIS ARTICLE 50;

(m) ESTABLISHING A SCHEDULE OF PENALTIES FOR ALLEGED
VIOLATIONS OF STATUTES AND RULES;

(n) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF THE STATE LICENSING AUTHORITY;

(o) GUIDANCE FOR LAW ENFORCEMENT OFFICERS;

(p) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS, SEARCHES, SEIZURES, FORFEITURES, EMBARGO, QUARANTINE, RECALLS, AND SUCH ADDITIONAL ACTIVITIES AS MAY BECOME NECESSARY;

(q) PROHIBITION OF MISREPRESENTATION AND UNFAIR PRACTICES;
AND

(r) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR, IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS ARTICLE 50.

(3) THE STATE LICENSING AUTHORITY SHALL CONSULT THE BOARD WHEN CONSIDERING AND PROMULGATING RULES PURSUANT TO THIS SECTION.

(4)(a) THE STATE LICENSING AUTHORITY MAY, BY RULE, ESTABLISH PROCEDURES FOR THE CONDITIONAL ISSUANCE OF AN EMPLOYEE LICENSE IDENTIFICATION CARD AT THE TIME OF APPLICATION.

(b)(I) THE STATE LICENSING AUTHORITY SHALL BASE ITS ISSUANCE OF AN EMPLOYEE LICENSE IDENTIFICATION CARD PURSUANT TO THIS SUBSECTION (4) ON THE RESULTS OF AN INITIAL INVESTIGATION THAT DEMONSTRATES THE APPLICANT IS QUALIFIED TO HOLD A LICENSE. THE EMPLOYEE LICENSE APPLICATION FOR WHICH AN EMPLOYEE LICENSE IDENTIFICATION CARD WAS ISSUED PURSUANT TO THIS SUBSECTION (4) REMAINS SUBJECT TO DENIAL PENDING THE COMPLETE RESULTS OF THE APPLICANT'S INITIAL FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK.

(II) RESULTS OF A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK THAT DEMONSTRATE THAT AN APPLICANT POSSESSING AN EMPLOYEE LICENSE IDENTIFICATION CARD PURSUANT TO THIS SUBSECTION (4) IS NOT QUALIFIED TO HOLD A LICENSE ISSUED PURSUANT TO THIS ARTICLE 50 ARE GROUNDS FOR DENIAL OF THE EMPLOYEE LICENSE APPLICATION. IF THE EMPLOYEE LICENSE APPLICATION IS DENIED, THE APPLICANT SHALL RETURN

THE EMPLOYEE LICENSE IDENTIFICATION CARD TO THE STATE LICENSING AUTHORITY WITHIN A TIME PERIOD THAT THE STATE LICENSING AUTHORITY ESTABLISHES BY RULE.

(III) THE STATE LICENSING AUTHORITY SHALL REQUIRE THE APPLICANT TO HAVE THE APPLICANT'S FINGERPRINTS TAKEN BY A LOCAL LAW ENFORCEMENT AGENCY OR A THIRD PARTY APPROVED BY THE COLORADO BUREAU OF INVESTIGATION. IF AN APPROVED THIRD PARTY TAKES THE APPLICANT'S FINGERPRINTS, THE FINGERPRINTS MAY BE ELECTRONICALLY CAPTURED USING THE COLORADO BUREAU OF INVESTIGATION'S APPROVED LIFESCAN EQUIPMENT. A THIRD PARTY SHALL NOT KEEP THE APPLICANT INFORMATION FOR MORE THAN THIRTY DAYS UNLESS REQUESTED BY THE APPLICANT. THE STATE LICENSING AUTHORITY SHALL SEND THE APPLICANT'S FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF FINGERPRINT PROCESSING BY UTILIZING THE FILES AND RECORDS OF THE COLORADO BUREAU OF INVESTIGATION AND THE FEDERAL BUREAU OF INVESTIGATION.

44-50-204. Confidentiality. (1) THE STATE LICENSING AUTHORITY SHALL MAINTAIN THE CONFIDENTIALITY OF:

(a) REPORTS OR OTHER INFORMATION OBTAINED FROM A LICENSEE OR A LICENSE APPLICANT CONTAINING ANY INDIVIDUALIZED DATA, INFORMATION, OR RECORDS RELATED TO THE APPLICANT; LICENSEE; LICENSEE'S OPERATION, INCLUDING SALES INFORMATION, LEASES, BUSINESS ORGANIZATION RECORDS, FINANCIAL RECORDS, TAX RETURNS, CREDIT REPORTS, CULTIVATION INFORMATION, TESTING RESULTS, AND SECURITY INFORMATION AND PLANS; ANY PARTICIPANT INFORMATION; OR ANY OTHER RECORDS THAT ARE EXEMPT FROM PUBLIC INSPECTION PURSUANT TO STATE LAW. SUCH REPORTS OR OTHER INFORMATION MAY BE USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50 FOR INVESTIGATION OR ENFORCEMENT OF ANY INTERNATIONAL, FEDERAL, STATE, OR LOCAL SECURITIES LAW OR REGULATION, OR FOR ANY OTHER STATE OR LOCAL LAW ENFORCEMENT PURPOSE. ANY INFORMATION RELEASED RELATED TO A PARTICIPANT MAY BE USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE 50, AS A PART OF AN ACTIVE INVESTIGATION, AS A PART OF A PROCEEDING AUTHORIZED BY THIS ARTICLE 50, OR FOR ANY STATE OR LOCAL LAW ENFORCEMENT PURPOSE INVOLVING EVIDENCE OF SALES TRANSACTIONS IN VIOLATION OF THIS ARTICLE 50 OR EVIDENCE OF CRIMINAL ACTIVITY. THE INFORMATION OR

RECORDS RELATED TO A PARTICIPANT CONSTITUTE MEDICAL DATA AS DESCRIBED BY SECTION 24-72-204 (3)(a)(I), AND THE INFORMATION OR RECORDS MAY ONLY BE DISCLOSED TO THOSE PERSONS DIRECTLY INVOLVED WITH AN ACTIVE INVESTIGATION OR PROCEEDING.

(b) INVESTIGATIVE RECORDS AND DOCUMENTS RELATED TO ONGOING INVESTIGATIONS. THOSE RECORDS AND DOCUMENTS MAY BE USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE 50 OR RULES PROMULGATED BY THIS ARTICLE 50, OR FOR ANY OTHER STATE OR LOCAL LAW ENFORCEMENT PURPOSE.

(c) COMPUTER SYSTEMS MAINTAINED BY THE STATE LICENSING AUTHORITY AND THE VENDORS WITH WHICH THE STATE LICENSING AUTHORITY HAS CONTRACTED.

(2) THE STATE LICENSING AUTHORITY SHALL MAKE AVAILABLE FOR PUBLIC INSPECTION:

(a) DOCUMENTS RELATED TO FINAL AGENCY ACTIONS AND ORDERS;

(b) RECORDS RELATED TO TESTING ON AN AGGREGATED AND DE-IDENTIFIED BASIS;

(c) DEMOGRAPHIC INFORMATION RELATED TO APPLICANTS AND LICENSEES AVAILABLE ON AN AGGREGATED AND DE-IDENTIFIED BASIS; AND

(d) ENFORCEMENT FORMS AND COMPLIANCE CHECKLISTS.

PART 3 LICENSE TYPES

44-50-301. Classes of licenses. (1) FOR THE PURPOSE OF REGULATING THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSPORT, TRANSFER, AND DISPENSATION OF REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT, THE STATE LICENSING AUTHORITY IN ITS DISCRETION, UPON APPLICATION IN THE PRESCRIBED FORM, MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE CLASSES LISTED IN SUBSECTION (2) OF THIS SECTION, SUBJECT TO THE PROVISIONS AND RESTRICTIONS PROVIDED BY THIS ARTICLE 50 OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE 50.

(2)(a) THE FOLLOWING ARE NATURAL MEDICINE BUSINESS LICENSES:

(I) NATURAL MEDICINE HEALING CENTER LICENSE;

(II) NATURAL MEDICINE CULTIVATION FACILITY LICENSE;

(III) NATURAL MEDICINE PRODUCT MANUFACTURER LICENSE;

(IV) NATURAL MEDICINE TESTING FACILITY LICENSE; AND

(V) ANY NATURAL MEDICINE BUSINESS LICENSE DETERMINED NECESSARY BY THE STATE LICENSING AUTHORITY.

(b) THE FOLLOWING ARE NATURAL MEDICINE LICENSES OR REGISTRATIONS: OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS, MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY MAY TAKE ANY ACTION WITH RESPECT TO A REGISTRATION OR PERMIT PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50 AS IT MAY, WITH RESPECT TO A LICENSE ISSUED PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50 IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50.

(3) A STATE CHARTERED BANK OR A CREDIT UNION MAY LOAN MONEY TO ANY PERSON LICENSED PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50 FOR THE OPERATION OF A LICENSED NATURAL MEDICINE BUSINESS.

(4) A PERSON MAY NOT OPERATE A LICENSE ISSUED PURSUANT TO THIS ARTICLE 50 AT THE SAME LOCATION AS A LICENSE OR PERMIT ISSUED PURSUANT TO ARTICLE 3, 4, 5, OR 10 OF THIS TITLE 44.

44-50-302. Restrictions for applications for new licenses. (1) THE STATE LICENSING AUTHORITY SHALL NOT RECEIVE OR ACT UPON AN APPLICATION FOR THE ISSUANCE OF A NATURAL MEDICINE BUSINESS LICENSE PURSUANT TO THIS ARTICLE 50:

(a) IF THE APPLICATION FOR A LICENSE CONCERNS A PARTICULAR LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND FEET OF A LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY PRECEDING THE DATE OF THE APPLICATION, THE STATE LICENSING AUTHORITY DENIED AN APPLICATION FOR THE SAME CLASS OF LICENSE DUE TO THE NATURE OF THE USE OR OTHER CONCERN RELATED TO THE LOCATION;

(b) UNTIL IT IS ESTABLISHED THAT THE APPLICANT IS, OR WILL BE, ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE PREMISES;

(c) FOR A LOCATION IN AN AREA WHERE THE CULTIVATION, MANUFACTURING, TESTING, STORAGE, DISTRIBUTION, TRANSFER, AND DISPENSATION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT AS CONTEMPLATED IS NOT PERMITTED UNDER THE APPLICABLE ZONING LAWS OF THE LOCAL JURISDICTION;

(d) (I) IF THE BUILDING WHERE NATURAL MEDICINE SERVICES ARE PROVIDED IS WITHIN ONE THOUSAND FEET OF A CHILD CARE CENTER; PRESCHOOL; ELEMENTARY, MIDDLE, JUNIOR, OR HIGH SCHOOL; OR A RESIDENTIAL CHILD CARE FACILITY. THE PROVISIONS OF THIS SECTION DO NOT AFFECT THE RENEWAL OR REISSUANCE OF A LICENSE ONCE GRANTED OR APPLY TO LICENSED PREMISES LOCATED OR TO BE LOCATED ON LAND OWNED BY A MUNICIPALITY, NOR DO THE PROVISIONS OF THIS SECTION APPLY TO AN EXISTING LICENSED PREMISES ON LAND OWNED BY THE STATE OR APPLY TO A LICENSE IN EFFECT AND ACTIVELY DOING BUSINESS BEFORE THE SCHOOL OR FACILITY WAS CONSTRUCTED. THE GOVERNING BODY OF A MUNICIPALITY, BY ORDINANCE; AND THE GOVERNING BODY OF A COUNTY, BY RESOLUTION, MAY VARY THE DISTANCE RESTRICTIONS IMPOSED BY THIS SUBSECTION (1)(d)(I) FOR A LICENSE OR MAY ELIMINATE ONE OR MORE TYPES OF SCHOOLS OR FACILITIES FROM THE APPLICATION OF A DISTANCE RESTRICTION ESTABLISHED BY OR PURSUANT TO THIS SUBSECTION (1)(d)(I).

(II) THE DISTANCES REFERRED TO IN THIS SUBSECTION (1)(d) MUST BE COMPUTED BY DIRECT MEASUREMENT FROM THE NEAREST PROPERTY LINE OF THE LAND USED FOR A SCHOOL OR FACILITY TO THE NEAREST PORTION OF THE BUILDING IN WHICH NATURAL MEDICINE SERVICES ARE PROVIDED, USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.

(III) THE STATE LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN WHICH THE NATURAL MEDICINE BUSINESS IS LOCATED IS WITHIN ANY DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS SUBSECTION (1)(d).

(2) THE STATE LICENSING AUTHORITY SHALL NOT APPROVE AN APPLICATION FOR THE ISSUANCE OF A NATURAL MEDICINE BUSINESS LICENSE PURSUANT TO THIS ARTICLE 50 UNTIL THE STATE LICENSING AUTHORITY ESTABLISHES THAT THE APPLICANT IS, OR WILL BE, ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE PREMISES.

PART 4

NATURAL MEDICINE LICENSE TYPES

44-50-401. Natural medicine healing center license - rules. (1) A NATURAL MEDICINE HEALING CENTER LICENSE MAY BE ISSUED ONLY TO A PERSON THAT EMPLOYS OR CONTRACTS WITH A FACILITATOR WHO PROVIDES NATURAL MEDICINE SERVICES PURSUANT TO THE TERMS AND CONDITIONS OF ARTICLE 170 OF TITLE 12.

(2) A NATURAL MEDICINE HEALING CENTER LICENSEE MAY TRANSFER REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT TO ANOTHER NATURAL MEDICINE HEALING CENTER LICENSEE PURSUANT TO RULES PROMULGATED BY THE STATE LICENSING AUTHORITY.

