

Oregon Psilocybin Services Budget Report

2021-23, 2023-25, 2025-27

Psilocybin Budget		Psilocybin Budget		Psilocybin Budget	
AY 2021 - 2023 Biennium (7/1/21-6/30/23)		AY 2023 - 2025 Biennium (7/1/23-6/30/25)		AY 2025 - 2027 Biennium (7/1/25-6/30/26)	
Revenue		Revenue		Revenue	
Fee Revenue	\$ 218,267	Fee Revenue	\$ 2,192,690	Fee Revenue	\$ 998,085
Tax Revenue	\$ -	Tax Revenue	\$ 139,512	Tax Revenue	\$ 98,303
General Funds	\$ 5,863,132	General Funds	\$ 3,139,672	General Funds	\$ -
Total Revenue	\$ 6,081,399	Total Revenue	\$ 5,471,874	Total Revenue	\$ 1,096,388
Expenditures		Expenditures		Expenditures	
Personal Services	\$ 2,099,094	Personal Services	\$ 4,599,249	Personal Services	\$ 2,650,192
Services & Supplies	\$ 635,374	Services & Supplies	\$ 284,877	Services & Supplies	\$ 139,574
Translation & Interpretation	\$ 18,002	Translation & Interpretation	\$ 13,006	Translation & Interpretation	\$ 1,490
Legal Costs	\$ 223,729	Legal Costs	\$ 196,718	Legal Costs	\$ 103,796
Cost Allocation	\$ 12,316	Cost Allocation	\$ 373,393	Cost Allocation	\$ 924,567
Total Expenditures	\$ 2,988,514	Total Expenditures	\$ 5,467,243	Total Expenditures	\$ 3,819,619
Balance	\$ 3,092,885	Balance	\$ 4,631	Balance	\$ (2,723,231)

Oregon Psilocybin Services (OPS)

Total Biennial Amount 2025-27:

Scenario	GF	OF Limitation	OF Revenue Forecast	Estimated Cash Balance	POS	FTE
1. With no fee increase	\$0	\$8,525,650	\$4,639,207	\$(3,886,443)	17	17
2. With fee increase, keep current license trends	\$0	\$8,525,650	\$5,572,857	\$(2,952,793)	17	17
3. With fee increase, loss of revenue due to license attrition	\$0	\$8,525,650	\$4,279,489	\$(4,246,161)	17	17

OF Revenue Forecast for Scenarios 1-3 includes carryover for 2025-27 of \$2,315,485. Estimated cash balance for future biennia (2027-29 going forward) may reflect more significant budget shortfalls due to negative cash balance carryover.

Assumptions for Scenario 1: No fee increases effective 1/1/27 and maintaining current trends of fee revenue/current level of licensees.

Assumptions for Scenario 2: Proposed fee increases effective 1/1/27 and maintain current trends for fee revenue/current level of licensees (not considering expected loss of revenue/licensee attrition due to fee increases).

Assumptions for Scenario 3: Fee increases effective 1/1/27 with expected loss of revenue/licensee attrition due to fee increases. Expected loss was calculated with an assumed worst-case scenario of 60% reduction with additional consideration for those currently eligible for reduced fees, other changes in process and historical attrition trends.

OF Limitation (anticipated expenditures) include COLA increases.

Current Biennium Actual and Forecasted Expenditures:

Total 2025-2027 OPS	Expenditures Actual 7/1/25- 6/30/26	Expenditures Forecast 7/1/26-6/30/27	Total 2025-27 Expenditures Forecast
Personnel	\$2,649,498	\$2,957,412	\$5,606,910
Special Payments	\$0	\$0	\$0
Contractual Services	\$0	\$0	\$0
Other Services & Supplies	\$245,554	\$323,186	\$568,740
Allocated Direct	\$261,582	\$338,418	\$600,000
Indirect	\$662,985	\$1,087,015	\$1,750,000
Expenditures Total	\$3,819,619	\$4,706,031	\$8,525,650

Assumptions for anticipated expenses include: COLA and Step increases for personnel; forecasted expenditures based on current expenditure trends; and cost savings strategies implemented in previous biennia (see below).

Cost Drivers for OPS in 2025-27:

- SB 303, passed by the Oregon Legislature in 2023 significantly increased OPS workload and costs, including legal costs, additional staff (Research Analyst 3), and developing a new data system portal to support the required data collection and reporting.
- Increased legal costs due to administrative hearings and other legal challenges.
- Multiple Cost of Living Adjustment (COLA) increases.
- Cost allocation increases, which include direct and indirect costs, comprising 25% of the OPS budget.
- Implementation of HB 2992 (2021), which increased compensation amounts for eligible Oregon Psilocybin Advisory Board members and sub-committee members.

Budget Shortfall and Fee Increases

OPS projected a budget shortfall for the 2025-27 biennium and has subsequently proposed to increase licensing fees and eliminate reduced fees for low-income, veteran, and non-profit applicants as of January 1, 2027. Rules Advisory Committee (RAC) feedback was unanimously opposed to fee increases.

- RAC members cited that increasing licensing fees will disproportionately impact low-income, veteran, and non-profit applicants that qualify for reduced fees. Under proposed rules, facilitators that qualify for reduced fees will experience a 300% increase in fees, from \$1,000 to \$4,000 (in addition to a 700% increase in worker permit fees, from \$25 to \$200), and service centers and manufacturers that qualify for reduced fees will experience a 300% increase in fees, from \$5,000 to \$20,000. The laboratory will not renew its license, leaving no option for product testing under the model.
- RAC members cited that increasing licensing fees will reduce the number of licensees, creating a more significant budget shortfall. Preliminary data collected by a RAC member and shared during the RAC meeting cited facilitators and service centers losing over \$600,000 in revenue due to increased fees.
- RAC members expressed concerns about social equity and affordability for clients who would like to access services. Licensees are required to submit social equity plans with license applications to identify how they will support social equity and affordability, such as reduced rates, sliding scales, and other subsidies. Currently, lower income clients and clients who identify as disabled, veteran, LGBTQIA2S+, and people of color, would be most directly impacted.
- RAC members shared the proposed fee increases will impact overall program sustainability; disregards the significant financial investment by the 379+ currently licensed who paid \$10,000 to \$30,000 to complete a psilocybin facilitator training program to enter the profession; and places a significant burden on the 28+ small businesses that operate under Oregon's model. RAC members also noted that clients traveling into Oregon to access services contribute to state tourism revenue as they stay in hotels, eat at restaurants, and access transportation rentals or services. As of March 31, 2026, OPS data collection shows:
 - 2,114 clients traveled to Oregon from another U.S. state
 - 200 clients traveled to Oregon from another country outside of the U.S.
 - 1,516 clients traveled from a county within the state of Oregon to access services.

- An additional 485 clients chose not to answer the question, and 139 clients opted out of having their information shared with OHA pursuant to SB 303, passed by the Oregon Legislature in 2023.

Positions

- As part of cost-containment, OPS has reduced positions from 23 FTE to 17 FTE, which is the minimal number of positions to implement ORS 475A. See attached organizational chart.

Legislative Changes

- The Oregon Legislature passed laws in 2023, 2025, and 2026 to expand the program.
- In 2023, SB 303 passed, which included data collection, reporting, and sharing requirements without additional resources. OPS implemented the [OPS Data Dashboard](#) in 2025 and now has over one year of data published.
- In 2025, HB 2387 established dual licensure, integrating the regulated model into the healthcare delivery system by allowing licensed facilitators who are licensed under certain licensing boards in Oregon to provide health and behavioral health services during psilocybin services — specifically for preparation and integration sessions. These boards include the Oregon Board of Licensed Professional Counselors and Therapists, Oregon Board of Naturopathic Medicine, Oregon Board of Psychology, Oregon Medical Board, Oregon State Board of Nursing, State Board of Licensed Social Workers, and State Board of Pharmacy.
- In 2026, HB 4040 expanded dual licensure further by adding two additional boards (Occupational Therapy Licensing Board and Oregon Board of Physical Therapy).

