

House File 978 - Reprinted

HOUSE FILE 978

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 620)

(As Amended and Passed by the House April 21, 2025)

A BILL FOR

- 1 An Act relating to the production and administration of
- 2 psilocybin, and providing penalties.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124.401, subsection 5, Code 2025, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *g.* A person may knowingly or intentionally
4 recommend, possess, use, dispense, deliver, transport, or
5 administer psilocybin if the recommendation, possession, use,
6 dispensing, delivery, transporting, or administering is in
7 accordance with the provisions of chapter 124F.

8 Sec. 2. NEW SECTION. **124F.1 Definitions.**

9 For the purposes of this chapter, unless the context
10 otherwise requires:

11 1. "*Active psilocybin*" means the psychoactive chemical with
12 the chemical abstracts service registry number 520-52-5.

13 2. "*Adulterant*" means a poisonous or deleterious substance
14 in a quantity that may be injurious to health.

15 3. "*Adverse event*" means an injury or suspected injury to
16 a patient that results in an escalation of care, harm to a
17 patient, or rescue of a patient and occurs during a psilocybin
18 administration session or within twenty-four hours from when
19 the administration session ended.

20 4. "*Community location*" means a public or private elementary
21 or secondary school, a church, a public library, a public
22 playground, or a public park.

23 5. "*Cultivation space*" means, quantified in square feet,
24 the horizontal area in which a psilocybin cultivation facility
25 cultivates psilocybin, including each level of horizontal area
26 if the psilocybin cultivation facility hangs, suspends, stacks,
27 or otherwise positions plants above other plants in multiple
28 levels.

29 6. "*Department*" means the department of health and human
30 services.

31 7. "*Family member*" means a parent, stepparent, spouse,
32 child, sibling, stepsibling, uncle, aunt, nephew, niece,
33 first cousin, mother-in-law, father-in-law, brother-in-law,
34 sister-in-law, son-in-law, daughter-in-law, grandparent, or
35 grandchild.

- 1 8. "*Independent psilocybin testing laboratory*" means a person
2 that does any of the following:
- 3 *a.* Conducts a chemical or other analysis of psilocybin or a
4 psilocybin product.
- 5 *b.* Acquires, possesses, and transports psilocybin or a
6 psilocybin product with the intent to conduct a chemical or
7 other analysis of the psilocybin or psilocybin product.
- 8 9. "*Independent psilocybin testing laboratory agent*"
9 means an individual who holds a valid psilocybin production
10 establishment agent registration card with a psilocybin testing
11 laboratory designation.
- 12 10. "*Inventory control system*" means a system described in
13 section 124F.2.
- 14 11. "*Licensing board*" means the psilocybin production
15 establishment licensing board created pursuant to section
16 124F.4.
- 17 12. "*Patient*" means an individual for whom a qualified
18 medical psilocybin provider recommends psilocybin.
- 19 13. "*Payment provider*" means an entity that contracts with
20 a psilocybin production establishment to facilitate transfer
21 of funds between the establishment and another business or
22 individual.
- 23 14. "*Psilocybin*" means a fresh mushroom containing
24 psilocybin or psilocin.
- 25 15. "*Psilocybin administration session*" means the time
26 period from when a qualified medical provider administers
27 psilocybin to a patient to the time the patient leaves the
28 qualified therapy provider location.
- 29 16. "*Psilocybin biomass*" means any part of a
30 psilocybin-containing fungus.
- 31 17. "*Psilocybin byproduct*" means any part of a
32 psilocybin-containing mushroom which is not used or intended
33 for sale.
- 34 18. "*Psilocybin cultivation facility*" means a person that
35 possesses psilocybin, grows or intends to grow psilocybin, and

1 sells or intends to sell psilocybin to a qualified therapy
2 provider.

3 19. "*Psilocybin cultivation facility agent*" means
4 an individual who holds a valid psilocybin production
5 establishment agent registration card with a cultivation
6 facility designation.

7 20. "*Psilocybin product*" means any portion of a
8 psilocybin-containing mushroom that has been dried and is
9 intended for oral consumption by a patient.