(3) PRIOR TO INITIATING NATURAL MEDICINE SERVICES, THE FACILITATOR OF THE NATURAL MEDICINE HEALING CENTER LICENSEE SHALL VERIFY THAT THE PARTICIPANT IS TWENTY-ONE YEARS OF AGE OR OLDER.

(4) A NATURAL MEDICINE HEALING CENTER LICENSEE SHALL COMPLY WITH ALL PROVISIONS OF ARTICLE 34 OF TITLE 24, AS THE PROVISIONS RELATE TO PERSONS WITH DISABILITIES.

(5)(a) EXCEPT AS PROVIDED IN SUBSECTION (5)(b) OF THIS SECTION, A NATURAL MEDICINE HEALING CENTER LICENSEE SHALL NOT TRANSFER, INDIVIDUALLY OR IN ANY COMBINATION, MORE THAN AN AMOUNT PROMULGATED BY RULE OF NATURAL MEDICINE AND NATURAL MEDICINE

PRODUCT TO A PARTICIPANT IN A SINGLE ADMINISTRATION SESSION.

(b) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES TO ESTABLISH CERTAIN EXEMPTIONS TO THE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT LIMITATION AND MAY ESTABLISH RECORD-KEEPING REQUIREMENTS FOR NATURAL MEDICINE HEALING CENTER LICENSEES PURSUANT TO ANY EXEMPTION TO THE ADMINISTRATION LIMITATION.

44-50-402. Natural medicine cultivation facility license. (1) A NATURAL MEDICINE CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY TO A PERSON WHO CULTIVATES REGULATED NATURAL MEDICINE FOR TRANSFER AND DISTRIBUTION TO NATURAL MEDICINE HEALING CENTER LICENSEES, NATURAL MEDICINE PRODUCT MANUFACTURER LICENSEES, OR OTHER NATURAL MEDICINE CULTIVATION FACILITY LICENSEES.

(2) NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT MUST NOT BE CONSUMED ON THE NATURAL MEDICINE CULTIVATION FACILITY LICENSEE'S LICENSED PREMISES, UNLESS THE LICENSED PREMISES IS CO-LOCATED WITH A NATURAL MEDICINE HEALING CENTER LICENSEE'S LICENSED PREMISES.

44-50-403. Natural medicine product manufacturer license. (1) (a) A NATURAL MEDICINE PRODUCT MANUFACTURER LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES REGULATED NATURAL MEDICINE PRODUCT PURSUANT TO THE TERMS AND CONDITIONS OF THIS ARTICLE 50 AND RULES PROMULGATED PURSUANT TO THIS ARTICLE 50.

(b) A NATURAL MEDICINE PRODUCT MANUFACTURER LICENSEE MAY CULTIVATE ITS OWN REGULATED NATURAL MEDICINE PURSUANT TO A NATURAL MEDICINE CULTIVATION FACILITY LICENSEE.

(c) A NATURAL MEDICINE PRODUCT MANUFACTURER LICENSEE SHALL NOT:

(I) ADD ANY REGULATED NATURAL MEDICINE TO A FOOD PRODUCT IF THE MANUFACTURER OF THE FOOD PRODUCT HOLDS A TRADEMARK TO THE FOOD PRODUCT'S NAME; EXCEPT THAT A NATURAL MEDICINE PRODUCT MANUFACTURER LICENSEE MAY USE A TRADEMARKED FOOD PRODUCT IF THE MANUFACTURER USES THE PRODUCT AS A COMPONENT OR AS PART OF A RECIPE AND IF THE NATURAL MEDICINE PRODUCT MANUFACTURER LICENSEE

DOES NOT STATE OR ADVERTISE TO THE CONSUMER THAT THE FINAL NATURAL MEDICINE PRODUCT CONTAINS A TRADEMARKED FOOD PRODUCT;

(II) INTENTIONALLY OR KNOWINGLY LABEL OR PACKAGE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IN A MANNER THAT WOULD CAUSE A REASONABLE CONSUMER CONFUSION AS TO WHETHER THE NATURAL MEDICINE PRODUCT WAS A TRADEMARKED FOOD PRODUCT; OR

(III) LABEL OR PACKAGE A PRODUCT IN A MANNER THAT VIOLATES ANY FEDERAL TRADEMARK LAW OR REGULATION.

(2) NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT MUST NOT BE CONSUMED ON A NATURAL MEDICINE PRODUCT MANUFACTURER LICENSEE'S LICENSED PREMISES, UNLESS THE LICENSED PREMISES IS CO-LOCATED WITH A NATURAL MEDICINE HEALING CENTER LICENSEE'S LICENSED PREMISES.

44-50-404. Natural medicine testing facility license - rules.

(1) (a) A NATURAL MEDICINE TESTING FACILITY LICENSE MAY BE ISSUED TO A PERSON WHO PERFORMS TESTING AND RESEARCH ON NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT.

(b) THE TESTING OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT, AND THE ASSOCIATED STANDARDS, IS A MATTER OF STATEWIDE CONCERN.

(2) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES RELATED TO ACCEPTABLE TESTING AND RESEARCH PRACTICES, INCLUDING BUT NOT LIMITED TO TESTING, STANDARDS, QUALITY CONTROL ANALYSIS, EQUIPMENT CERTIFICATION AND CALIBRATION, IDENTIFICATION OF CHEMICALS AND OTHER SUBSTANCES USED IN BONA FIDE RESEARCH METHODS, AND WHETHER TO ALLOW A NATURAL PERSON TO REQUEST AND UTILIZE TESTING SERVICES OF NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT IF THE NATURAL PERSON IS TWENTY-ONE YEARS OF AGE OR OLDER.

(3) A PERSON WHO HAS AN INTEREST IN A NATURAL MEDICINE TESTING FACILITY LICENSE SHALL NOT HAVE ANY INTEREST IN A LICENSED NATURAL MEDICINE HEALING CENTER, A LICENSED NATURAL MEDICINE CULTIVATION FACILITY, A LICENSED NATURAL MEDICINE PRODUCT MANUFACTURER, OR A NATURAL MEDICINE LICENSE ISSUED BY THE STATE

LICENSING AUTHORITY PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50.

PART 5

UNLAWFUL ACTS

44-50-501. Unlawful acts. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE 50, IT IS UNLAWFUL FOR A LICENSEE TO:

(a) KNOWINGLY TRANSFER NATURAL MEDICINE OR A NATURAL MEDICINE PRODUCT TO A PERSON UNDER TWENTY-ONE YEARS OF AGE; OR

(b) KNOWINGLY ADULTERATE OR ALTER, OR ATTEMPT TO ADULTERATE OR ALTER, ANY SAMPLE OF REGULATED NATURAL MEDICINE OR A NATURAL MEDICINE PRODUCT FOR THE PURPOSE OF CIRCUMVENTING TESTING REQUIREMENTS.

PART 6

FEES

44-50-601. Regulated natural medicine cash fund - created - rules. (1) (a) ALL MONEY COLLECTED BY THE STATE LICENSING AUTHORITY PURSUANT TO THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50 MUST BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE REGULATED NATURAL MEDICINE DIVISION CASH FUND, WHICH IS HEREBY CREATED. THE REGULATED NATURAL MEDICINE DIVISION CASH FUND, REFERRED TO IN THIS SECTION AS THE "FUND", CONSISTS OF:

(I) THE MONEY COLLECTED BY THE STATE LICENSING AUTHORITY;
AND

(II) ANY ADDITIONAL GENERAL FUND MONEY APPROPRIATED TO THE FUND THAT IS NECESSARY FOR THE OPERATION OF THE STATE LICENSING AUTHORITY.

(b) MONEY IN THE FUND IS SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE DEPARTMENT FOR THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH IMPLEMENTING THIS ARTICLE 50.

(c) ANY MONEY IN THE FUND NOT EXPENDED FOR THE PURPOSES OF THIS SECTION MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEY IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND AT THE END OF A FISCAL YEAR REMAINS IN THE FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

(2) THE EXECUTIVE DIRECTOR BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY REDUCE THE AMOUNT OF ONE OR MORE OF THE FEES IF NECESSARY PURSUANT TO SECTION 24-75-402 (3) TO REDUCE THE UNCOMMITTED RESERVES OF THE FUND TO WHICH ALL OR ANY PORTION OF ONE OR MORE OF THE FEES IS CREDITED. AFTER THE UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE EXECUTIVE DIRECTOR BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY INCREASE THE AMOUNT OF ONE OR MORE OF THE FEES AS PROVIDED IN SECTION 24-75-402 (4).

(3)(a) THE STATE LICENSING AUTHORITY SHALL ESTABLISH FEES FOR PROCESSING THE APPLICATIONS OR LICENSES PURSUANT TO SECTION 44-50-301.

(b) THE AMOUNTS OF SUCH FEES, WHEN ADDED TO THE OTHER FEES TRANSFERRED TO THE FUND PURSUANT TO THIS SECTION, MUST REFLECT THE ACTUAL DIRECT AND INDIRECT COSTS OF THE STATE LICENSING AUTHORITY IN THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE 50 SO THAT THE FEES AVOID EXCEEDING THE STATUTORY LIMIT ON UNCOMMITTED RESERVES IN ADMINISTRATIVE AGENCY CASH FUNDS AS SET FORTH IN SECTION 24-75-402 (3).

(c) THE STATE LICENSING AUTHORITY MAY CHARGE APPLICANTS LICENSED PURSUANT TO THIS ARTICLE 50 A FEE FOR THE COST OF EACH FINGERPRINT ANALYSIS AND BACKGROUND INVESTIGATION UNDERTAKEN TO QUALIFY NEW OFFICERS, DIRECTORS, MANAGERS, OR EMPLOYEES.

(d) AT LEAST ANNUALLY, THE STATE LICENSING AUTHORITY SHALL REVIEW THE AMOUNTS OF THE FEES AND, IF NECESSARY, ADJUST THE AMOUNTS TO REFLECT THE DIRECT AND INDIRECT COSTS OF THE STATE LICENSING AUTHORITY.

(e) THE FEES ESTABLISHED AND COLLECTED PURSUANT TO THIS SECTION MUST NOT EXCEED THE AMOUNT NECESSARY TO ADMINISTER THIS ARTICLE 50.

(4) EXCEPT AS PROVIDED IN SUBSECTION (5) OF THIS SECTION, THE STATE LICENSING AUTHORITY SHALL ESTABLISH A BASIC FEE THAT SHALL BE PAID AT THE TIME OF SERVICE OF ANY SUBPOENA UPON THE STATE LICENSING AUTHORITY, PLUS A FEE FOR MEALS AND A FEE FOR MILEAGE AT THE RATE PRESCRIBED FOR STATE OFFICERS AND EMPLOYEES IN SECTION 24-9-104 FOR EACH MILE ACTUALLY AND NECESSARILY TRAVELED IN GOING TO AND RETURNING FROM THE PLACE NAMED IN THE SUBPOENA. IF THE PERSON NAMED IN THE SUBPOENA IS REQUIRED TO ATTEND THE PLACE NAMED IN THE SUBPOENA FOR MORE THAN ONE DAY, THERE SHALL BE PAID, IN ADVANCE, A SUM TO BE ESTABLISHED BY THE STATE LICENSING AUTHORITY FOR EACH DAY OF ATTENDANCE TO COVER THE EXPENSES OF THE PERSON NAMED IN THE SUBPOENA.

(5) THE SUBPOENA FEE ESTABLISHED PURSUANT TO SUBSECTION (4) OF THIS SECTION DOES NOT APPLY TO ANY FEDERAL, STATE, OR LOCAL GOVERNMENTAL AGENCY.

44-50-602. Fees - allocation. (1) EXCEPT AS OTHERWISE PROVIDED, ALL FEES AND FINES PROVIDED FOR BY THIS ARTICLE 50 SHALL BE PAID TO THE STATE LICENSING AUTHORITY, WHICH SHALL TRANSMIT THE FEES TO THE STATE TREASURER. THE STATE TREASURER SHALL CREDIT THE FEES TO THE REGULATED NATURAL MEDICINE DIVISION CASH FUND CREATED IN SECTION 44-50-601.

(2) THE EXPENDITURES OF THE STATE LICENSING AUTHORITY ARE PAID OUT OF APPROPRIATIONS FROM THE REGULATED NATURAL MEDICINE DIVISION CASH FUND CREATED IN SECTION 44-50-601.

PART 7

DISCIPLINARY ACTIONS

44-50-701. Suspension - revocation - fines. (1) IN ADDITION TO ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE 50 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 50, THE STATE LICENSING AUTHORITY HAS THE POWER, ON ITS OWN MOTION OR ON COMPLAINT, AFTER INVESTIGATION AND OPPORTUNITY FOR A PUBLIC HEARING AT WHICH THE

LICENSEE MUST BE AFFORDED AN OPPORTUNITY TO BE HEARD, TO FINE A LICENSEE OR TO SUSPEND OR REVOKE A LICENSE ISSUED BY THE AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY ANY OF THE AGENTS OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS OF THIS ARTICLE 50, OR ANY OF THE RULES PROMULGATED PURSUANT TO THIS ARTICLE 50, OR OF ANY OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE LICENSE ISSUED BY THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY HAS THE POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE STATE LICENSING AUTHORITY IS AUTHORIZED TO CONDUCT.