Rulemaking

- Since OPS is a first of its kind nascent program, OPS conducts annual rulemaking to refine rules to clarify regulations, provide additional clarity based on implementation experience and lessons learned, and to adjust fees. Below is the 2026 rulemaking timeline.
 - Recommendations from the Oregon Psilocybin Advisory Board were due on May 1, 2026. No recommendations were passed by board due to quorum issues.
 - Public Listening Sessions were convened on May 6 and 8, 2026.
 - Rules Advisory Committees (RACs) were convened on July 6 and 9, 2026.
 - Public Comment Period will be convened from September 1-21, 2026.
 - Public Hearings on Rules will be convened on September 15 and 16, 2026.

- OPS will adopt final rules by October 24, 2026, and rules will be effective January 1, 2027.

Licenses and Worker Permits

OPS began accepting applications for licenses and worker permits on January 2, 2023. Since the first license was issued in March 2023, there has been both growth and contraction in the model. Although over 33% of service centers have either surrendered or not renewed their licenses, there has been a steady increase in facilitator license applications since the passage of HB 2387. Please visit the [OPS Data Dashboard](#) Licensing Data Set for information on the number of licenses, worker permits, and training program curricula approval issued.

Oregon Psilocybin Services Licensing Statistics: January 1, 2023, to July 23, 2026

License/Permit Type	All-Time Totals	Approved as of July 23, 2026
Facilitators	641	379
Service Centers	39	20
Manufacturers	19	7
Laboratories	2	1
Worker Permits	1050	954
Training Programs with Curriculum Approval	32	15

Program Background and Summary

OPS is housed within the Oregon Health Authority Public Health Division's Center for Health Protection. OPS is responsible for administering the Oregon Psilocybin Services Act (Ballot Measure 109), passed by Oregon voters in 2020. The Act directs OHA to license and regulate the manufacture, transportation, delivery, sale, and purchase of psilocybin products and the provision of psilocybin services. During a two-year development period (2021-2022), OPS worked with the Oregon Psilocybin Advisory Board on recommendations to establish rules and regulations for the implementation of the measure. OHA began accepting applications for licenses on January 2, 2023.

- From January 1, 2023, to July 23, 2026, 46,273 psilocybin products were sold by licensed service centers to clients for administration sessions. There have been 0 product safety recalls.
- There were 32 reports of emergency services being contacted during this period.
 - Licensees are required to notify OPS anytime 911 has been called and OPS determines whether violations or safety concerns need to be investigated.

- Although OPS has only collected data since January 1, 2025, more than 22,000 clients are estimated to have been served in Oregon.
 - In 2025, 5,935 clients were served under Oregon’s model.
 - Of those 5,935 clients, licensees reported 6 adverse behavioral reactions not requiring transport to a hospital.
 - 7 severe adverse behavioral reactions were reported requiring client transport to a hospital.
 - 13 adverse medical reactions were reported, not requiring transport to a hospital.
 - 2 severe adverse medical reactions were reported requiring client transport to a hospital.
 - 10 post session reactions were reported.

Funding and Budget Timeline

In the **2021-23 Biennium**, OPS received General Fund (GF) for start-up costs and staff positions for the 2021-23 biennium to begin implementation of ORS 475A. OPS had an excess of unspent GF from 2021-23 of \$3,092,885 that was unable to be carried over to 2023-2025.

Cost containment strategies for the 2021-23 biennium included:

- Moving background checks to Oregon Department of Human Services Background Check Unit (BCU) which reduced workload and overall implementation costs.
- Moving fee payment receipting to Office of Financial Services (OFS) to reduce workload and overall implementation costs.
- Using a single, cloud-based system for training programs, licensing, compliance, and product tracking. This shift reduced costs associated with vendor contracts and created efficiencies in licensing and compliance work, and data reporting.
- Organized section into hybrid model with secure in-office drop-in cubes to reduce overhead and operational costs.

In the **2023-25 Biennium**, OPS received \$3,139,672 General Fund (GF) and \$4,115,500 Other Fund (OF) limitation for a total of \$7,255,172. Despite cost increases, including SB 303 (2023) implementation, Cost of Living Adjustment (COLA) increases, internal cost allocation increases, and increased legal fees, OPS decreased its expenses for 2023-25 by over \$600,000.

Cost containment strategies for the 2023-25 biennium included:

- Reducing FTE and positions from 23 FTE to 17 FTE, the minimal FTE required to administer ORS 475A.

Revenue-generating strategies for the 2023-25 biennium included:

- Increasing training program and worker permit fees as follows, effective January 1, 2025:
 - Changing 5-year worker permits (\$25 for 5-year approval) to annual worker permits (\$25 for annual approval).
 - Changing 5-year training program curriculum approval (\$500 application fee for 5-year approval) to annual curriculum approval (\$500 for annual curriculum approval).

Note: OPS does not expect a budget impact from the 2025 fee increases until the 2027-29 biennium for the following reasons:

- Training programs that received curriculum approval in 2022 will not be ready for re-application until 2027.
- Worker permits issued in 2023 will not be ready for re-application until 2028.

Unanticipated increases in costs during the 2023-25 and 2025-27 biennia included:

- SB 303 significantly increased OPS workload and costs, including legal costs, additional staff (Research Analyst 3), and developing a new portal in the data system to support the required data collection and reporting
- Increased legal costs due to administrative hearings and other legal challenges.
- Multiple Cost of Living Adjustment (COLA) increases.
- Cost allocation increases, which include direct and indirect costs, comprising 25% of the OPS budget.
- Implementation of HB 2992 (2021), which increased compensation amounts for eligible Oregon Psilocybin Advisory Board members and sub-committee members.

In the **2025-27 Biennium**, OHA Current Service Level (CSL) did not include GF support for OPS. OPS has projected a budget shortfall for the 2025-27 biennium and has proposed to significantly increase licensing fees and eliminate reduced fees for low-income, veteran, and non-profit applicants, as noted above. In addition, OPS and the Oregon Medical Marijuana Program will merge effective September 1, 2026, which will result initially in some small cost savings though the overall budget shortfall will not be significantly reduced. After the 2027 legislative session, there may be some additional opportunities for alignment and streamlining of work to increase efficiencies.

OPS operating costs are based upon the program meeting minimum legal requirements of regulating psilocybin according to statute. Absent a significant increase in licenses, the program's ability to continue to meet statutory requirements would be dependent on other revenue streams, such as GF, or additional solutions, such as creation of new revenue streams.

Federal Landscape

Psilocybin is currently a Schedule 1 substance in the Controlled Substances Act.

- The FDA designated psilocybin as a breakthrough therapy for depression twice:
 - October 2018 for treatment-resistant depression (TRD)
 - November 2019 for major depressive disorder (MDD).
- On April 18, 2026, Executive Order 14401 was published, accelerating research and expanding access to innovative psychedelic therapies for serious mental health conditions. The executive order underscores the Administration's commitment to supporting rigorous scientific research into emerging treatments for conditions such as post-traumatic stress disorder, depression, and substance use disorders, while maintaining the FDA's gold standard for safety and effectiveness:
<https://www.whitehouse.gov/presidential-actions/2026/04/accelerating-medical-treatments-for-serious-mental-illness/>
- The FDA now has a psychedelic page on their website:
<https://www.fda.gov/drugs/resources-drugs/psychedelic-drugs>
- The FDA is expected to approve a psilocybin drug in the coming months, which will require a regulatory framework of trained, licensed prescribers. Oregon's model now includes dual licensed facilitators who are already prescribers. Future changes to ORS 475A could create a pathway to support a clinical model as well as the current model, as psilocybin requires lengthy administration sessions and environments conducive to safe, supportive client experiences.
- With approval, Medicaid coverage may follow, requiring states to manage a new care model related to psilocybin.

Future Investments/Opportunities

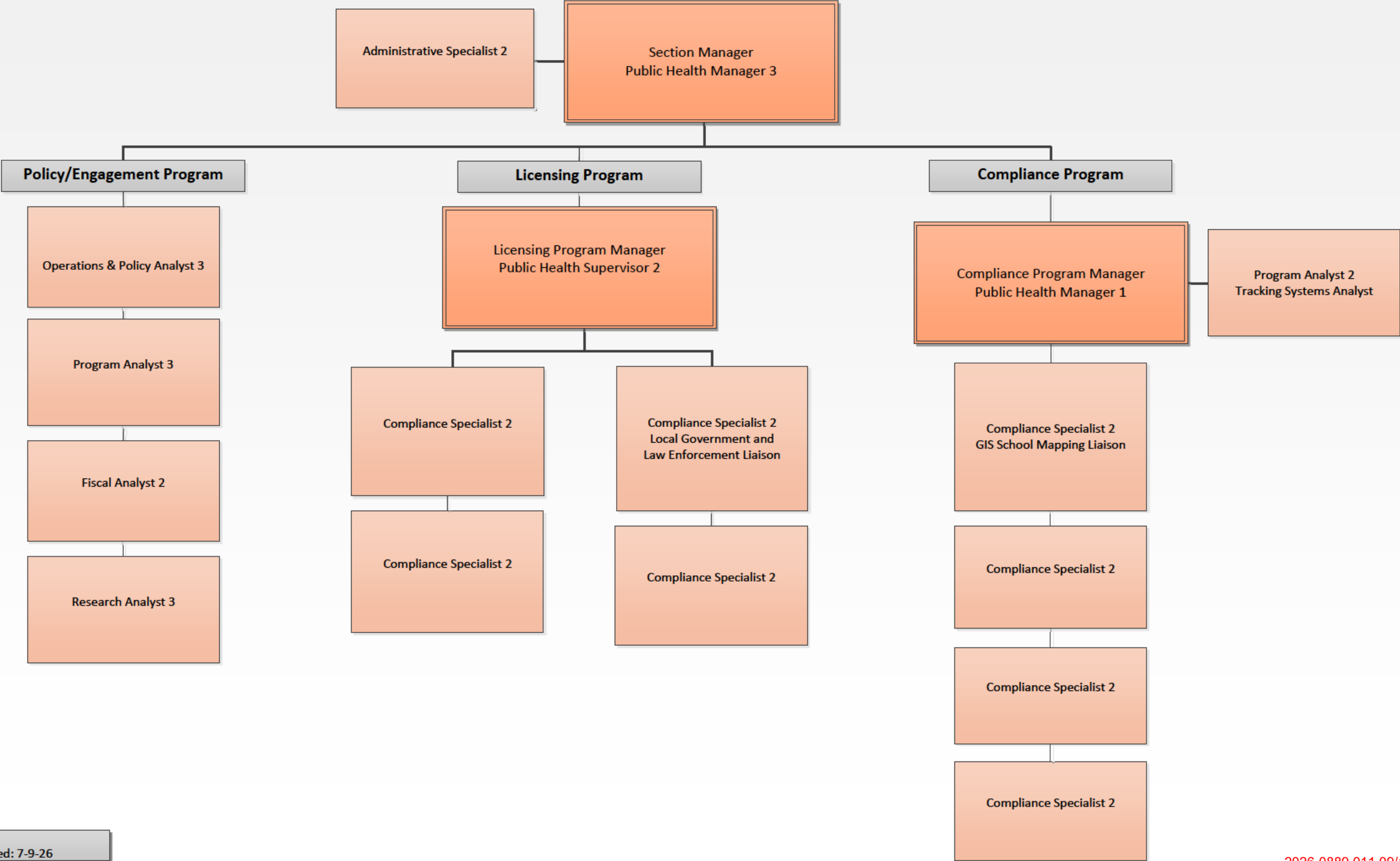
OPS is at the center of a national discussion on the creation of safe, effective, and equitable access to legal, regulated psilocybin services. Oregon has created intentional, client-centered public policy that has gained attention from national organizations, international governments, and other states working on healthcare policy.

Regulated psilocybin services create a new workforce in Oregon, support the state economy, and may create cost savings in healthcare, criminal justice, and social services systems.

OPS is committed to ensuring safe, effective, and equitable psilocybin services in Oregon, as well as aligning with OHA's strategic plan goal to eliminate health inequities and Oregon's [State Health Improvement Plan](#).

To find out more about the accomplishments of Oregon Psilocybin Services, please visit the OPS website's [Annual Reports page](#), where "Year in Review" summaries are published.

For fact sheets and other information, please visit [What are Psilocybin Services](#) and [Access Psilocybin Services](#) on the [OPS website](#).



Oregon Psilocybin Services Budget Information

[ORS 475A](#) directs OHA to license and regulate the production of psilocybin products and provision of psilocybin services. Oregon is the first state in the nation to implement a regulatory framework for psilocybin services and has received global interest in the model. During a two-year development period, from January 1, 2021 to December 31, 2022, Oregon Psilocybin Services (OPS) worked with the governor-appointed members of the Oregon Psilocybin Advisory Board on recommendations to establish rules and regulations for the implementation of the measure.

On January 2, 2023, OPS began accepting applications for manufacturer, laboratory, service center, and facilitator licenses in accordance with ORS 475A. The first service center door opened to clients in the summer of 2023. At that time, very few licenses had been issued. Since then, the number of licenses issued has experienced growth and contraction. OPS expects a continued fluctuations as the new regulated ecosystem continues to develop. Please visit the [OPS Data Dashboard](#) Licensing Data Set for information on the number of licenses, worker permits, and training program curricula approval issued.

As of June 12, 2025, **26,3472 psilocybin products have been sold by licensed service centers to clients** for administration sessions. While this number may include the sale of secondary doses, we understand that thousands of clients have been served under Oregon's model. In accordance with new legislation adopted by the Oregon Legislature in 2023, Oregon Psilocybin Services has published additional data reported by licensed service centers under ORS 475A.372 and 374. For more information visit the [OPS Data Dashboard](#).

2021-23 Biennium

OPS received General Fund (GF) for start-up costs and staff positions for the 2021-23 biennium to begin implementation of ORS 475A. OPS had an excess of unspent GF from 2021-23 of \$3,092,885 that was unable to be carried over or to be invested back into the section.

Budget considerations:

- OPS was established during COVID response. OHA's Public Health Division (PHD) has experienced significant infrastructure challenges, including delays in hiring, which created challenges for OPS in hiring its section during the 2021-23 biennium.

Cost containment strategies for the 2021-23 biennium included:

- Moved background checks to Oregon Background Check Unit (BCU) which reduced workload and overall costs of implementation
- Moved fee payment receipting to Office of Financial Services (OFS) which reduced workload and overall costs of implementation
- Developed training program, licensing, compliance, and product tracking into a single, cloud-based system. The Training Program, Licensing, and Compliance (TLC) system, developed in partnership with OIS, reduced costs associated with vendor contracts and created efficiencies in licensing and compliance program work, including for licensing, compliance, product tracking, and data reporting
- Organized section into hybrid model with drop in cubes at the office to reduce overhead and operational costs while establishing secure office space

2023-25 Biennium

OPS received \$3,139,672 General Fund (GF) and \$4,115,500 Other Fund (OF) limitation in the 23-25 biennium for a total of \$7,255,172. Despite cost increases, including SB 303 (2023) implementation, Cost of Living Adjustment (COLA) increases, internal cost allocation increases, and increased legal fees, OPS decreased its expenses for 2023-25 by over \$600,000.