(2) THE STATE LICENSING AUTHORITY SHALL PROVIDE NOTICE OF SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE ADDRESS CONTAINED IN THE LICENSE AND, IF DIFFERENT, AT THE LAST ADDRESS FURNISHED TO THE AUTHORITY BY THE LICENSEE. EXCEPT IN THE CASE OF A SUMMARY SUSPENSION, A SUSPENSION MAY NOT EXCEED SIX MONTHS. IF A LICENSE IS SUSPENDED OR REVOKED, A PART OF THE FEES PAID FOR THE LICENSE ARE NOT RETURNED TO THE LICENSEE. ANY LICENSE, REGISTRATION, OR PERMIT MAY BE SUMMARILY SUSPENDED BY THE STATE LICENSING AUTHORITY WITHOUT NOTICE PENDING ANY PROSECUTION, INVESTIGATION, OR PUBLIC HEARING PURSUANT TO THE TERMS OF SECTION 24-4-104 (4). NOTHING IN THIS SECTION PREVENTS THE SUMMARY SUSPENSION OF A LICENSE PURSUANT TO SECTION 24-4-104 (4).

PART 8 JUDICIAL REVIEW

44-50-801. Judicial review. DECISIONS BY THE STATE LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO SECTION 24-4-106.

PART 9 PROTECTIONS, CONSTRUCTION, PREEMPTION, AND SEVERABILITY

44-50-901. Protections. (1) SUBJECT TO THE LIMITATIONS IN THIS ARTICLE 50 AND ARTICLE 170 OF TITLE 12, BUT NOTWITHSTANDING ANY

OTHER PROVISION OF LAW:

(a) ACTIONS AND CONDUCT PERMITTED PURSUANT TO A LICENSE, REGISTRATION, OR PERMIT ISSUED BY THE STATE LICENSING AUTHORITY PURSUANT TO THIS ARTICLE 50, OR BY THOSE WHO ALLOW PROPERTY TO BE USED PURSUANT TO A LICENSE ISSUED PURSUANT TO THIS ARTICLE 50, ARE LAWFUL AND ARE NOT AN OFFENSE UNDER STATE LAW OR THE LAWS OF ANY LOCAL JURISDICTION WITHIN THE STATE; ARE NOT SUBJECT TO A CIVIL FINE, PENALTY, OR SANCTION; ARE NOT A BASIS FOR DETENTION, SEARCH, OR ARREST; ARE NOT A BASIS TO DENY ANY RIGHT OR PRIVILEGE; AND ARE NOT A BASIS TO SEIZE OR FORFEIT ASSETS UNDER STATE LAW OR THE LAWS OF ANY LOCAL JURISDICTION WITHIN THIS STATE;

(b) A CONTRACT IS NOT UNENFORCEABLE ON THE BASIS THAT NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, AS ALLOWED PURSUANT TO THIS ARTICLE 50, IS PROHIBITED BY FEDERAL LAW;

(c) A LICENSEE, REGISTRANT, OR PERMITTEE PURSUANT TO THIS ARTICLE 50 IS NOT SUBJECT TO DISCIPLINE OR LOSS OF A PROFESSIONAL LICENSE OR CERTIFICATION FOR PROVIDING ADVICE OR SERVICES ARISING OUT OF OR RELATED TO NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, APPLICATIONS FOR LICENSES ON THE BASIS THAT NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IS PROHIBITED BY FEDERAL LAW, OR FOR PERSONAL USE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT AS ALLOWED PURSUANT TO THIS ARTICLE 50. THIS SUBSECTION (1)(c) DOES NOT PERMIT A LICENSEE, REGISTRANT, OR PERMITTEE TO ENGAGE IN MALPRACTICE.

(d) MENTAL HEALTH CARE, SUBSTANCE USE DISORDER INTERVENTION, OR BEHAVIORAL HEALTH SERVICES OTHERWISE COVERED UNDER THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4 TO 6 OF TITLE 25.5, MUST NOT BE DENIED ON THE BASIS THAT THEY ARE COVERED IN CONJUNCTION WITH NATURAL MEDICINE SERVICES, OR THAT NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IS PROHIBITED BY FEDERAL LAW. INSURANCE OR AN INSURANCE PROVIDER IS NOT REQUIRED TO COVER THE COST OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT.

(e) NOTHING IN THIS SECTION MAY BE CONSTRUED OR INTERPRETED TO PREVENT THE DIRECTOR OF THE NATURAL MEDICINE DIVISION FROM ENFORCING ITS RULES AGAINST A LICENSEE OR TO LIMIT A STATE OR LOCAL

LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL ACTIVITY IN RELATION TO A LICENSEE.

44-50-902. Liberal construction. THIS ARTICLE 50 MUST BE LIBERALLY CONSTRUED TO EFFECTUATE ITS PURPOSE.

44-50-903. Preemption. A LOCAL JURISDICTION SHALL NOT ADOPT, ENACT, OR ENFORCE ANY ORDINANCE, RULE, OR RESOLUTION THAT ARE OTHERWISE IN CONFLICT WITH THE PROVISIONS OF THIS ARTICLE 50.

44-50-904. Severability. IF ANY PROVISION OF THIS ARTICLE 50 IS FOUND BY A COURT OF COMPETENT JURISDICTION TO BE UNCONSTITUTIONAL, THE REMAINING PROVISIONS OF THIS ARTICLE 50 ARE VALID, UNLESS IT APPEARS TO THE COURT THAT THE VALID PROVISIONS OF THE STATUTE ARE SO ESSENTIALLY AND INSEPARABLY CONNECTED WITH, AND SO DEPENDENT UPON, THE VOID PROVISION THAT IT CANNOT BE PRESUMED THAT THE GENERAL ASSEMBLY WOULD HAVE ENACTED THE VALID PROVISIONS WITHOUT THE VOID ONE; OR UNLESS THE COURT DETERMINES THAT THE VALID PROVISIONS, STANDING ALONE, ARE INCOMPLETE AND ARE INCAPABLE OF BEING EXECUTED IN ACCORDANCE WITH THE LEGISLATIVE INTENT.

PART 10 SUNSET REVIEW - ARTICLE REPEAL

44-50-1001. Sunset review - repeal of article. (1) THIS ARTICLE 50 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2032.

(2) PRIOR TO THE REPEAL OF THIS ARTICLE 50, THE DEPARTMENT OF REGULATORY AGENCIES SHALL CONDUCT A SUNSET REVIEW AS DESCRIBED IN SECTION 24-34-104 (5).

SECTION 22. In Colorado Revised Statutes, 16-13-303, **amend** (9) as follows:

16-13-303. Class 1 public nuisance. (9) ~~A person acting in compliance with the "Natural Medicine Health Act of 2022", article 170 of title 12 does not violate this section~~ IT IS NOT A VIOLATION OF THIS SECTION IF A PERSON IS ACTING IN COMPLIANCE WITH SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44.

SECTION 23. In Colorado Revised Statutes, 16-13-304, **amend** (2) as follows:

16-13-304. Class 2 public nuisance. (2) ~~A person acting in compliance with the "Natural Medicine Health Act of 2022", article 170 of title 12 does not violate this section~~ IT IS NOT A VIOLATION OF THIS SECTION IF A PERSON IS ACTING IN COMPLIANCE WITH SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44.

SECTION 24. In Colorado Revised Statutes, 18-18-403.5, **amend** (1) as follows:

18-18-403.5. Unlawful possession of a controlled substance - notice to revisor of statutes - repeal. (1) Except as authorized by part 1 or 3 of article 280 of title 12, part 2 of article 80 of title 27, section 18-1-711, section 18-18-428 (1)(b), part 2 or 3 of this article 18, ~~or the "Natural Medicine Health Act of 2022", article 170 of title 12~~ SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, it is unlawful for a person knowingly to possess a controlled substance.

SECTION 25. In Colorado Revised Statutes, 18-18-404, **amend** (1)(a) as follows:

18-18-404. Unlawful use of a controlled substance. (1)(a) Except as is otherwise provided for offenses concerning marijuana and marijuana concentrate in sections 18-18-406 and 18-18-406.5, ~~or by the "Natural Medicine Health Act of 2022", article 170 of title 12~~ OR FOR NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IN SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, any person who uses any controlled substance, except when it is dispensed by or under the direction of a person licensed or authorized by law to prescribe, administer, or dispense the controlled substance for bona fide medical needs, commits a level 2 drug misdemeanor.

SECTION 26. In Colorado Revised Statutes, 18-18-405, **amend** (1)(a) as follows:

18-18-405. Unlawful distribution, manufacturing, dispensing, or sale. (1) (a) Except as authorized by part 1 of article 280 of title 12, part 2 of article 80 of title 27, part 2 or 3 of this article 18, ~~or by the "Natural~~

~~Medicine Health Act of 2022", article 170 of title 12~~ SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, it is unlawful for any person knowingly to manufacture, dispense, sell, or distribute, or to possess with intent to manufacture, dispense, sell, or distribute, a controlled substance; or induce, attempt to induce, or conspire with one or more other persons, to manufacture, dispense, sell, distribute, or possess with intent to manufacture, dispense, sell, or distribute, a controlled substance; or possess one or more chemicals or supplies or equipment with intent to manufacture a controlled substance.

SECTION 27. In Colorado Revised Statutes, **amend** 18-18-410 as follows:

18-18-410. Declaration of class 1 public nuisance. Except as permitted by the ~~"Natural Medicine Health Act of 2022", article 170 of title 12~~ AUTHORIZED BY SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, any store, shop, warehouse, dwelling house, building, vehicle, boat, or aircraft or any place whatsoever ~~which~~ THAT is frequented by controlled substance addicts for the unlawful use of controlled substances or which is used for the unlawful storage, manufacture, sale, or distribution of controlled substances is declared to be a class 1 public nuisance and subject to the provisions of section 16-13-303. ~~C.R.S.~~ Any real or personal property ~~which~~ THAT is seized or confiscated as a result of an action to abate a public nuisance shall be disposed of pursuant to part 7 of article 13 of title 16. ~~C.R.S.~~

SECTION 28. In Colorado Revised Statutes, 18-18-411, **repeal** (5); and **add** (3.5) as follows:

18-18-411. Keeping, maintaining, controlling, renting, or making available property for unlawful distribution or manufacture of controlled substances. (3.5) IT IS NOT A VIOLATION OF THIS SECTION IF A PERSON IS ACTING IN COMPLIANCE WITH SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44.

(5) ~~A person acting in compliance with the "Natural Medicine Health Act of 2022", article 170 of title 12 does not violate this section.~~

SECTION 29. In Colorado Revised Statutes, 18-18-412.7, **repeal** (3); and **add** (1.5) as follows:

18-18-412.7. Sale or distribution of materials to manufacture controlled substances. (1.5) IT IS NOT A VIOLATION OF THIS SECTION IF A PERSON IS ACTING IN COMPLIANCE WITH SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44.

(3) ~~A person acting in compliance with the "Natural Medicine Health Act of 2022", article 170 of title 12 does not violate this section.~~

SECTION 30. In Colorado Revised Statutes, 18-18-430.5, **amend** (1)(c) as follows:

18-18-430.5. Drug paraphernalia - exemption. (1) A person is exempt from sections 18-18-425 to 18-18-430 if the person is:

(c) Using equipment, products, or materials in compliance with ~~the "Natural Medicine Health Act of 2022", article 170 of title 12~~ SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44. The manufacture, possession, and distribution of such equipment, products, or materials ~~shall be~~ IS authorized within the meaning of 21 U.S.C. 863 sec. (f).

SECTION 31. In Colorado Revised Statutes, **add** 18-18-434 as follows:

18-18-434. Offenses relating to natural medicine and natural medicine product - definitions. (1) A PERSON WHO IS UNDER TWENTY-ONE YEARS OF AGE WHO KNOWINGLY POSSESSES OR CONSUMES NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT COMMITS A DRUG PETTY OFFENSE AND, UPON CONVICTION THEREOF, **IS SUBJECT TO A FINE OF NOT MORE THAN ONE HUNDRED DOLLARS OR NOT MORE THAN FOUR HOURS OF SUBSTANCE USE EDUCATION OR COUNSELING**; EXCEPT THAT A SECOND OR SUBSEQUENT CONVICTION FOR A VIOLATION OF THIS SUBSECTION (1) IS SUBJECT TO A FINE OF NOT MORE THAN ONE HUNDRED DOLLARS, NOT MORE THAN FOUR HOURS OF SUBSTANCE USE EDUCATION OR COUNSELING, AND NOT MORE THAN TWENTY-FOUR HOURS OF USEFUL PUBLIC SERVICE.

(2) **A PERSON WHO OPENLY AND PUBLICLY DISPLAYS OR CONSUMES NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT COMMITS A DRUG PETTY OFFENSE AND, UPON CONVICTION THEREOF, IS SUBJECT TO A FINE OF NOT MORE THAN ONE HUNDRED DOLLARS AND NOT MORE THAN**

TWENTY-FOUR HOURS OF USEFUL PUBLIC SERVICE.

(3)(a) A PERSON WHO KNOWINGLY CULTIVATES NATURAL MEDICINE THAT CUMULATIVELY EXCEEDS AN AREA OF MORE THAN TWELVE FEET WIDE BY TWELVE FEET LONG IN ONE OR MORE CULTIVATION AREAS ON THE PRIVATE PROPERTY, OR KNOWINGLY ALLOWS SUCH CULTIVATION ON PRIVATE PROPERTY THAT THE PERSON OWNS, OCCUPIES, OR CONTROLS, COMMITS A DRUG PETTY OFFENSE, AND UPON CONVICTION THEREOF, IS SUBJECT TO A FINE OF NOT MORE THAN ONE THOUSAND DOLLARS.

(b) (I) EXCEPT AS PROVIDED IN SUBSECTION (3)(b)(II) OF THIS SECTION, A PERSON WHO KNOWINGLY CULTIVATES NATURAL MEDICINE ON THE PRIVATE PROPERTY OUTSIDE OF AN ENCLOSED AND LOCKED SPACE, OR KNOWINGLY ALLOWS SUCH CULTIVATION ON THE PRIVATE PROPERTY OUTSIDE OF AN ENCLOSED AND LOCKED SPACE, THAT THE PERSON OWNS, OCCUPIES, OR CONTROLS, COMMITS A DRUG PETTY OFFENSE, AND UPON CONVICTION THEREOF, IS SUBJECT TO A FINE OF NOT MORE THAN ONE THOUSAND DOLLARS.

(II) IT IS NOT A VIOLATION OF THIS SUBSECTION (3)(b) IF THE PERSON WHO IS CULTIVATING NATURAL MEDICINE IS TWENTY-ONE YEARS OF AGE OR OLDER, IF THE CULTIVATION AREA IS LOCATED IN A DWELLING ON THE PRIVATE PROPERTY, AND:

(A) IF A PERSON UNDER TWENTY-ONE YEARS OF AGE LIVES AT THE DWELLING, THE CULTIVATION AREA ITSELF IS ENCLOSED AND LOCKED; OR

(B) IF NO PERSON UNDER TWENTY-ONE YEARS OF AGE LIVES AT THE DWELLING, THE EXTERNAL LOCKS ON THE DWELLING CONSTITUTE AN ENCLOSED AND LOCKED SPACE, BUT IF A PERSON UNDER TWENTY-ONE YEARS OF AGE ENTERS THE DWELLING, THE PERSON CULTIVATING THE NATURAL MEDICINE SHALL ENSURE THAT ACCESS TO THE CULTIVATION AREA IS REASONABLY RESTRICTED FOR THE DURATION OF THE PERSON UNDER TWENTY-ONE YEARS OF AGE'S PRESENCE IN THE PRIVATE PROPERTY.

(c) IT IS NOT A VIOLATION OF SUBSECTION (3)(a) OF THIS SECTION IF A COUNTY, MUNICIPALITY, OR CITY AND COUNTY LAW EXPRESSLY PERMITS THE CULTIVATION OF NATURAL MEDICINE THAT CUMULATIVELY EXCEEDS AN AREA OF MORE THAN TWELVE FEET WIDE BY TWELVE FEET LONG IN ONE OR MORE CULTIVATION AREAS ON THE PRIVATE PROPERTY AND THE PERSON

CULTIVATES THE NATURAL MEDICINE IN AN ENCLOSED AND LOCKED SPACE WITHIN THE LIMIT SET BY THE COUNTY, MUNICIPALITY, OR CITY AND COUNTY WHERE THE NATURAL MEDICINE IS LOCATED.

(4) (a) IT IS UNLAWFUL FOR A PERSON WHO IS NOT LICENSED PURSUANT TO ARTICLE 50 OF TITLE 44 TO KNOWINGLY MANUFACTURE NATURAL MEDICINE PRODUCT USING AN INHERENTLY HAZARDOUS SUBSTANCE.

(b) IT IS UNLAWFUL FOR A PERSON WHO IS NOT LICENSED PURSUANT TO ARTICLE 50 OF TITLE 44 WHO OWNS, MANAGES, OPERATES, OR OTHERWISE CONTROLS THE USE OF A PROPERTY TO KNOWINGLY ALLOW NATURAL MEDICINE PRODUCT TO BE MANUFACTURED ON THE PREMISES USING AN INHERENTLY HAZARDOUS SUBSTANCE.

(c) A PERSON WHO VIOLATES THIS SUBSECTION (4) COMMITS A LEVEL 2 DRUG FELONY.

(5) (a) UNLESS EXPRESSLY LIMITED BY THIS SECTION, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, A PERSON WHO FOR THE PURPOSE OF PERSONAL USE AND WITHOUT REMUNERATION, POSSESSES, CONSUMES, SHARES, CULTIVATES, OR MANUFACTURES NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, DOES NOT VIOLATE STATE LAW, OR COUNTY, MUNICIPALITY, OR CITY AND COUNTY ORDINANCE, RULE, OR RESOLUTION.

(b) UNLESS EXPRESSLY LIMITED BY THIS SECTION, A PERSON WHO PERFORMS TESTING ON NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, AND POSSESSES NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IN CONJUNCTION THEREWITH, FOR ANOTHER PERSON WHO IS TWENTY-ONE YEARS OF AGE OR OLDER WHO SUBMITS FOR TESTING NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT INTENDED FOR PERSONAL USE, DOES NOT VIOLATE STATE LAW, OR COUNTY, MUNICIPALITY, OR CITY AND COUNTY ORDINANCE, RULE, OR RESOLUTION, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, IF:

(I) THE PERSON PERFORMING THE TESTING PROVIDES WRITTEN NOTICE TO THE PERSON SUBMITTING FOR TESTING NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT INTENDED FOR PERSONAL USE, THAT THE PERSON IS NOT LICENSED BY THE STATE TO CONDUCT TESTING; AND

(II) THE PERSON WHO SUBMITS FOR TESTING NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT PROVIDES A SIGNED STATEMENT THAT THE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IS INTENDED FOR PERSONAL USE ONLY.

(c) NOTHING IN THIS SECTION PERMITS A PERSON TO:

(I) DISPENSE, SELL, DISTRIBUTE, OR POSSESS WITH INTENT TO DISPENSE, SELL, OR DISTRIBUTE, NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT TO A PERSON UNDER TWENTY-ONE YEARS OF AGE;

(II) DISPENSE, SELL, DISTRIBUTE, OR POSSESS WITH INTENT TO DISPENSE, SELL, OR DISTRIBUTE, NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT FOR REMUNERATION, EXCEPT AS PROVIDED BY ARTICLE 170 OF TITLE 12 AND ARTICLE 50 OF TITLE 44;

(III) MANUFACTURE, CULTIVATE, POSSESS, CONSUME, USE, DISPENSE, OR DISTRIBUTE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, OR POSSESS WITH INTENT TO MANUFACTURE, CULTIVATE, POSSESS, CONSUME, USE, DISPENSE, OR DISTRIBUTE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT FOR A PURPOSE OTHER THAN PERSONAL USE OR AS PROVIDED BY ARTICLE 170 OF TITLE 12 AND ARTICLE 50 OF TITLE 44;

(IV) DISPENSE, DISTRIBUTE, OR POSSESS WITH INTENT TO DISPENSE OR DISTRIBUTE, NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT AS A PART OF A BUSINESS PROMOTION OR COMMERCIAL ACTIVITY, EXCEPT AS PROVIDED BY ARTICLE 170 OF TITLE 12 AND ARTICLE 50 OF TITLE 44; OR

(V) DISPENSE, SELL, OR DISTRIBUTE, OR POSSESS WITH INTENT TO DISPENSE, SELL, OR DISTRIBUTE, IBOGAININE OR NATURAL MEDICINE PRODUCT THAT CONTAINS IBOGAININE TO ANOTHER PERSON, EXCEPT AS PROVIDED BY ARTICLE 170 OF TITLE 12 AND ARTICLE 50 OF TITLE 44.

(d) A PEACE OFFICER SHALL NOT ARREST A PERSON, AND A DISTRICT ATTORNEY SHALL NOT CHARGE OR PROSECUTE A PERSON FOR A CRIMINAL OFFENSE INVOLVING NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT PURSUANT TO THIS PART 4, EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION.

(e) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE

CONTRARY, A PEACE OFFICER MAY ARREST A PERSON, OR A DISTRICT ATTORNEY MAY CHARGE OR PROSECUTE A PERSON FOR A CRIMINAL OFFENSE THAT IS NOT EXPRESSLY LAWFUL PURSUANT TO THIS SECTION OR ARTICLE 170 OF TITLE 12 AND ARTICLE 50 OF TITLE 44.

(6) NOTWITHSTANDING ANY LAW TO THE CONTRARY, AN ACTION THAT IS LAWFUL PURSUANT TO THIS SECTION, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, INDIVIDUALLY OR IN COMBINATION WITH ANOTHER ACTION THAT IS LAWFUL PURSUANT TO THIS SECTION, MUST NOT 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.

(7) (a) EXCEPT AS PROVIDED IN SUBSECTION (7)(b) OF THIS SECTION, AN ACTION THAT IS LAWFUL PURSUANT TO THIS SECTION, INDIVIDUALLY OR IN COMBINATION WITH ANOTHER ACTION THAT IS LAWFUL PURSUANT TO THIS SECTION, MUST NOT SOLELY BE USED AS A FACTOR IN A PROBABLE CAUSE DETERMINATION OF ANY CRIMINAL OFFENSE.

(b) AN ACTION THAT IS LAWFUL PURSUANT TO THIS SECTION MAY BE USED AS A FACTOR IN A PROBABLE CAUSE DETERMINATION OF ANY CRIMINAL OFFENSE IF THE ORIGINAL STOP OR SEARCH WAS LAWFUL AND OTHER FACTORS ARE PRESENT TO SUPPORT A PROBABLE CAUSE DETERMINATION OF ANY CRIMINAL OFFENSE.

(8) THE FACT THAT A PERSON IS ENTITLED TO CONSUME NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT UNDER THE LAWS OF THIS STATE DOES NOT CONSTITUTE A DEFENSE AGAINST ANY CHARGE FOR VIOLATION OF AN OFFENSE RELATED TO THE OPERATION OF A VEHICLE, AIRCRAFT, BOAT, MACHINERY, OR OTHER DEVICE.

(9) A COUNTY, MUNICIPALITY, OR CITY AND COUNTY SHALL NOT ADOPT, ENACT, OR ENFORCE ANY ORDINANCE, RULE, OR RESOLUTION IMPOSING ANY GREATER CRIMINAL OR CIVIL PENALTY THAN PROVIDED BY THIS SECTION OR THAT IS OTHERWISE IN CONFLICT WITH THIS SECTION.

(10) NOTHING IN THIS SECTION PROHIBITS A PERSON OR ANY ENTITY WHO OCCUPIES, OWNS, OR CONTROLS A PROPERTY FROM PROHIBITING OR OTHERWISE REGULATING THE CULTIVATION OR MANUFACTURE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT ON OR IN THAT PROPERTY.

(11) NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE OFFENSES PROVIDED FOR IN THIS SECTION DO NOT APPLY TO A PERSON POSSESSING, DISPLAYING, CULTIVATING, PURCHASING, OR SELLING A LIVING PLANT FOR ORNAMENTAL PURPOSES ONLY THAT WAS COMMONLY AND LAWFULLY SOLD PRIOR TO THE EFFECTIVE DATE OF THIS SECTION. FOR PURPOSES OF THIS SECTION, A "LIVING PLANT" DOES NOT INCLUDE MUSHROOMS OR OTHER FUNGAL MATTER.

(12) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "INHERENTLY HAZARDOUS SUBSTANCE" MEANS ANY LIQUID CHEMICAL, COMPRESSED GAS, OR COMMERCIAL PRODUCT THAT HAS A FLASH POINT AT OR LOWER THAN THIRTY-EIGHT DEGREES CELSIUS OR ONE HUNDRED DEGREES FAHRENHEIT, INCLUDING BUTANE, PROPANE, AND DIETHYL ETHER, AND EXCLUDING ALL FORMS OF ALCOHOL AND ETHANOL.

(b) (I) "NATURAL MEDICINE" MEANS THE FOLLOWING SUBSTANCES:

(A) DIMETHYLTRYPTAMINE;

(B) Mescaline;

(C) IBOGAINE;

(D) PSILOCYBIN; OR

(E) PSILOCYN.

(II) "NATURAL MEDICINE" DOES NOT MEAN A SYNTHETIC OR SYNTHETIC ANALOG OF THE SUBSTANCES LISTED IN THIS SUBSECTION (12)(b), INCLUDING A DERIVATIVE OF A NATURALLY OCCURRING COMPOUND OF NATURAL MEDICINE THAT IS PRODUCED USING CHEMICAL SYNTHESIS, CHEMICAL MODIFICATION, OR CHEMICAL CONVERSION.

(III) NOTWITHSTANDING SUBSECTION (12)(b)(I) OF THIS SECTION, "MESCALINE" DOES NOT INCLUDE PEYOTE, MEANING ALL PARTS OF THE PLANT CLASSIFIED BOTANICALLY AS *LOPHOPHORA WILLIAMSII* LEMAIRE, WHETHER GROWING OR NOT; ITS SEEDS; ANY EXTRACT FROM ANY PART OF THE PLANT, AND EVERY COMPOUND, SALT, DERIVATIVE, MIXTURE, OR PREPARATION OF THE PLANT; OR ITS SEEDS OR EXTRACTS.

(c) "NATURAL MEDICINE PRODUCT" MEANS A PRODUCT INFUSED WITH NATURAL MEDICINE THAT IS INTENDED FOR CONSUMPTION.

(d) "PERSONAL USE" MEANS THE CONSUMPTION OR USE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT; OR THE AMOUNT OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT A PERSON MAY LAWFULLY POSSESS, CULTIVATE, OR MANUFACTURE THAT IS NECESSARY TO SHARE WITH ANOTHER PERSON WHO IS TWENTY-ONE YEARS OF AGE OR OLDER WITHIN THE CONTEXT OF COUNSELING, SPIRITUAL GUIDANCE, BENEFICIAL COMMUNITY-BASED USE AND HEALING, SUPPORTED USE, OR RELATED SERVICES. "PERSONAL USE" DOES NOT MEAN THE SALE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT FOR REMUNERATION; THE POSSESSION, CULTIVATION, OR MANUFACTURE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT WITH INTENT TO SELL THE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT FOR REMUNERATION; OR THE POSSESSION, CULTIVATION, MANUFACTURE, OR DISTRIBUTION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT FOR BUSINESS OR COMMERCIAL PURPOSES, EXCEPT AS PROVIDED BY ARTICLE 170 OF TITLE 12 AND ARTICLE 50 OF TITLE 44. NOTHING IN THIS SECTION PRECLUDES REMUNERATION FOR BONA FIDE HARM REDUCTION SERVICES OR BONA FIDE SUPPORT SERVICES USED CONCURRENTLY WITH THE SHARING OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, PROVIDED THAT THERE IS NO ADVERTISEMENT RELATED TO THE SHARING OF NATURAL MEDICINE, NATURAL MEDICINE PRODUCT, OR THE SERVICES PROVIDED, AND PROVIDED THAT THE INDIVIDUAL PROVIDING THE SERVICES INFORMS AN INDIVIDUAL ENGAGING IN THE SERVICES THAT THE INDIVIDUAL IS NOT A LICENSED FACILITATOR PURSUANT TO ARTICLE 170 OF TITLE 12.