Current OPS operating costs are based upon the program meeting **minimum legal requirements** of regulating psilocybin according to statute. Absent a significant increase in licensees, sustainability of the program continuing to meet statutory requirements would be dependent on other revenue streams, such as GF, or additional solutions, such as creation of new revenue streams.

Cost containment strategies for the 2023-25 biennium included:

- OPS reduced positions from 23 FTE to 17 FTE, which is the minimal number of positions required to administer ORS 475A.

Revenue-generating strategies for the 2023-25 biennium included:

- Increasing Training Program and Worker Permit Fees. OPS will made the following changes to fees, which were adopted in administrative rules in November of 2024 and effective January 1, 2025:
 - Changed 5-year worker permits (\$25 for 5-year approval) to annual worker permits (\$25 for annual approval).

- Changed 5-year training program curriculum approval (\$500 application fee for 5-year approval) to annual curriculum approval (\$500 for annual curriculum approval).

Licensing fees have not covered the costs of administering the minimal requirements of ORS 475 for several reasons:

- The regulated psilocybin industry is still growing in Oregon, and licensure takes time and resources for applicants.
 - The slow growth of the industry is partly due to property challenges that applicants are experiencing due to local government ordinances that prohibit OPS from issuing licenses and restrictive zoning requirements for psilocybin businesses.
 - Licensees face high costs related to insurance, banking, tax filing, and other constraints.
- **Unanticipated increases in costs** during the 2023-25 biennium included:
 - The Oregon Legislature passed SB 303 in 2023 with no additional resources for the implementation of new data collection and reporting work added to ORS 475A. Implementation created significant costs for OPS, including: legal costs, development of the Training Program, Licensing, and Compliance (TLC) system for data collection and reporting, and hiring (1) RA3.
 - Increased legal costs due to administrative hearings and DOJ time spent to address legal challenges.
 - Cost of Living Adjustment (COLA) increases.
 - Costs associated with Oregon Environmental Laboratory Accreditation Program (ORELAP) contract and compliance related work.
 - Costs associated with Oregon Department of Agriculture (ODA) for third party validation testing for psilocybin products, including speciation, potency, microbials, pesticides, and heavy metals in accordance with statutory and rule requirements.
 - Oregon Psilocybin Advisory Board Compensation will require more budget funds based on implementation of HB 2992 (2021), which increases compensation amounts for each meeting and will include compensation for qualified non-governor appointed subcommittee members. New OPAB board members were appointed by the governor in March of 2025.

2025-27 Biennium

OHA Current Service Level (CSL) did not include support for OPS, and OHA did not approve a Policy Option Package (POP) for the 2025-27 biennium. OPS has projected a budget gap of

\$3.5 GF for 2025-27. Current forecasting is based on limited information available as the OPS budget continues to shift. The 2023-25 biennium will close out on June 30, 2025, and once reconciled OPS will better understand the true costs of the biennium for future forecasting.

Increasing licensing fees may be counterproductive, pricing out licensees and resulting in fewer licensees, significant decreases in revenue, and increased need for GF support.

Current OPS operating costs are based upon the program meeting **minimum legal requirements** of regulating psilocybin according to statute.

Future Biennia

OPS is at the center of a national discussion on the creation of safe, effective, and equitable access to legal, regulated psilocybin services. Based on the administrative rules adopted in 2022, which are updated annually, Oregon has created intentional, client-centered policy that has gained attention from national organizations, international governments, and other states working on healthcare policy.

Regulated psilocybin services create a new workforce in Oregon, supports the state economy, and may create significant cost savings in the healthcare, criminal justice, and social services systems. ORS 475A directs OHA to work with the Oregon Psilocybin Advisory Board on long term sustainability in accordance with ORS 475A.

OPS is committed to ensuring safe, effective, and equitable psilocybin services in Oregon, as well as aligning with OHA's strategic plan goal to eliminate health inequities and Oregon's State Health Improvement Plan, Healthier Together Oregon. To ensure equitable access to services, OPS is working with the Oregon Psilocybin Advisory Board on recommendations for equitable licensing fees, as well as reducing barriers to access due to affordability concerns.

To review data published on Oregon Psilocybin Services, please visit the [OPS Data Dashboard](#) page.

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2027-29 OHA Policy Option Package (POP) Proposal

POP title:	Increase Psilocybin Tax Revenue
Division priority number:	14
Lead Division:	PHD
Partner Division(s):	N/A
Primary contact:	Andre Ourso, Center Administrator; Angie Allbee, OPS Section Manager
Budget contact:	Nadia Davidson, PHD Budget Director
Related legislation, if applicable:	ORS 475A
Associated Legislative Concept, if applicable:	N/A
Additional Legislative Concept needed? (Y/N)	Y
Proposed in a prior biennium? (Y/N)	N

What criteria does this POP fall within?

POP submissions must meet at least one criterion beneath Category A, AND one within Category B.

Category A: Essential actions

- Budget neutral (Y/N), If yes, explain why

Yes, the POP is budget neutral because it does not require GF or FF and the OF helps offset the budget gap that the program expects in 2027.

- Statutorily required (Y/N), If yes, explain why

Yes, ORS 475A created the psilocybin product tax that requires service centers to remit 15% psilocybin product tax on a quarterly basis to Oregon Department of Revenue (DOR). After DOR takes their administrative portion to cover costs, the remaining revenue is transferred into the Psilocybin Control and Regulation Fund to support program sustainability.

Category B: Alignment with strategic prioritization

- HR 1 implementation costs (Y/N), If yes, explain why

N/A

- IT investments (Y/N), If yes, explain why

N/A

- Customer service (Y/N), If yes, explain why

Yes, the POP supports Oregon Health Forward and statewide customer service goals. By supporting program sustainability, which sustains the positions needed to administer ORS 475A, OPS is able to continue providing technical support to the regulated community, ensuring transparency by publishing the OPS Data Dashboard and OPS website, and meeting the demands of ongoing public, partner, and community engagement.

OPS works with community-based organizations to provide information about psilocybin services. OPS offers community circles, annual public listening sessions, and opportunities to join Rules Advisory Committees, public comment period on rules, public hearings on rules, or request meetings and presentations. We encourage members of the public to visit our website to access information, join our distribution list to receive quarterly newsletters and updates, and reach out with questions or concerns. Out of our commitment to accessible communications, we provide Spanish and American Sign Language interpretation and CART captioning for all public listening sessions and public hearings and will accommodate any request with advance notice. OPS is listening and learning from people that represent diverse lived and professional experiences, while working to apply feedback within the statutory container of ORS 475A and with consideration for public health and safety.

We understand that many people belong to intersecting communities that experience discrimination and disadvantage, specifically when working within systems and institutions. We are committed to creating inclusive spaces within the statutory container of ORS 475A and are deeply committed to setting a strong precedent for the nation.

- Actions to strengthen prioritization focus areas (Y/N), If yes, indicated which strategic prioritization focus area and explain why

Yes, the POP supports actions to strengthen prioritization focus areas.

First, creating sustainability for the program supports a sustainable, high-quality behavioral health provider network across the continuum. The passage of HB 2387 in 2025 integrated psilocybin services into the health and behavioral health system. Facilitators licensed under certain health licensing boards in Oregon, such as Oregon Medical Board, Oregon Board of Psychology, and others, may provide health and behavioral health services to clients for preparation and integration sessions. In addition, 291 clients in 2025 were treated for excessive alcohol, tobacco, and substance use.

Next, psilocybin services build OHA's internal capacity and commitment to eliminate health inequities by fostering accountability to embed equity, promote employee resiliency, and meaningfully engage and place power in communities across Oregon. The program has embedded equity in the model within the statutory container of ORS 475A. Team members represent diverse communities, and the Psilocybin Equity Project builds tools for deepening equity practices. The program works closely with communities across the state and on a global basis, as many people travel to Oregon to access services.