(e) "PRIVATE PROPERTY" MEANS A DWELLING, ITS CURTILAGE, AND A STRUCTURE WITHIN THE CURTILAGE THAT IS BEING USED BY A NATURAL PERSON OR NATURAL PERSONS FOR HABITATION AND THAT IS NOT OPEN TO THE PUBLIC.

(f) "REMUNERATION" MEANS ANYTHING OF VALUE, INCLUDING MONEY, REAL PROPERTY, TANGIBLE AND INTANGIBLE PERSONAL PROPERTY, CONTRACT RIGHT, CHOSE IN ACTION, SERVICE, ANY RIGHT OF USE OR EMPLOYMENT OR PROMISE OR AGREEMENT CONNECTED THEREWITH, BUSINESS PROMOTION, OR COMMERCIAL ACTIVITY.

SECTION 32. In Colorado Revised Statutes, **add** 10-16-162 as follows:

10-16-162. Prohibition on discrimination for coverage based solely on natural medicine consumption - definitions. (1) A CARRIER THAT OFFERS, ISSUES, OR RENEWS A HEALTH BENEFIT PLAN SHALL NOT, SOLELY ON THE BASIS OF A PERSON'S CONSUMPTION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT:

(a) DECLINE OR LIMIT COVERAGE OF A PERSON; OR

(b) PENALIZE A COVERED PERSON OR REDUCE OR LIMIT COVERAGE FOR A PERSON.

(2) A CARRIER THAT OFFERS, ISSUES, OR RENEWS A HEALTH BENEFIT PLAN THAT PROVIDES COVERAGE FOR ANATOMICAL GIFTS, ORGAN TRANSPLANTS, OR RELATED TREATMENTS OR SERVICES SHALL NOT, SOLELY ON THE BASIS OF A COVERED PERSON'S CONSUMPTION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT:

(a) DENY COVERAGE TO A COVERED PERSON FOR AN ORGAN TRANSPLANT OR RELATED TREATMENT OR SERVICES;

(b) DECLINE OR LIMIT COVERAGE OF A COVERED PERSON SOLELY FOR THE PURPOSE OF AVOIDING THE REQUIREMENTS OF THIS SECTION; OR

(c) PENALIZE A COVERED PERSON OR REDUCE OR LIMIT COVERAGE FOR A COVERED PERSON FOR HEALTH-CARE SERVICES RELATED TO ORGAN TRANSPLANTATION, AS DETERMINED IN CONSULTATION WITH THE ATTENDING PHYSICIAN AND THE COVERED PERSON OR THE COVERED PERSON'S REPRESENTATIVE.

(3) THIS SECTION DOES NOT REQUIRE A HEALTH BENEFIT PLAN TO PROVIDE COVERAGE FOR THE DONATION OF AN ANATOMICAL GIFT, AN ORGAN

TRANSPLANT, OR RELATED TREATMENT OR SERVICES.

(4) FOR THE PURPOSES OF THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ANATOMICAL GIFT" MEANS THE DONATION OF PART OF A HUMAN BODY FOR THE PURPOSE OF TRANSPLANTATION TO ANOTHER PERSON.

(b) (I) "NATURAL MEDICINE" MEANS THE FOLLOWING SUBSTANCES:

(A) DIMETHYLTRYPTAMINE;

(B) Mescaline;

(C) IBOGAINE;

(D) PSILOCYBIN; OR

(E) PSILOCYN.

(II) "NATURAL MEDICINE" DOES NOT MEAN A SYNTHETIC OR SYNTHETIC ANALOG OF THE SUBSTANCES LISTED IN THIS SUBSECTION (4)(b), INCLUDING A DERIVATIVE OF A NATURALLY OCCURRING COMPOUND OF NATURAL MEDICINE THAT IS PRODUCED USING CHEMICAL SYNTHESIS, CHEMICAL MODIFICATION, OR CHEMICAL CONVERSION.

(c) "NATURAL MEDICINE PRODUCT" MEANS A PRODUCT INFUSED WITH NATURAL MEDICINE THAT IS INTENDED FOR CONSUMPTION.

SECTION 33. In Colorado Revised Statutes, 17-2-102, **add** (8.5)(d) as follows:

17-2-102. Division of adult parole - general powers, duties, and functions - definition. (8.5)(d) THIS SUBSECTION (8.5) DOES NOT APPLY TO A PAROLEE WHO POSSESSES OR USES NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT AS AUTHORIZED PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44.

SECTION 34. In Colorado Revised Statutes, 17-2-201, **add** (5.3) as follows:

17-2-201. State board of parole - duties - definitions.
(5.3) NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE POSSESSION OR USE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, AS AUTHORIZED PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, MUST NOT BE CONSIDERED AN OFFENSE SUCH THAT ITS POSSESSION OR USE CONSTITUTES A VIOLATION OF CONDITIONS OF PAROLE.

SECTION 35. In Colorado Revised Statutes, 18-1.3-204, **amend** (2)(a)(VIII) introductory portion; and **add** (1)(c) as follows:

18-1.3-204. Conditions of probation - interstate compact probation transfer cash fund - creation. (1) (c) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1)(a) OF THIS SECTION, THE POSSESSION OR USE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, AS AUTHORIZED PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, MUST NOT BE CONSIDERED ANOTHER OFFENSE SUCH THAT ITS USE CONSTITUTES A VIOLATION OF THE TERMS OF PROBATION.

(2) (a) When granting probation, the court may, as a condition of probation, require that the defendant:

(VIII) Refrain from excessive use of alcohol or any unlawful use of controlled substances, as defined in section 18-18-102 (5), or of any other dangerous or abusable drug without a prescription; except that the court shall not, as a condition of probation, PROHIBIT THE POSSESSION OR USE OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT, AS AUTHORIZED PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44. FURTHERMORE, THE COURT SHALL NOT, AS A CONDITION OF PROBATION, prohibit the possession or use of medical marijuana, as authorized pursuant to section 14 of article XVIII of the state constitution, unless:

SECTION 36. In Colorado Revised Statutes, 19-2.5-103, **amend** (1)(a)(I) and (5) as follows:

19-2.5-103. Jurisdiction. (1) Except as otherwise provided by law, the juvenile court has exclusive original jurisdiction in proceedings:

(a) Concerning any juvenile ten years of age or older who has

violated:

(I) Any federal or state law, except nonfelony state traffic, game and fish, and parks and recreation laws or rules; the offense specified in section 18-13-122, concerning the illegal possession or consumption of ethyl alcohol or marijuana by an underage person or illegal possession of marijuana paraphernalia by an underage person; the offenses specified in section 18-18-406 (5)(b)(I) and (5)(b)(II), concerning marijuana and marijuana concentrate; THE OFFENSES SPECIFIED IN SECTION 18-18-434 CONCERNING NATURAL MEDICINE AND NATURAL MEDICINE PRODUCT; and the civil infraction in section 18-7-109 (3), concerning exchange of a private image by a juvenile;

(5) Notwithstanding any other provision of this section to the contrary, the juvenile court and the county court have concurrent jurisdiction over a juvenile who is under eighteen years of age and who is charged with a violation of section 18-13-122, 18-18-406 (5)(b)(I) and (5)(b)(II), 18-18-428, 18-18-429, 18-18-430, ~~18-18-434~~, or 42-4-1301; except that, if the juvenile court accepts jurisdiction over such a juvenile, the county court jurisdiction terminates.

SECTION 37. In Colorado Revised Statutes, 19-3-103, **add** (4) as follows:

19-3-103. Child not neglected - when. (4) (a) A PERSON WHO PERFORMS OR HAS PERFORMED AN ACTION THAT IS LAWFUL PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44 DOES NOT CONSTITUTE CHILD ABUSE OR NEGLECT BY A PARENT OR LEGAL GUARDIAN FOR PURPOSES OF THIS ARTICLE 3, UNLESS IT THREATENS THE HEALTH OR WELFARE OF A CHILD.

(b) THE COURT SHALL NOT RESTRICT OR PROHIBIT FAMILY TIME, OR DETERMINE THAT FAMILY TIME IS NOT IN THE CHILD'S BEST INTERESTS, BASED SOLELY ON THE FACT THAT A PERSON PERFORMS OR HAS PERFORMED AN ACTION THAT IS LAWFUL PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44, UNLESS THE COURT FINDS THAT THE CHILD'S SAFETY OR MENTAL, EMOTIONAL, OR PHYSICAL HEALTH IS AT RISK AS A RESULT OF THE FAMILY TIME.

SECTION 38. In Colorado Revised Statutes, 24-72-706, **amend**

(1)(h); and **add** (1)(f.5) as follows:

24-72-706. Sealing of criminal conviction and criminal justice records - processing fee. (1) Sealing of conviction records.

(f.5) (I) NOTWITHSTANDING ANY PROVISION OF THIS PART 7 TO THE CONTRARY, A MOTION FILED FOR THE SEALING OF CONVICTION RECORDS FOR AN OFFENSE THAT WAS UNLAWFUL AT THE TIME OF CONVICTION, BUT IS NO LONGER UNLAWFUL PURSUANT TO SECTION 18-18-434, MAY BE FILED AT ANY TIME. THE COURT SHALL ORDER THE RECORDS SEALED UNLESS THE DISTRICT ATTORNEY OBJECTS PURSUANT TO SUBSECTION (1)(f.5)(II) OF THIS SECTION.

(II) IF A MOTION IS FILED FOR THE SEALING OF AN OFFENSE DESCRIBED IN THIS SUBSECTION (1)(f.5), THE DEFENDANT SHALL PROVIDE NOTICE OF THE MOTION TO THE DISTRICT ATTORNEY, WHO MAY OBJECT. THE DISTRICT ATTORNEY SHALL DETERMINE WHETHER TO OBJECT TO THE MOTION BASED ON WHETHER THE UNDERLYING CONVICTION FOR AN OFFENSE IS NO LONGER UNLAWFUL PURSUANT TO SECTION 18-18-434. THE DISTRICT ATTORNEY SHALL DETERMINE WHETHER TO OBJECT AND PROVIDE NOTICE TO THE COURT WITHIN FORTY-TWO DAYS OF RECEIPT OF THE MOTION. IF THE DISTRICT ATTORNEY OBJECTS TO THE MOTION, THE COURT SHALL SET THE MATTER FOR HEARING AND THE BURDEN IS ON THE DEFENDANT TO SHOW BY A PREPONDERANCE OF THE EVIDENCE THAT THE UNDERLYING FACTUAL BASIS OF THE CONVICTION SOUGHT TO BE SEALED IS NO LONGER UNLAWFUL PURSUANT TO SECTION 18-18-434.

(III) (A) A DEFENDANT WHO FILES A MOTION PURSUANT TO THIS SUBSECTION (1)(f.5) MUST NOT BE CHARGED FEES OR COSTS.

(B) NOTWITHSTANDING SUBSECTION (1)(c) OF THIS SECTION, A DEFENDANT WHO FILES A MOTION PURSUANT TO THIS SUBSECTION (1)(f.5) IS NOT REQUIRED TO SUBMIT A VERIFIED COPY OF THE DEFENDANT'S CRIMINAL HISTORY WITH A FILED MOTION.

(C) SECTION 24-72-703 (2)(a)(V) DOES NOT APPLY TO CONVICTION RECORDS SEALED PURSUANT TO THIS SUBSECTION (1)(f.5).

(h) A defendant who files a motion to seal criminal justice records pursuant to this section shall pay a processing fee of sixty-five dollars to cover the actual costs related to the sealing of the criminal justice records.

The defendant shall pay to the Colorado bureau of investigation any costs related to the sealing of the defendant's criminal justice records in the custody of the bureau. The court shall waive the processing fee upon a determination that:

(I) The defendant is indigent; ~~or~~

(II) The defendant's records should have been automatically sealed pursuant to section 13-3-117, 24-72-704, or 24-72-705; OR

(III) THE DEFENDANT FILED A MOTION TO SEAL PURSUANT TO SUBSECTION (1)(f.5) OF THIS SECTION.

SECTION 39. In Colorado Revised Statutes, **add** 24-76.5-104 as follows:

24-76.5-104. Natural medicine consumption consideration prohibited - exception. CONSIDERATION OF WHETHER A PERSON PERFORMS OR HAS PERFORMED AN ACTION THAT IS LAWFUL PURSUANT TO SECTION 18-18-434, ARTICLE 170 OF TITLE 12, OR ARTICLE 50 OF TITLE 44 IS NOT A REQUIREMENT FOR ELIGIBILITY FOR A PUBLIC ASSISTANCE PROGRAM, UNLESS CONSIDERATION IS REQUIRED PURSUANT TO FEDERAL LAW.

SECTION 40. In Colorado Revised Statutes, **add** 25-56-104.5 as follows:

25-56-104.5. Prohibition on discrimination for organ transplants based solely on natural medicine consumption - applicability. (1) THIS ARTICLE 56 APPLIES TO ALL STAGES OF THE ORGAN TRANSPLANT PROCESS.

(2) A COVERED ENTITY SHALL NOT, SOLELY ON THE BASIS OF A PERSON'S CONSUMPTION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT:

(a) CONSIDER THE INDIVIDUAL INELIGIBLE TO RECEIVE AN ANATOMICAL GIFT OR ORGAN TRANSPLANT;

(b) DENY MEDICAL SERVICES OR OTHER SERVICES RELATED TO ORGAN TRANSPLANTATION, INCLUDING DIAGNOSTIC SERVICES, EVALUATION, SURGERY, COUNSELING, AND POST-OPERATIVE TREATMENT AND SERVICES;

(c) REFUSE TO REFER THE INDIVIDUAL TO A TRANSPLANT CENTER OR OTHER RELATED SPECIALIST FOR THE PURPOSE OF BEING EVALUATED FOR OR RECEIVING AN ORGAN TRANSPLANT;

(d) REFUSE TO PLACE A QUALIFIED RECIPIENT ON AN ORGAN TRANSPLANT WAITING LIST; OR

(e) PLACE A QUALIFIED RECIPIENT ON AN ORGAN TRANSPLANT WAITING LIST AT A LOWER PRIORITY POSITION THAN THE POSITION AT WHICH THE PERSON WOULD HAVE BEEN PLACED IF THE PERSON DID NOT CONSUME NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT.

(3) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION, A COVERED ENTITY MAY TAKE A PERSON'S CONSUMPTION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT INTO ACCOUNT WHEN MAKING TREATMENT OR COVERAGE RECOMMENDATIONS OR DECISIONS, SOLELY TO THE EXTENT THAT THE NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT CONSUMPTION HAS BEEN FOUND BY A PHYSICIAN OR SURGEON, FOLLOWING AN INDIVIDUALIZED EVALUATION OF THE PERSON, TO BE MEDICALLY SIGNIFICANT TO THE PROVISION OF THE ANATOMICAL GIFT OR ORGAN TRANSPLANT.

(4) A COVERED ENTITY SHALL:

(a) MAKE REASONABLE MODIFICATIONS TO ITS POLICIES, PRACTICES, AND PROCEDURES TO ALLOW A PERSON WHO CONSUMES NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT ACCESS TO TRANSPLANTATION-RELATED SERVICES, INCLUDING DIAGNOSTIC SERVICES, SURGERY, COVERAGE, POST-OPERATIVE TREATMENT, AND COUNSELING, UNLESS THE COVERED ENTITY DEMONSTRATES THAT MAKING SUCH MODIFICATIONS WOULD FUNDAMENTALLY ALTER THE NATURE OF THE SERVICES PROVIDED; AND

(b) TAKE REASONABLE AND NECESSARY STEPS TO ENSURE THAT A PERSON'S CONSUMPTION OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT IS NOT THE REASON THE PERSON IS DENIED MEDICAL SERVICES OR OTHER SERVICES RELATED TO ORGAN TRANSPLANTATION, INCLUDING DIAGNOSTIC SERVICES, SURGERY, POST-OPERATIVE TREATMENT, OR COUNSELING, DUE TO THE ABSENCE OF AUXILIARY AIDS OR SERVICES, UNLESS THE COVERED ENTITY DEMONSTRATES THAT TAKING SUCH STEPS WOULD FUNDAMENTALLY ALTER THE NATURE OF THE MEDICAL SERVICES OR

OTHER SERVICES RELATED TO ORGAN TRANSPLANTATION OR WOULD RESULT IN AN UNDUE BURDEN FOR THE COVERED ENTITY.

(5) NOTHING IN THIS ARTICLE 56 REQUIRES A COVERED ENTITY TO MAKE A REFERRAL OR RECOMMENDATION FOR OR PERFORM A MEDICALLY INAPPROPRIATE ORGAN TRANSPLANT.

SECTION 41. In Colorado Revised Statutes, 35-36-102, **amend** (14)(b) as follows:

35-36-102. Rules - definitions. As used in this article 36, unless the context otherwise requires:

(14) (b) "Farm products" does not include poultry and poultry products, timber products, nursery stock, commodities, ~~or~~ marijuana, OR NATURAL MEDICINE AS DEFINED IN SECTION 12-170-104 (12).

SECTION 42. In Colorado Revised Statutes, 39-22-104, **add** (4)(r.5) as follows:

39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - report - legislative declaration - definitions - repeal. (4) There shall be subtracted from federal taxable income:

(r.5) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, IF A TAXPAYER IS LICENSED PURSUANT TO THE "COLORADO NATURAL MEDICINE CODE", ARTICLE 50 OF TITLE 44, AN AMOUNT EQUAL TO ANY EXPENDITURE THAT IS ELIGIBLE TO BE CLAIMED AS A FEDERAL INCOME TAX DEDUCTION BUT IS DISALLOWED BY SECTION 280E OF THE INTERNAL REVENUE CODE BECAUSE NATURAL MEDICINE IS A CONTROLLED SUBSTANCE UNDER FEDERAL LAW;

SECTION 43. In Colorado Revised Statutes, 39-22-304, **add** (3)(m.5) as follows:

39-22-304. Net income of corporation - legislative declaration - definitions - repeal. (3) There shall be subtracted from federal taxable income:

(m.5) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY

1, 2024, IF A TAXPAYER IS LICENSED PURSUANT TO THE "COLORADO NATURAL MEDICINE CODE", ARTICLE 50 OF TITLE 44, AN AMOUNT EQUAL TO ANY EXPENDITURE THAT IS ELIGIBLE TO BE CLAIMED AS A FEDERAL INCOME TAX DEDUCTION BUT IS DISALLOWED BY SECTION 280E OF THE INTERNAL REVENUE CODE BECAUSE NATURAL MEDICINE IS A CONTROLLED SUBSTANCE UNDER FEDERAL LAW;

SECTION 44. Appropriation. (1) For the 2023-24 state fiscal year, \$733,658 General Fund is appropriated to the department of revenue. To implement this act, the department may use this appropriation as follows:

(a) \$536,826 for use by the natural medicine division for the enforcement and regulation of natural medicines, which amount is based on an assumption that the department will require an additional 4.7 FTE;

(b) \$6,500 for tax administration IT system (GenTax) support; and

(c) \$190,332 for the purchase of legal services.

(2) For the 2023-24 state fiscal year, \$190,332 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of revenue under subsection (1)(c) of this section and is based on an assumption that the department of law will require an additional 1.0 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of revenue.

(3) For the 2023-24 state fiscal year, \$101,150 is appropriated to the department of law. This appropriation is from the legal services cash fund created in section 24-31-108 (4), C.R.S., from revenue received from the department of regulatory agencies that is continuously appropriated to the department of regulatory agencies from the regulated natural medicine access program fund created in section 12-170-106 (1), C.R.S. The appropriation to the department of law is based on an assumption that the department of law will require an additional 0.5 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of regulatory agencies.

(4) For the 2023-24 state fiscal year, \$838,402 General Fund is appropriated to the department of public health and environment for use by the division of disease control and public health response. This

appropriation is based on an assumption that division will require an additional 4.1 FTE. To implement this act, the division may use this appropriation for the natural medicine program related to laboratory services.

SECTION 45. Effective date. This act takes effect July 1, 2023, and applies to offenses committed on or after July 1, 2023.

SECTION 46. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.



Steve Fenberg
PRESIDENT OF
THE SENATE



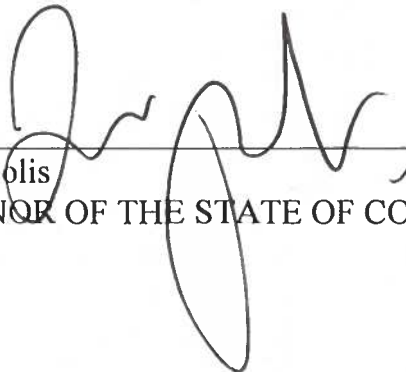
Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



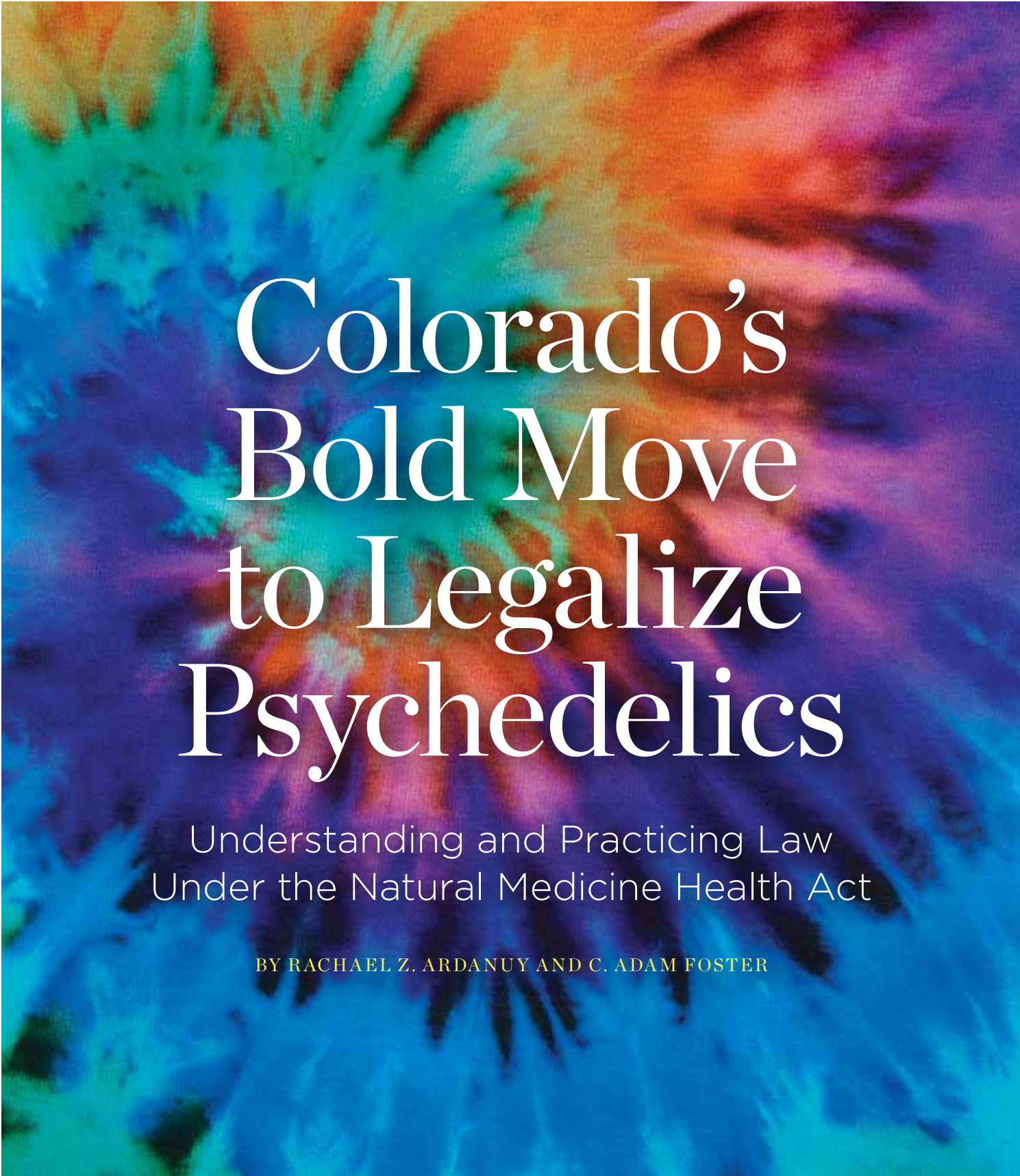
Cindi L. Markwell
SECRETARY OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED Tuesday May 23rd 2023 at 3:30 PM
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO



Colorado's Bold Move to Legalize Psychedelics

Understanding and Practicing Law
Under the Natural Medicine Health Act

BY RACHAEL Z. ARDANUY AND C. ADAM FOSTER

This article summarizes key provisions of the Natural Medicine Health Act and explains how natural medicine services will be regulated in Colorado.

Psychedelics¹ are a class of drugs that trigger changes in perception and altered states of consciousness. In November 2020, Oregon voters passed ballot measure 109, the Oregon Psilocybin Services Act (Oregon PSA),² which was the first state law to create a state-legal, regulated market for psychedelic psilocybin products. Colorado voters followed suit in November 2022 by approving Proposition 122, the Colorado Natural Medicine Health Act of 2022 (NMHA). The NMHA contains two important prongs. First, it defines certain psychedelics, including psilocybin mushrooms, as decriminalized “natural medicine” that is legal to cultivate and possess in personal quantities but not to produce at commercial scale or to sell or exchange for any other type of valuable consideration. Second, the NMHA creates a relatively narrow and tightly regulated therapeutic path for adults to legally purchase psilocybin³ products and consume them at a licensed healing center under the supervision of a licensed facilitator. As of the date of this article, Colorado and Oregon are the only two US states that have legalized psychedelics at the state level, but other states appear likely to pass similar provisions.⁴

Archeological evidence indicates that people have been using psilocybin mushrooms for spiritual purposes for thousands of years.⁵ And most psychedelics have relatively few side effects and a comparatively low potential for abuse.⁶ Yet most psychedelics are illegal to possess or use for medical or recreational purposes in the United States under the Controlled Substances Act (CSA), 21 USC §§ 801 et seq., and analogous state law provisions. Many well-known psychedelics, including psilocybin mushrooms, are classified as schedule I controlled substances under the CSA. This means that, as far as federal law is concerned, these drugs “have no currently

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accepted medical use in the United States, a lack of accepted safety for use under medical supervision, and a high potential for abuse.”⁷ But like marijuana,⁸ another scheduled drug under the CSA,⁹ new research is demonstrating that many psychedelics likely have far greater

medicinal value, and far lower risks to health and safety, than the current classification of these substances would indicate.¹⁰

This article briefly describes key provisions of federal law governing psychedelics, provides a high-level overview of the NMHA, and highlights key areas of law affected by the NMHA. It also offers practical tips for Colorado attorneys and flags some key implementation and business planning considerations for natural medicine services.