If the program is unable to become sustainable, the risk to cutting budget items that support equity are a reality, which in turn, creates an impact to licensees supporting equity and clients received culturally responsive services.

Ballpark 2027-29 fiscal impact estimate (costs and savings):

General Fund	Other Funds	Federal Funds	Total Funds	Positions	FTE
0\$	244085	0	244085	0	0

Is the fiscal impact estimate included above scalable for either more or less funding?

Yes, it can be scaled for more or less OF.

Problem statement and proposed solution: Describe the health inequity or barrier to health (problem) and how this POP would provide a solution.

Include impacts to people's health and/or health care, the health care system, and OHA operations.

ORS 475A established a fee-based program. Due to rising costs that are outside of program control, OPS has projected a budget shortfall in 2027. Absent a significant increase in the number of licensees, sustainability of the program continuing to meet statutory requirements would be dependent on an increase in revenue other than license fees. Increasing licensing fees may be counterproductive, pricing out licensees, resulting in fewer licensees and significant decreases in revenue. Raising the psilocybin product retail sales tax would increase revenue and help support budget sustainability.

To support community health and wellness, economic development for our state, and a facilitator workforce that provides culturally responsive services to their communities, the option to increase the psilocybin product tax from 15% to 30% would help close the budget gap with less impact to the health care workforce and established small businesses.

Currently, service centers remit the psilocybin tax to Oregon Department of Revenue (DOR) on a quarterly basis, and after DOR takes their administrative cut to cover their costs, the remaining revenue is deposited into the Psilocybin Control and Regulation Fund to support the program.

What has been done to date to solve the health inequity or barrier to health?

(applied LEAN management strategies, integrated community-identified strategies and best practices into program delivery, reprioritized existing resources, pilot program, etc.)

OPS aligns with Oregon Health Forward, Public Health Modernization, and Oregon State Improvement Plan goals as it administers ORS 475A.

The Oregon model created a new workforce in Oregon in 2023, specifically for licensed facilitators from diverse backgrounds that support the health of their communities through culturally and linguistically responsive services. The passage of HB 2387 further integrated psilocybin services into the health care system by allowing facilitators licensed under certain professional health licensing boards, such as Oregon Medical Board, Oregon Board of Psychology, and Oregon Board of Professional Counselors and Therapists, to provide health and behavioral health services during preparation and integration sessions with clients. The robust network of facilitators with specialized experience from within the health and behavioral health system allows for the unique needs of clients to be supported through safe, person centered, and trauma informed psilocybin services.

- Under OPS administrative rules, service centers and facilitators must provide information regarding any culturally or linguistically responsive services they offer clients to support client safety, equity, and access to services. This may include translation and interpretation resources or referring clients to other facilitators or service centers that may be better equipped to provide services that meet specific client needs.**
- To support social equity for the regulated community, OPS established reduced fees for applicants who are lowincome or have veteran status. Social equity for the regulated community supports diverse representation from lived and professional experiences that may help eliminate health inequities through the provision of culturally responsive services.**
- While affordability is important to ensure equitable access to services, Oregon Psilocybin Services does not have the authority to regulate the costs of psilocybin products or services. To help address equity and access concerns, OPS administrative rules require social equity plans to be completed with each license application and renewal. The purpose of the requirement is to ensure that every psilocybin licensee**

in Oregon considers how certain communities have been disproportionately harmed by systemic inequities and how they propose to address these inequities in their business practices. Many licensees have created social equity plans that include offering grants, scholarships, sliding scales, or subsidies for certain populations to access psilocybin services.

Cost containment strategies include:

- **reduced positions to the minimum needed to administer ORS 475A to 17 FTE.**
- **Moved background checks to Oregon Background Check Unit (BCU)-reduced workload and overall costs of implementation.**
- **Moved fee payment receipting to Office of Financial Services (OFS)-reduced workload and overall costs of implementation.**
- **Developed single, cloud-based system to conduct licensing, compliance, product tracking, and data reporting activities. The Training Program, Licensing, and Compliance (TLC) system, developed in partnership with OIS, reduced costs associated with vendor contracts and created efficiencies in licensing and compliance program workload and positions.**
- **Organized section into hybrid model with drop in cubes at PSOB-reduced overhead operational costs while still establishing secure office space to work from.**

Revenue-generating strategies include:

- **Increasing Training Program and Worker Permit Fees. OPS will made the following changes to fees, which were adopted in administrative rules in November of 2024 and effective January 1, 2025:**
 - **Changed 5-year worker permits (\$25 for 5-year approval) to annual worker permits (\$25 for annual approval).**
 - **Changed 5-year training program curriculum approval (\$500 application fee for 5-year approval) to annual curriculum approval (\$500 for annual curriculum approval).**

What would the POP buy? How would OHA use the money?

(new staff, contracts, payments to providers for services, community grants, etc.)

The POP would support budget and program sustainability. Increased revenue for the program would help close the budget shortfall that the program expects in 2027. The statutorily required 15% psilocybin product tax is already established in ORS 475A, and the increase to 30% would help cover rising costs.

Community partner and advocacy support or opposition, if known.

Unknown. Some licensees and organizations may support increase in tax revenue to ensure program sustainability, specifically those that are funded to conduct research on the health and economic impacts of the program and licensees that represent lower income workforce that would be disproportionately impacted by significant increases in license fees.

2025 Client Data from OPS Data Dashboard January 1, 2025, to December 31, 2025

2025 Session Info:

Data Point	Value
Number of clients who received psilocybin services in regulated model	5,935
Number of individual administration sessions	4,628
Number of group administration sessions	747

2025 Adverse Reactions:

Data Point	Value
Number of clients who experienced adverse behavioral reactions	6
Number of clients who experienced severe adverse behavioral reactions	7
Number of clients who experienced adverse medical reactions	13
Number of clients who experienced severe adverse medical reactions	2
Number of clients who experienced post-session reactions	10

2025 Client Demographic Totals:

Racial Identity – select all that apply:

Data Point	Value	Percentage of Responses
Central American	12	0.3%
Mexican	125	3.1%
South American	12	0.3%
Other Hispanic or Latino/a/x	96	2.3%
Eastern European	539	13.2%
Slavic	92	2.3%
Western European	1,674	41.0%
Other White	820	20.1%
American Indian	88	2.2%
African American	74	1.8%
Middle Eastern	45	1.1%
Asian Indian	38	0.9%
Chinese	44	1.1%
Japanese	13	0.3%
Korean	13	0.3%
Don't know	15	0.4%
Don't want to answer	387	9.5%
Total	4087	--

Collected data but did not have a reportable number of clients select this item every quarter:
CHamoru/Chamorro, Marshallese, Communities of the Micronesia Region, Native Hawaiian, Samoan, Other Pacific Islander, Alaskan Native, Canadian Inuit, Metis or First Nation, Indigenous Mexican, Central American or South American, Afro-Caribbean, Ethiopian, Somali, Other African (Black), Other Black, North African, Cambodian, Communities of Myanmar, Filipino/a, Hmong, Laotian, South Asian, Vietnamese, Other Asian, Not Listed

Preferred Language:

Data Point	Value	Percentage of Responses
Primary Written Language		
English	3529	99.7%
Spanish	12	0.3%
Primary Spoken Language		
English	3544	100%

Collected data but did not have a reportable number of clients select this item every quarter:
Arabic, Bosnian, Burmese, Cambodian, Chuukese, Farsi, French, German, Japanese, Korean, Lao, Marshallese, Oromo, Pohnpeian, Romanian, Russian, Chinese, Somali, Spanish (spoken only), Thai, Ukrainian, Vietnamese, Other

Disability Status:

Data Point	Value	Percentage of Responses
Deaf		
Yes	43	1.3%
No	2876	84.8%
Don't know	61	1.8%
Don't want to answer	412	12.1%
Blind		
Yes	15	0.4%
No	3010	87.6%
Don't want to answer	410	11.9%
Difficulty Walking		
Yes	12	0.4%
No	3010	87.4%
Don't want to answer	423	12.3%
Difficulty Concentrating		
Yes	235	6.8%
No	2780	80.0%
Don't know	28	0.8%
Don't want to answer	434	12.5%
Difficulty Dressing and Bathing		
No	3012	88.0%
Don't want to answer	411	12.0%
Difficulty Learning		
Yes	42	1.2%
No	3003	85.8%
Don't know	33	0.9%
Don't want to answer	423	12.1%
Difficulty Communicating		
Yes	16	0.5%
No	3093	88.3%
Don't know	30	0.9%
Don't want to answer	362	10.3%

Collected data but did not have a reportable number of clients select this item every quarter:
 Blind – don't know, Difficulty Walking – don't know, Difficulty dressing or bathing – Yes and don't know

Gender Identity – select all that apply:

Data Point	Value	Percentage of Responses
Woman	2001	51.3%

Man	1382	35.4%
Non-Binary	104	2.7%
Genderfluid	14	0.4%
Genderqueer	14	0.4%
Questioning	13	0.3%
Don't want to answer	372	9.5%

Collected data but did not have a reportable number of clients select this item every quarter:
Agender, Bigender, Demiboy, Demigirl, Not listed, Specific to Ethnicity, Don't know, don't know
what this question is asking

Transgender Status:

Data Point	Value	Percentage of Responses
Yes	44	1.4%
No	2769	86.2%
Don't want to answer	399	12.4%

Collected data but did not have a reportable number of clients select this item every quarter:
Questioning, Don't know, Don't now what this question is asking

Sex:

Data Point	Value	Percentage of Responses
Female	2006	52.4%
Male	1441	37.6%
Don't want to answer	384	10.0%

Collected data but did not have a reportable number of clients select this item every quarter:
Intersex, don't know, don't now what this question is asking, not listed

Sexual Orientation – select all that apply:

Data Point	Value	Percentage of Responses
Same-gender loving	170	4.3%
Lesbian	106	2.7%
Gay	123	3.1%
Bisexual	225	5.7%
Pansexual	124	3.2%
Straight	2511	64.0%
Asexual	12	0.3%
Queer	165	4.2%
Questioning	14	0.4%
Don't want to answer	473	12.1%

Collected data but did not have a reportable number of clients select this item every quarter: Not listed, don't know, don't know what this question is asking

Income:

Data Point	Value	Percentage of Responses
\$0-\$11,000	87	2.3%
\$11,001-\$44,725	337	8.9%
\$44,726-\$95,375	749	19.8%
\$95,376-\$182,100	864	22.8%
\$182,101-\$231,250	322	8.5%
\$231,251-\$578,125	371	9.8%
\$578,126+	95	2.5%
Don't want to answer	960	25.4%

Collected data but did not have a reportable number of clients select this item every quarter: n/a

Age:

Data Point	Value	Percentage of Responses
Under 21	0	0%
21-24	78	2.0%
25-29	155	4.0%
30-34	384	10.0%
35-39	461	12.0%
40-44	475	12.4%
45-49	462	12.0%
50-54	378	9.9%
55-59	368	9.6%
60-64	253	6.6%
65-69	213	5.6%
70-74	146	3.8%
75-79	85	2.2%
Don't want to answer	379	9.9%

Collected data but did not have a reportable number of clients select this item every quarter: 80-84, 85+

County of Residence:

Data Point	Value	Percentage of Responses
Benton	97	2.7%
Clackamas	111	3.1%
Deschutes	156	4.3%
Jackson	124	3.4%

Lane	91	2.5%
Marion	99	2.7%
Multnomah	426	11.8%
Washington	134	3.7%
Other Inside US	1,753	48.4%
Outside US	183	5.1%
Don't want to answer	446	12.3%
In-State Total	1,238	34.2%

Collected data but did not have a reportable number of clients select this item every quarter:
Baker, Clatsop, Columbia, Coos, Crook, Curry, Douglas, Gilliam, Grant, Harney, Hood River,
Jefferson, Josephine, Klamath, lake, Lincoln, Linn, Malheur, Morrow, Polk, Sherman, Tillamook,
Umatilla, Union, Wallowa, Wasco, Wheeler, Yamhill

Reasons for Seeking Psilocybin Services – select all that apply:

Data Point	Value	Percentage of Responses
General health	1,816	12.8%
Culturally or linguistically responsive services	125	0.9%
Enhanced creativity	888	6.3%
Change of perspective	1,642	11.6%
Expanded consciousness	1,602	11.3%
Spirituality reasons	858	6.1%
Gender identity development	62	0.4%
Mental or physical exhaustion	659	4.7%
Chronic pain	276	2.0%
Brain injury	90	0.6%
End of life	88	0.6%
Substance use	291	2.1%
Anxiety	1,413	10.0%
Depression	1,304	9.2%
Eating disorder	107	0.8%
PTSD	775	5.5%
Other mental health diagnosis	167	1.2%
Undiagnosed mental health issue	151	1.1%
Economic drivers	16	0.1%
Racial trauma	29	0.2%
Gender trauma	118	0.8%
Domestic violence trauma	329	2.3%
Combat trauma	77	0.5%
Colonization trauma	27	0.2%
Other trauma	584	4.1%

Other reason	296	2.1%
Don't want to answer	362	2.6%

Collected data but did not have a reportable number of clients select this item every quarter:
don't know what this question is asking

Division	Title or Topic	Description of health inequity or barrier to health the policy option package (POP) would solve. (3-4 sentences about the problem or issue)	Description of proposed solution to the health inequity or barrier to health. (3-4 sentences about what this package would buy including long-term desired outcomes)	Estimated 2025-27 resources needed (include estimated funding and new staff costs, if known)	Has this POP been introduced in prior session? Is there relevant legislation to note?	Community input, partner and advocacy support or opposition (if known)	Program Lead
PHD	Psilocybin Equity and Access Fund	ORS 475A directs the Oregon Health Authority to create safe, effective, and equitable psilocybin services in Oregon. The Oregon Psilocybin Services (OPS) section aligns with OHA's strategic plan goal to eliminate health inequities as well as the priorities of Oregon's State Health Improvement Plan, Healthier Together Oregon (HTO), by supporting access to a health and wellness option that may help individuals address adversity, toxic stress, and trauma; behavioral health; and access to equitable preventative health care that is provided through a culturally responsive, client-centered model. To create equitable access to psilocybin services in Oregon, costs of services must be affordable for clients, specifically for priority populations identified in HTO. Oregon Psilocybin Services does not have statutory authority to	By establishing the Psilocybin Equity and Access Fund in ORS 475A, state, philanthropic, and other dollars could support licensed service centers in providing free or reduced cost psilocybin services to individuals that would otherwise be unable to afford services. In addition, those individuals most disproportionately harmed by the War on Drugs, which include Black, Indigenous, People of Color, and tribal members, would be supported in accessing a health and wellness option that may address racial and generational trauma caused by colonization, racism, and harmful policies.	\$2M GF for 2025-27	No	Recommendation from Governor appointed Oregon Psilocybin Advisory Board and Equity Subcommittee. Supported by community partners, licensees, and those interested in creating affordable psilocybin services in Oregon.	Angie Allbee

Oregon Health Authority 2023-25 Policy Package

Division:	Public Health Division
Program:	Center for Health Protection
Policy package title:	Oregon Psilocybin Services: The Nation's First Regulatory Framework for Psilocybin
Policy package number:	449
Related legislation:	Ballot Measure 109