Current US Federal Law and the Pharmaceutical Model

Existing US federal law permits research involving schedule I drugs under certain narrowly defined circumstances. The Food, Drug, and Cosmetics Act (FD&C Act), 21 USC §§ 301 et seq., gives the US Food and Drug Administration (FDA) the authority to oversee the safety and approval of new drugs in general. Additionally, researchers working with schedule I controlled substances must be licensed by the US Drug Enforcement Agency (DEA) and follow rigorous security protocols.¹¹ Thus, although it is possible to legally perform research on schedule I controlled substances under federal law, the process is expensive and time consuming.

For example, in 2018, COMPASS Pathways plc (Compass) received Breakthrough Therapy designation from the FDA¹² to research the use of a proprietary crystalline psilocybin formulation as a potential treatment for treatment resistant depression. Importantly, Compass acknowledges that for a product containing psilocybin or psilocyn to be legally marketed in the US, either those substances would have to be removed from schedule I and placed under a less restrictive schedule under the CSA, or its psilocybin-containing pharmaceutical drugs would have to be specifically scheduled by the DEA to fall somewhere under schedules II through IV.¹³

The FD&C Act contains no exemption for state laws that purport to legalize or decriminalize drugs that the FDA has not recognized as safe or otherwise approved for human use. Similarly, neither the NMHA nor the Oregon PSA comply with the CSA because both decriminalize under state law a schedule I controlled substance—psilocyn—and offer a legal path to access it under state law. This creates significant regulatory uncertainty because the federal government’s tolerance of state-legal activities that violate federal law is dependent on the law enforcement priorities articulated by the current presidential administration and attorney general.

State laws legalizing marijuana provide a useful analogy. Although marijuana is currently a schedule I controlled substance under the CSA, 38 US states have now authorized its medical use, and 24 states have authorized its recreational use by adults aged 21 or older. Thus, there is precedent for the widespread legalization and use of a schedule I controlled substance under state law despite its continued illegality under federal law. That said, there are significant differences between psilocybin and marijuana in terms of the drug’s effects and how people use it, the public’s perception of it, and the number of states where the substance is legal. Although psilocybin may very well follow a similar path to widespread public acceptance and legalization at the state level, this is far from inevitable.

NMHA Overview

During the 2023 legislative session, the Colorado General Assembly enacted Senate Bill 290, which amended and clarified key provisions of the citizen-enacted NMHA. This section provides an overview of the NMHA, as amended by SB 290. The NMHA makes an important distinction between the personal use of natural medicine, which was broadly decriminalized in November 2022, and the regulated, therapeutic use of natural medicine, which is legalized under certain narrow circumstances.

Personal Use

The NMHA broadly decriminalizes the cultivation, possession, consumption, and sharing

NMHA: KEY DICHOTOMIES

The NMHA sets forth two key dichotomies: (1) between unregulated decriminalized natural medicine and licensed natural medicine products and services; and (2) allocation of regulatory authority between DORA and DOR in the context of state-licensed natural medicine products and services. Tables 1 and 2 expand on these points.

of natural medicine in quantities appropriate for “personal use” for adults aged 21 and older, so long as no money or other consideration is involved. Notably, the definition of “personal use” permits sharing within the context of counseling, spiritual guidance, beneficial community-based use and healing, supported use, or related services, and does not prohibit receiving remuneration only for such related services, provided that certain notice is provided and no advertising is made regarding the natural medicine offered.¹⁴ In contrast, money—or any other valuable consideration—can only change hands in connection with the therapeutic use of natural medicine at a state-licensed healing center¹⁵ under the supervision of a licensed facilitator.

Legislative Declaration

The NMHA’s legislative declaration opens by stating that Colorado voters “find and declare that”:

Colorado’s current approach to mental health has failed to fulfill its promise. Coloradans deserve more tools to address mental health issues, including approaches such as natural medicines that are grounded in treatment, recovery, health, and wellness rather than criminalization, stigma, suffering, and punishment.¹⁶

The declaration expands on these concepts by finding that:

An extensive and growing body of research is advancing to support the efficacy of natural

medicines combined with psychotherapy as treatment for depression, anxiety, substance use disorders, end-of-life distress, and other conditions.¹⁷

Thus, Colorado voters concluded that Colorado should reduce its focus on punishing those who suffer from mental health disorders and instead permit the use of natural medicine with a focus on education and harm reduction. In SB 290, the General Assembly supplemented these findings by adding that care must be taken to protect the indigenous use of natural medicine and prevent the further exploitation or appropriation of indigenous practices by unscrupulous actors.¹⁸ The General Assembly also found that natural medicine’s “potential must be appropriately balanced with the health and safety risks that it could pose to consumers.”¹⁹

Definitions

The definitions section²⁰ is a good jumping off point for describing the NMHA’s overall regulatory structure. Importantly, SB 290 amended the NMHA by limiting the current definition of “natural medicine” in the context of licensed natural medicine services to psilocybin and psilocyn only. Dimethyltryptamine (DMT) and mescaline²¹ are eligible to be added to the definition of legal natural medicine if recommended by the new state natural medicine advisory board (board) and approved by the director and the executive director of the state licensing authority for inclusion on or after June 1, 2026. There is no time limitation on when the board may add ibogaine to the definition of natural medicine.²²

Note that psilocybin, ibogaine, DMT, and mescaline are all currently included under the definition of decriminalized natural medicine under CRS § 12-170-104(12). The definition of natural medicine excludes synthetic forms or synthetic analogs of these substances in both the NMHA’s decriminalization provisions and its natural medicine services provisions.

Licensed Natural Medicine Services

Natural medicine services are defined as “a preparation session, administration session, and integration session” provided in compliance with the NMHA.²³ Thus, a “participant”²⁴ will

“

Before the participant consumes natural medicine, the participant and facilitator must meet for a ‘preparation session.’ The preparation session will include a screening component to determine whether the participant is an appropriate candidate to consume natural medicine and, if so, to educate the participant on what to expect and what to do if they experience health problems or psychological distress during the administration session.

”

engage in three distinct, statutorily defined sessions with a facilitator. Before the participant consumes natural medicine, the participant and facilitator must meet for a “preparation session.”²⁵ The preparation session will include a screening component to determine whether the participant is an appropriate candidate to consume natural medicine and, if so, to educate the participant on what to expect and what to do if they experience health problems or psychological distress during the administration session.²⁶ During the “administration session” the participant will consume the natural medicine under the facilitator’s supervision at a licensed healing center.²⁷ The last of the three sessions is the “integration session,” during which the facilitator and participant meet to discuss the participant’s experience.²⁸

Natural medicine services can be provided at either a “healing center”²⁹ licensed by the state specifically for provision of natural medicine services, or a “health-care facility,” such as a hospital, doctor’s office, or long-term care facility that is licensed or otherwise permitted by

law to offer medical treatment.³⁰ In other words, natural medicine services may be lawfully provided at either a healing center under the supervision of a licensed facilitator, or at a healthcare facility under the supervision of a medical doctor or other qualified health professional.³¹

Dual Regulatory Structure

Proposition 122 initially placed licensing of both facilitators and healing centers under the purview of the Colorado Department of Regulatory Agencies (DORA). Although DORA has deep experience managing professional licensing programs, it lacks institutional experience regulating the manufacture or sale of products. SB 290 addressed this issue by moving authority to regulate and tax healing centers and natural medicine products to the Colorado Department of Revenue (DOR) Natural Medicine Division.

CRS § 12-170-105 delegates various powers to the director of DORA’s division of professions and occupations (the division), including

requirements for the safe provision of natural medicine services and natural medicine products. These administrative rules will cover a wide variety of topics including, at a minimum:

- “parameters for a preparation session, an administration session, and an integration session”;
- warnings or disclaimers and educational materials that must be provided to a participant prior to an administration session;
- requirements for participant consent forms;
- requirements for facilitator supervision of individual and group administration sessions;
- facilitator licensing requirements;
- natural medicine dosage limits;
- rules governing remuneration for natural medicine products and services;
- rules governing permitted ownership and financial interests in healing centers; and
- marketing and advertising standards and recordkeeping requirements.³²

The division must begin accepting new license applications on or before December 31, 2024, and will initially prioritize applications submitted by Colorado residents.³³ The NMHA also mandates that, where financially feasible, administrative rules should minimize barriers to “persons from communities that have been disproportionately harmed by high rates of arrest for controlled substances, persons who face barriers to health-care access, persons who have traditional, tribal, or Indigenous history with natural medicine” and veterans who wish to become licensed as facilitators, operate a licensed healing center, or access natural medicine as a participant.³⁴

The Board

The NMHA created a 15-member advisory board appointed by the governor to advise the division on implementation of the NMHA and rulemaking.³⁵ The statute also provides that certain members of the board must possess training and experience in various areas of medical, scientific, and cultural competency.³⁶ In addition to the topics for administrative rulemaking outlined above, the board is tasked

with advising the division and the state licensing authority on issues related to public health and public education regarding natural medicine. Additionally, the board will, on an ongoing basis, review pertinent studies and evidence to provide recommendations regarding whether natural medicine services “should be covered under health first Colorado or other insurance programs as a cost-effective intervention for various mental health conditions, including, but not limited to, end-of-life distress, substance use disorder, alcohol use disorder, depressive disorders, neurological disorders, cluster headaches, and posttraumatic stress disorder.”³⁷

Social Equity

The NMHA focuses on social equity and sustainability concerns in a way that is relatively new for a Colorado statute but may be a harbinger of concepts that will be included in future legislation covering a variety of subjects. In the context of the NMHA, the board is tasked with evaluating the sustainability of Colorado’s natural medicine program and its impact on indigenous practitioners and cultures.³⁸ It is also required to make recommendations regarding removing barriers to licensure for low-income individuals and “[a]ffordable, equitable, ethical, and culturally responsible access to natural medicine” and to ensure that implementation and administration of the NMHA is “equitable and inclusive.”³⁹

Indigenous Rights

The NMHA is unique among Colorado business and occupational licensing statutes in terms of its focus on protecting and promoting the rights of both federally registered American Indian tribes and indigenous practitioners more generally.⁴⁰ CRS § 12-170-107 orders the division director to establish a working group to coordinate with tribes and indigenous people and study issues related to the commercialization of natural medicine, including avoiding the commercialization and misappropriation of indigenous culture and preventing overharvesting of the endangered peyote cactus, which some native people regard as a religious sacrament. The working group will also examine best practices for coordinating

TABLE 1. DECRIMINALIZATION PRONG VERSUS LICENSING PRONG	
DECRIMINALIZED PERSONAL USE	LICENSED USE
includes psilocybin/psilocyn, ibogaine, DMT, and mescaline (but not from a peyote cactus)	includes only psilocybin and psilocyn
Decriminalized natural medicine* may be produced, consumed, and gifted in personal use amounts, but no exchange of money or other valuable consideration is allowed.	Payment for licensed natural medicine* products and licensed facilitator services is permitted.
Unlicensed: Adults aged 21 and older have fairly broad rights to produce and use natural medicine in personal quantities as long as money does not change hands and there is no public consumption.	Licensed: Use and supply chain is strictly regulated by DORA and DOR.
exemption from criminal prosecution; essentially no economic or contract rights	statutory right to engage in licensed professions; enforceable business contracts
Unregulated: There is no government oversight of production or distribution. Laboratories can test personal use natural medicine, but no testing is required.	Tightly regulated: Licensed psilocybin products are tested** for contaminants and potency; the supply chain is closely monitored; products must be administered by licensed facilitators; and participants cannot take licensed products home.
CRS § 18-18-434	CRS §§ 12-170-101 et seq. (DORA); CRS §§ 44-50-101 et seq. (DOR)

* Natural medicine must be derived from a plant or fungus; chemical synthesis is not permitted.
** CDPHE coordinates with DOR to establish testing standards under CRS § 25-1.5-120.

and fostering communication between those state agencies that regulate natural medicine and tribes and other indigenous stakeholders and communities.⁴¹

Personal Use Protections

The legalized personal use of natural medicine will affect various areas of law, including criminal defense and law enforcement, real estate, family law, and municipal law. In the context of criminal defense and law enforcement, personal use of natural medicine under CRS

§ 18-18-434 cannot alone be the basis for detention, search, or arrest; cannot be the basis to support a probable cause determination of criminal activity;⁴² and cannot be the basis for a child abuse or neglect finding (absent independent findings including all relevant factors).⁴³ Natural medicine is not subject to seizure and cannot be harmed or destroyed by law enforcement. While possession of natural medicine is generally legal in Colorado, some new criminal violations have been established, including the petty drug offenses for minors

under 21 possessing or consuming natural medicines,⁴⁴ open and public consumption,⁴⁵ violations related to personal cultivation of natural medicines,⁴⁶ and unlicensed manufacturing and sales.⁴⁷

In the context of real estate, property owners are allowed to regulate and prohibit the cultivation or manufacture of natural medicine⁴⁸ but not the possession of natural medicine. In the context of family law, the courts shall not restrict or prohibit family time or determine that family time with a family member who is acting lawfully with respect to use or possession of natural medicine is not in the best interests of the child unless the court finds that the child's safety or mental, emotional, or physical health is at risk as a result of the family time.⁴⁹

In contrast to the decriminalized personal use of natural medicine in the absence of any exchange of valuable consideration, natural medicine can only be provided in exchange for remuneration⁵⁰ in connection with statutorily defined "natural medicine services." Two state agencies are involved with the oversight of therapeutic use of natural medicine at licensed healing centers. DORA is responsible for regulating and licensing facilitators (individuals aged 21 or older who possess the requisite skill, training, and experience and have been licensed by the director of the division).⁵¹ The DOR Natural Medicine Division is responsible for licensing and regulating healing centers and facilities that commercially produce, manufacture, and test natural medicine and natural medicine products that are administered by facilitators.⁵²

Limits on Local Regulation of Healing Centers

Municipalities may not ban or completely prohibit the establishment or operation of licensed healing centers or licensed healthcare facilities from providing natural medicine.⁵³ Nor may localities ban transportation of natural medicine through their boundaries on public roads by licensees, or adopt ordinances or regulations that are "unreasonable or in conflict with" the NMHA. This means that local governments are limited to reasonably regulating the time, place, and manner of operation of health centers.