Summary statement:	This policy package would fund the implementation of the Oregon Psilocybin Services Act by addressing any immediate shortfalls while license applications are being accepted, reviewed, and issued by the Oregon Health Authority (OHA). Without the additional funding, the sustainability of the work would be jeopardized. OHA wouldn't have adequate resources to license and regulate entities seeking licensure in a timely manner. There would be insufficient staff to continue to implement the regulatory program, review license applications and conduct licensure inspections. Consequently, psilocybin businesses seeking licensure could experience financial hardship due to delays in obtaining licensure, an inability to provide services and to legally receive revenue. Additionally, community members seeking psilocybin services would not have the benefits of access to those services. As the first state in the nation to regulate psilocybin services, successful implementation in Oregon is critical to creating a safe, accessible program for Oregonians and model across the nation.
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	General Fund	Other Funds	Federal Funds	Total Funds	Pos.	FTE
Policy package pricing:	\$6,587,395	\$0	\$0	\$6,587,395	22	22.00

Oregon Health Authority: 2023-25 Policy Package

Purpose

1. Why does OHA propose this policy package and what problem is OHA trying to fix or solve?

Oregon Psilocybin Services (OPS) received General Fund for start-up costs and staff positions for the 2021-23 biennium to begin implementation of Ballot Measure 109 (M109), the Oregon Psilocybin Services Act, which was passed in 2020 and is now codified in ORS 475A. OPS will begin receiving Other Funds revenue from licensing fees after January 2, 2023, when OHA begins accepting applications to license psilocybin manufacturers, psilocybin testing labs, psilocybin service centers, and psilocybin facilitators. It may take many months following that date to begin receiving revenue from license fees and several additional months to cover the costs of the section's work.

For the psilocybin framework created by M109 to roll out successfully in Oregon, OHA must be ready to review and license all license types by January 2, 2023. To illustrate, psilocybin products can only be cultivated or processed by a licensed manufacturer, and all products must be tested by an accredited and licensed testing lab. Psilocybin products can only be sold to clients at a licensed service center and only consumed at a licensed service center by clients during an administration session that is supervised by a trained and licensed facilitator.

Although OPS has worked to prevent delays to begin accepting license applications by January 2, 2023 for licensure of manufacturers, testing labs, service centers, and facilitators, there are many factors that are outside of OPS' control. For example, OPS was recently informed that psilocybin facilitator training programs may be subject to Higher Education Coordinating Commission (HECC) career training school licensure, which could cause delays for psilocybin facilitator training programs admitting students and training them in time for the January 2, 2023 date. In addition, local governments may adopt ordinances to prohibit licensed manufacturers and service centers from

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operating in their local jurisdictions, which may cause further delays as those interested in setting up service centers or manufacturer sites wait for the outcome of these ordinances, as well as possible zoning changes, before investing in property and setting up businesses. For these reasons, OPS does not expect to have enough licensure fee revenue to cover the costs of the section's work until the end of the first year of the 2023-25 biennium.

2. What would this policy package buy and how and when would it be implemented?

This policy package would provide additional General Fund to support the implementation of M109 (ORS 475A) and address any budget shortfalls while license applications are accepted and reviewed and as the section transitions to supporting operational costs with fees. No additional implementation activities would be added to that which has been directed by statute.

3. How does this policy package help, or potentially hinder, populations impacted by health inequities from achieving health equity¹ or equitable health outcomes? How does this policy package further OHA's mission and align with its strategic plan?

Psilocybin has been used for centuries by various indigenous and Tribal communities for spiritual, ceremonial, healing, and other purposes throughout the world. This policy package would help to ensure that OPS has the capacity to continue working with community partners, listening to community-based solutions, honoring indigenous and traditional knowledge, and working collaboratively to apply an equity lens in implementation.

¹ Health Equity: When all people can reach their full potential and well-being and are **not disadvantaged by their race, ethnicity, language, disability**, gender, gender identity, sexual orientation, social class, intersections among these communities or identities or other socially determined circumstances.

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Research suggests that psilocybin can help address mental and behavioral health issues, including trauma, anxiety, depression, and addiction. The State Health Improvement Plan (SHIP), *Healthier Together Oregon 2020-2024*, identifies trauma and toxic stress, behavioral health, and access to equitable preventive health care as top priorities. This policy package would help OHA achieve our goal of eliminating health inequities by ensuring that psilocybin services become and remain a safe and accessible option for achieving optimal health.

Because people of color can experience adversity, toxic stress, anxiety, and trauma due to racism, creating access to psilocybin services could have particular benefit for these communities, especially when licensed facilitators are able to deliver psilocybin services in culturally responsive ways. To that end, facilitators will be required to complete training in health equity, history of indigenous use, cultural equity, racial justice, intergenerational trauma, and implicit bias. These training requirements are designed to ensure that culturally appropriate psilocybin facilitation is available to people of color in Oregon. This policy package would enable OPS to provide appropriate technical assistance to training programs and our regulated community to maximize positive health impacts, particularly among Black, Indigenous, people of color, and Tribal members.

OPS has engaged with priority communities identified in the SHIP throughout the development period. OPS has incorporated meaningful ways for community members to share feedback and suggestions, with an emphasis on engaging with historically under-represented communities. Part of this work includes re-building trust with communities that have not always been well-served by government systems.

Oregon Psilocybin Services also creates new economic and business opportunities in Oregon. Successful implementation will help to decrease barriers for license applicants, especially for those in communities that are disproportionality affected by health inequities. This includes creating pathways

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for practitioners of diverse backgrounds who can support the health of their communities through facilitating psilocybin services in culturally grounded ways. This part of the work connects to the SHIP priority of addressing economic drivers of health.

Quantifying results

4. What are the long-term desired outcomes?

OPS is committed to health equity and working toward the agency's strategic plan goal of eliminating health inequities by 2030. To do this, OPS will work closely with internal and external partners to ensure that psilocybin services become and remain a safe and accessible option for healing and wellness.

Research suggests that psilocybin may help reduce depression, anxiety (including end of life anxiety), problematic alcohol and tobacco use, and trauma-related disorders (including PTSD and race-based trauma). Across studies, psilocybin has been found to increase spiritual well-being. Making psilocybin services available as an option to address these behavioral health challenges has the potential to have a long-lasting positive impact on the health of Oregonians. The [Oregon Psilocybin Advisory Board Rapid Evidence Review and Recommendations²](#), or [Revisión rápida de evidencia y recomendaciones del Consejo Consultor sobre la Psilocibina de Oregon](#), findings show that psilocybin, the active ingredient in psychedelic mushrooms, holds promise as an option to address mental health issues, and may be efficacious in reducing problematic alcohol and tobacco use.

²https://www.oregon.gov/oha/PH/PREVENTIONWELLNESS/Documents/Psilocybin%20evidence%20report%20to%20OHA%206-30-21_Submitted.pdf?utm_medium=email&utm_source=govdelivery

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To provide safe, effective psilocybin services to those who are 21 years or older who may be interested and seeking relief from anxiety, trauma, depression, addiction, or other issues, OPS must respond to licensees in a timely manner and have the funding to conduct the section's work appropriately. In addition, many communities of color have interest in applying for licensure, so it is important that OPS is effective in development and efficient and responsive to our regulated community. For these and many other reasons, implementing a sustainable framework is a priority for OPS.

5. How will OHA measure the impacts on health inequities of this policy package?

In January 2022, OPS conducted a community interest survey to better understand interest in accessing psilocybin services, in licensure, and in training program approval. The survey was open for one month and made available in Spanish, Russian, Vietnamese, Simple Chinese/Mandarin, and Somali. There were over 4,400 survey respondents indicating a high level of interest in seeking services and licensure. OPS used an adapted version of REAL-D in consultation with staff at the Equity and Inclusion Division and published a summary of findings in February 2022. OPS expects to conduct other community interest surveys in the future and will continue to include demographic data that can help measure how well we are engaging with different communities across Oregon.

OPS is in the beginning stages of developing a section-wide evaluation plan and equity plan. Both plans will help to chart the course for how we measure impacts and may include qualitative feedback from our community partners, community listening sessions, focus groups, interviews, and surveys.

OPS will continue to apply a health equity lens as programs are implemented, being mindful to balance program sustainability with the need for equitable access to services. Each program will start with and focus on health equity, including outreach to communities and providing clear, timely,

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and accessible information. As a new section and first in the nation to implement psilocybin services, the OPS team will be continuously learning in response to feedback and stories from the community.

How achieved

6. What actions have occurred to resolve the issue prior to requesting a policy package?

As discussed above, for the psilocybin framework created by M109 to roll out successfully in Oregon, OHA must be ready to license all license types by January 2, 2023. For example, psilocybin products can only be cultivated or processed by a licensed manufacturer, and all products must be tested by an accredited and licensed testing lab. Psilocybin products can only be sold to clients at a licensed service center and only consumed at a licensed service center by clients during an administration session that is supervised by a trained and licensed facilitator.

In the fall of 2021, OPS recognized there were several risks for licensure delays if OPS was not ready to license each of the four license types on January 2, 2023 and prioritized several implementation actions. OPS worked with the Oregon Psilocybin Advisory Board, community members, and partners to ensure that board recommendations and public feedback were provided in time to draft rules for rulemaking early in 2022.

- To ensure that trained psilocybin facilitators would be ready to apply for licensure by January 2, 2023, psilocybin facilitator training programs would need OHA curriculum approval before admitting students, and students would need to complete training by the end of 2022. OPS expedited the training program rules to ensure that rules were adopted by May 20, 2022 to give training programs the ability to move forward.
- Similarly, to ensure that testing labs would be ready to apply for licensure by January 2, 2023, the Oregon Environmental Laboratory Accreditation Program (ORELAP) would have to

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adopt rules for accreditation and begin accepting applications to accredit testing labs by the fall of 2022. Again, OPS expedited a subset of the products and testing rules to ensure that rules were adopted by May 20, 2022 to give ORELAP the ability to move forward.

Although OPS has worked to prevent delays for the licensure of manufacturers, testing labs, service centers, and facilitators there are many factors that are outside of OPS's control. For example, OPS was recently informed that psilocybin facilitator training programs may be subject to Higher Education Coordinating Commission (HECC) career training school licensure, which could cause delays for psilocybin facilitator training programs admitting students and training them in time for the January 2, 2023 date. In addition, local governments may adopt ordinances to prohibit licensed manufacturers and service centers from operating in their local jurisdictions, which may cause further delays as those interested in setting up service centers or manufacturer sites wait for the outcome of these ordinances, as well as possible zoning changes, before investing in property and setting up businesses. For these reasons, OPS does not expect to have enough revenue from licensure fee revenue to cover the costs of the section's work by the end of the first year of the 23-25 biennium.

7. What alternatives were considered and what were the reasons for rejecting them?

There were no other alternatives as M109 (ORS 475A) requires that OHA adopt rules by December 31, 2022 and begin accepting applications for licensure on January 2, 2023. OPS received General Fund for 21-22 and 22-23, and while OPS has no control over the risk of delays that may affect licensure but are not related to the section's work, the section is working with partners to identify possible ways to overcome them.

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8. What other agencies, programs, community partners or stakeholders are collaborating on this policy package?

OPS is engaging with many community members and partners on the implementation of M109 (ORS 475A), including the Oregon Department of Justice, Oregon Department of Revenue, Oregon Department of Agriculture, Oregon Liquor and Cannabis Commission, Oregon State Treasury, Higher Education Coordinating Commission, Oregon Department of Administrative Services, Oregon Department of Education, Secretary of State Office of Small Business Development, Business Oregon, Oregon Health Authority inter-agency partners, Oregon's 9 Federally Recognized Tribes, Oregon's Professional Licensing Boards, Local Governments, Local Public Health Authorities, Law Enforcement, Advocacy Organizations, Academic Institutions, Professional Associations, Psilocybin and Psychedelic Partners, Other states, Community Based Organizations, the Oregon Psilocybin Advisory Board and subcommittees, and members of the public.

9. Does this policy package require any changes to existing statute(s) or require a new statute? If yes, identify the statute and the legislative concept.

No.

10. What other state, Tribal, and/or local government agencies would be affected by this policy package? How would they be affected?

There would be an impact to Oregon Department of Revenue (DOR) if Oregon Psilocybin Services experienced a budget shortfall and did not have the capacity to license service centers. DOR will be collecting a 15 percent tax on the sale of psilocybin products to clients by licensed service centers and have spent time preparing staff and processes for the collection of this tax.

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11. Is this policy package being requested because of an Oregon Secretary of State or internal audit? If so, provide further information.

No.

Staffing and fiscal impact

Implementation date(s): July 1, 2023

End date (if applicable): June 30, 2024

12. What assumptions affect the pricing of this policy package?

Assumptions include that the legislature doesn't significantly amend Measure 109 (ORS Ch. 475A) in the 2023 session in a manner that affects OPS's ability to accept and assess application fees to cover program expenditures. Also, that there are no additional delays to being ready to accept applications on January 2, 2023, such as delays in hiring licensure and compliance staff, delays related to implementation of final rules adopted by December 31, 2022, or contracting delays with product tracking.

13. Will there be new responsibilities for OHA and/or Shared Services? Specify which programs and describe their new responsibilities.

There would be no new responsibilities. This policy package would ensure Oregon Psilocybin Services will remain sustainable while license and application fee revenue begin to come in.

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14. Will there be changes to client caseloads or services provided to population groups? Specify how many in each relevant program.

No; however, if OPS experiences a budget shortfall and is unable to implement ORS 475A, there are many communities and members of the public that will not have access to psilocybin services. According to the results of the [OPS Community Interest Survey Findings](#), out of **4,421** respondents, **94 percent** were interested in accessing services. In addition, **660** respondents were interested in applying for training program approval, **1,613** were interested in facilitator licensure, **982** were interested in manufacturer licensure, **903** were interested in service center licensure, and **226** were interested in testing lab licensure.

15. Describe the staff and positions needed to implement this policy package, including whether existing positions would be modified and/or new staff would be needed.

There would be no new positions needed to implement this package.

16. What are the start-up and one-time costs?

This policy package is entirely one-time General Fund costs; OHA will continue to monitor expenses and expects costs will be covered by 100 percent Other Funds fee revenue by June 30, 2024.

17. What are the ongoing costs?

OPS is working to better understand the number of licensees it should expect to license and regulate beginning January 2, 2023 through the OPS Community Interest Survey, as well as working with partners. Because rules will be adopted by December 31, 2022, regulatory community members may not be ready to establish their businesses and apply for licensure until late in 2023 or early 2024.

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The program will begin to better understand ongoing costs once it begins issuing licenses. OPS expects ongoing costs to be consistent with current budget needs.

18. What are the potential savings?

None.

19. What are the sources of funding and the funding split for each one?

This policy package includes 100 percent General Fund for the first year of the 2023-25 biennium.

Total for this policy package

	General Fund	Other Funds	Federal Funds	Total Funds	Pos.	FTE
Personal Services	\$4,699,781			\$4,699,781	22	22.00
Services & Supplies	\$1,887,614			\$1,887,614		
Capital Outlay						
Special Payments						
Other						
Total	\$6,587,395	\$0	\$0	\$6,587,395	22	22.00

Oregon Health Authority: 2023-25 Policy Package

Fiscal impact by program

	Center for Health Protection				Total
General Fund	\$6,587,395				\$6,587,395
Other Funds	\$0				\$0
Federal Funds	\$0				\$0
Total Funds	\$6,587,395				\$6,587,395
Positions	22				22
FTE	22.00				22.00