TABLE 2. REGULATORY AUTHORITY OF DOR VERSUS DORA

DEPARTMENT OF REVENUE (DOR)	DEPARTMENT OF REGULATORY AGENCIES (DORA)
CRS §§ 44-50-101 et seq.	CRS §§ 12-170-101 et seq.
new Natural Medicine Division	new Office of Natural Medicine within the Division of Professions and Occupations
licenses healing centers and production facilities	oversees training program and professional (facilitator) licensing
oversight of natural medicine products (likely similar to "seed to sale" oversight and monitoring of licensed marijuana supply chain)	parallels with licensing for other health professionals; training exemptions for traditional and indigenous practitioners with requisite experience
regulates natural medicine product advertising	regulates facilitator/services advertising (including setting standards to avoid exploitation of indigenous cultures)

Thus, municipalities that intend to impose reasonable regulations on the location and operating hours for healing centers will need to enact pertinent local regulations, including updating zoning codes.

Importantly, the NMHA does not require local licensing of healing centers. This is an important contrast with Colorado's regulatory scheme for medical and retail marijuana, which requires operators to obtain a local marijuana business license and also grants municipalities the authority to enact an outright ban on marijuana businesses.⁵⁴ Many municipalities have begun exploring how they will manage healing centers, including whether they will require any permitting or licensing, while weighing the authority granted and limitations cast upon municipalities by the NMHA.

Time and Place Regulations

CRS § 12-170-112 mandates that "[a] local jurisdiction shall not prohibit" a state-licensed facilitator "from providing natural medicine services within its boundaries."⁵⁵ Additionally, CRS § 12-170-116 clarifies that, except where otherwise specified within the NMHA itself, the

NMHA supersedes any conflicting provision of state or local law.

CRS § 44-50-104(5) sets out very similar limits on municipalities' authority to restrict the operation of healing centers and state-licensed businesses that cultivate, manufacture, test, store, or distribute natural medicine. Specifically, although the "local jurisdiction may enact ordinances or regulations governing the time, place and manner"⁵⁶ in which natural medicine businesses can operate, it "may not prohibit" operation of natural medicine businesses⁵⁷ or adopt local ordinances that are unreasonable or conflict with state law regarding licensing and operation of natural medicine businesses.⁵⁸

Thus, it is not within municipalities' purview to enact any local law whose purpose or effect is to unreasonably restrict the operation of healing centers or access to natural medicine. As part of the 2024 rulemaking process, the DOR Natural Medicine Division is adopting extensive administrative regulations governing the licensing and operation of various types of natural medicine businesses that will have a significant practical impact on where and how natural medicine businesses can operate.

KEY BUSINESS PLANNING CONSIDERATIONS FOR NATURAL MEDICINE SERVICES

- **The size of the market for licensed services is unknown.** It is not clear how many adults will want to use a licensed psilocybin product at a licensed healing center under the supervision of a facilitator. This is particularly true since the personal cultivation and use of psilocybin mushrooms has been decriminalized in Colorado. But novice users or adults seeking a therapeutic experience will be willing to pay to use a tested, regulated product in a safe environment under the supervision of a licensed facilitator.
- **Pricing for licensed services is uncertain.** Pricing will depend on various factors, including how many facilitators and healing centers are licensed. The rulemaking process is ongoing as of the date of this article, and rules governing facilitator training, and production facility and healing center licensing will affect cost. It is also unclear whether other states will adopt similar statutes, which would presumably decrease the number of participants traveling to Colorado from out of state for natural medicine services.
- **Federal enforcement priorities could change.** As of the date of this article, the Biden administration has not indicated that it considers licensed natural medicine services to be a key law enforcement priority, but concerns regarding implementation or a different presidential administration could lead to enhanced scrutiny and enforcement from federal law enforcement authorities.

DORA is adopting similar regulations governing natural medicine facilitators.

The main practical questions that local governments must consider are where to allow various types of natural medicine businesses to operate and whether to restrict operating hours for natural medicine businesses or facilitators. Zoning provisions seeking to relegate natural medicine businesses or healing centers to areas where operations are impractical would likely violate the NMHA, as would restrictions on operating hours that make it impractical for facilitators to offer the full range of services that the NMHA and its implementing regulations authorize. In this regard it may be useful to look at ordinances governing analogous uses, such as operation of medical offices or counseling centers in the case of facilitators, or light manufacturing facilities in the case of businesses that manufacture, test, or distribute natural medicine products. Appellate holdings balancing time and place restrictions in the

context of various types of protected speech may also offer some guidance.⁵⁹

Facilitators or natural medicine business owners seeking to challenge the overall reasonableness of local ordinances restricting natural medicine activities may seek de novo district court review of the local ordinance by filing a declaratory judgment action. Specifically, Colorado Rule of Civil Procedure 57(b) permits a person “whose rights, status, or other

legal relations are affected by a . . . municipal ordinance” to ask the district court to enter a declaratory judgment regarding the construction or validity of the local ordinance. CRCP 57 review will generally only be appropriate if the local ordinance conflicts with state law or unreasonably restricts natural medicine activities on its face.

In contrast, facilitators or business owners alleging that local officials have applied a facially valid local ordinance in an unreasonable manner will generally be obliged to seek district court review under CRCP 106(a)(4), which provides the normal means to challenge local officials’ quasi-judicial acts. CRCP 106(a)(4) grants significant deference to local officials and requires a showing that the official or agency acted in an arbitrary or capricious matter for the district court to reverse their decision.

Conclusion

In recent years, Colorado has been an innovative laboratory of democracy in terms of drug policy. Colorado law now allows adults aged 21 and older to explore new cognitive vistas through the use and administration of psychedelics for healing, spiritual, and recreational purposes. The NMHA both decriminalized the personal use of natural medicine without remuneration and created an entirely new sphere of business activity where licensed facilitators can charge a fee to administer regulated natural medicine products to clients during facilitation sessions. Colorado indigenous natural medicine practitioners, lawyers, and entrepreneurs will continue to shape this movement and its enacting laws and regulations. 



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NOTES

1. Many advocates prefer the term “entheogen” to refer to this class of substances. An entheogen is a substance—typically of plant origin—that is ingested to achieve an altered state of consciousness for religious or spiritual purposes.

2. The full text of the Act and updates regarding its implementation are available at <https://www.oregon.gov/oha/ph/preventionwellness/pages/oregon-psilocybin-services.aspx>.

3. The NMHA regulates both psilocybin and psilocyn. See, e.g., CRS § 12-170-104(12)(a). After ingestion, the body converts psilocybin to psychoactive psilocyn. As used in this article, the term “psilocybin” includes psilocyn.

4. Clark, “Move Over Cannabis, the Movement to Legalize Psychedelic Mushrooms Is Ready to Share the Spotlight,” *Natl. L. Rev.* (May 11, 2023), <https://www.natlawreview.com/article/move-over-cannabis-movement-to-legalize-psychedelic-mushrooms-ready-to-share>.

5. Samorini, “The Oldest Archeological Data Evidencing the Relationship of *Homo Sapiens* With Psychoactive Plants: A Worldwide Overview,” 3 *J. of Psychedelic Stud.* 63 (June 1, 2019).

6. Nutt et al., “Drug Harms in the UK: A Multicriteria Decision Analysis,” 376 *Lancet* 1558–65 (Nov. 6, 2010). Out of the 20 substances the authors analyzed, psychedelic mushrooms scored the lowest for individual and societal harm.

7. DEA Controlled Substance Schedules, <https://www.deadiversion.usdoj.gov/schedules/schedules.html>.

8. The correct scientific name for the plant is “cannabis,” but Colorado state and US federal law use “marijuana” to refer to psychoactive cannabis. The 2018 Farm Bill legalized hemp, a non-psychoactive form of the cannabis plant with less than 0.3% THC on a dry weight basis.

9. On April 30, 2024, the Associated Press first reported that the DEA will propose to reclassify cannabis to schedule III from its current schedule I classification. Miller et al., “US Poised to Ease Restrictions on Marijuana in Historic Shift, but It’ll Remain Controlled Substance,” AP (Apr. 30, 2024), <https://apnews.com/article/marijuana-biden-dea-criminal-justice-pot-f833a8dae6ceb31a8658a5d65832a3b8>.

10. See, e.g., Abbas et al. (Oregon Psilocybin Evidence Review Writing Group), *Oregon Psilocybin Advisory Board Rapid Evidence Review and Recommendations* (July 30, 2021) (compiling key medical and scientific studies and publications regarding psilocybin), <https://www.oregon.gov/oha/PH/PreventionWellness/Documents/Oregon%20Psilocybin%20Advisory%20Board%20Rapid%20Evidence%20Review.pdf>.

11. The DEA’s Diversion Control Division website sets out requirements for obtaining licenses to perform research on controlled substances and associated safety and security protocols. <https://www.deadiversion.usdoj.gov/drugreg/registration.html>.

12. According to the FDA, “Breakthrough

Therapy designation is a process designed to expedite the development and review of drugs that are intended to treat a serious condition and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over available therapy on a clinically significant endpoint(s).” <https://www.fda.gov/patients/fast-track-breakthrough-therapy-accelerated-approval-priority-review/breakthrough-therapy>.

13. At page 21 of its September 21, 2020, prospectus filed with the US Securities Exchange Commission, Compass asserts: “Scheduling determinations by the DEA are dependent on FDA approval of a substance or a specific formulation of a substance. Therefore, while psilocybin and psilocyn are Schedule I controlled substances, products approved by the FDA for medical use in the United States that contain psilocybin or psilocyn should be placed in Schedules II–V, since approval by the FDA satisfies the ‘accepted medical use’ requirement.” https://www.sec.gov/Archives/edgar/data/1816590/000162828020013779/compass424b4.htm#icfe282745ece49ac803f1aee527e8fa0_89.

14. CRS § 18-18-434(12)(d).

15. Final DORA regulations may also permit facilitators to administer natural medicine to certain participants at the participant’s home, but as of the date of this article DORA has not promulgated final regulations for facilitators.

16. CRS § 12-170-102(1)(a).

17. CRS § 12-170-102(1)(c).

18. CRS § 12-170-102(2)(a)–(c).

19. CRS § 12-170-102(2)(d).

20. CRS § 12-170-104.

21. The definition of “mescaline” specifically excludes *Lophophora williamsii*—the peyote cactus—because peyote is used by some Native American practitioners as a religious sacrament and the proponents of the NMHA were worried about the overharvesting of naturally-occurring peyote.

22. Ibogaine is psychoactive indole alkaloid derived from a perennial shrub native to north Africa.

23. CRS § 12-170-104(14).

24. CRS § 12-170-104(15).

25. CRS § 12-170-104(16).

26. CRS § 12-170-105 sets out basic parameters for the preparation session, administration session, and integration session. As of the date of this article, DORA is finalizing administrative rules that will provide detailed guidance for facilitators and participants regarding the conduct of these sessions.

27. CRS § 12-170-104(1).

28. CRS § 12-170-104(10).

29. CRS § 12-170-104(8).

30. CRS § 12-170-104(9).

31. The board will adopt administrative regulations setting forth specific qualifications.

32. Current administrative rules and rulemaking updates can be found on DORA’s natural medicine website, <https://dpo.colorado.gov/NaturalMedicine>, and also on the DOR Natural

Medicine Division website, <https://dnm.colorado.gov>.

33. CRS § 12-170-105(1)(b).

34. CRS § 12-170-105(1)(d).

35. CRS § 12-170-106.

36. CRS § 12-170-106(2).

37. CRS § 12-170-106(6).

38. CRS § 12-170-106(7).

39. CRS § 12-170-106(5)(d).

40. CRS § 12-170-107. Under the NMHA, “‘Federally recognized American tribe’ has the same meaning as ‘Indian Tribe’ as defined by the federal ‘Federally Recognized Indian Tribe List Act of 1994,’ as amended.” CRS § 12-170-104(7).

41. CRS § 12-170-107(1)(d).

42. CRS § 18-18-434(7)(a).

43. CRS § 19-3-103(4).

44. CRS § 18-18-434(1).

45. CRS § 18-18-434(2).

46. CRS § 18-18-434(3).

47. CRS § 18-18-434(4).

48. CRS § 18-18-434(10).

49. CRS § 19-3-103(4)(b).

50. CRS § 12-170-104(19) defines “remuneration” to effectively include any type of valuable consideration.

51. CRS § 12-170-104(6).

52. CRS § 44-50-201.

53. CRS § 44-50-104(5).

54. CRS § 44-10-301.

55. CRS § 44-50-104(5) further clarifies that the NMHA preempts conflicting local ordinances regarding the activities of natural medicine facilitators.

56. CRS § 44-50-104(5)(a).

57. CRS § 44-50-104(5)(b).

58. CRS § 44-50-104(5)(d).

59. *Cf. Reed v. Town of Gilbert*, 576 U.S. 155 (2015) (municipal sign regulations); Tisdale, “Regulating Sexually Oriented Businesses in Small Towns: Practical Tips and Preventive Medicine,” 29 *Colo. Law.* 85 (Oct. 2000).