10 21. "*Psilocybin production establishment*" or "*establishment*"
11 means a psilocybin cultivation facility or an independent
12 psilocybin testing laboratory.

13 22. "*Psilocybin production establishment agent registration*
14 *card*" means a registration card issued by the department that
15 authorizes an individual to act as a psilocybin production
16 establishment agent, and that designates the type of psilocybin
17 production establishment for which an individual is authorized
18 to act as an agent.

19 23. "*Qualified medical psilocybin provider*" means a
20 physician and surgeon or osteopathic physician and surgeon
21 licensed pursuant to chapter 148, a physician assistant
22 licensed pursuant to chapter 148C, an advanced registered
23 nurse practitioner licensed under chapter 152, or an advanced
24 practice registered nurse under chapter 152E, who is registered
25 by the department under section 124F.22 to recommend treatment
26 with psilocybin.

27 24. "*Qualified therapy provider*" means a physician and
28 surgeon or osteopathic physician and surgeon licensed pursuant
29 to chapter 148, a physician assistant licensed pursuant
30 to chapter 148C, an advanced registered nurse practitioner
31 licensed under chapter 152, an advanced practice registered
32 nurse under chapter 152E, a psychologist licensed pursuant
33 to chapter 154B, or a social worker licensed pursuant to
34 chapter 154C who is registered by the department to administer
35 treatment with psilocybin.

1 25. "*Qualified therapy provider agent*" means an individual
2 who holds a valid qualified therapy provider agent registration
3 card.

4 26. "*Qualified therapy provider agent registration card*"
5 means a registration card issued by the department that
6 authorizes an individual to act as a qualified therapy provider
7 agent.

8 27. "*Qualified therapy provider location*" or "*provider*
9 *location*" means a facility with all of the following:

10 a. A single, secure public entrance.

11 b. A security system with a backup power source that detects
12 and records entry and provides notice of an unauthorized entry
13 to law enforcement when the facility is closed.

14 c. A lock or equivalent restrictive security feature on any
15 area where the psilocybin or psilocybin product is stored at
16 the facility.

17 Sec. 3. NEW SECTION. **124F.2 Inventory control system.**

18 1. Each psilocybin production establishment and qualified
19 therapy provider shall maintain an inventory control system
20 that meets all of the requirements of this section.

21 2. An inventory control system shall do all of the
22 following:

23 a. Track, in real time, psilocybin and psilocybin product
24 using a unique identifier from the time psilocybin is ready to
25 be harvested.

26 b. Maintain in real time a record of the amount of
27 psilocybin or psilocybin product in the possession of the
28 establishment or provider.

29 c. Include a video recording system that is tamper proof and
30 does all of the following:

31 (1) Tracks all handling and processing of psilocybin or
32 psilocybin product in the establishment or provider location.

33 (2) Stores each video record for at least forty-five days.

34 3. A psilocybin production establishment or qualified
35 therapy provider shall allow the department, or a financial

1 institution designated by the department, to validate
2 transactions to access the inventory control system at any
3 time.

4 4. The department shall adopt rules pursuant to chapter
5 17A to implement this section, and the rules shall include
6 requirements for aggregate or batch records regarding the
7 planting and propagation of psilocybin before being tracked,
8 and which may include compatibility standards for inventory
9 control systems.

10 Sec. 4. NEW SECTION. 124F.3 Notice to prospective and
11 current public employees.

12 Prior to giving a current employee an assignment or duty that
13 arises from or directly relates to an obligation under this
14 chapter, or hiring a prospective employee whose assignments or
15 duties would include an assignment or duty that arises from or
16 directly relates to an obligation under this chapter, a state
17 employer or a political subdivision employer shall give the
18 employee or prospective employee a written notice that the
19 employee's or prospective employee's job duties may require the
20 employee or prospective employee to engage in conduct which is
21 in violation of the criminal laws of the United States.

22 Sec. 5. NEW SECTION. 124F.4 Psilocybin production
23 establishment licensing board.

24 1. a. There is created within the department the psilocybin
25 production establishment licensing board. The board shall
26 consist of the following members, appointed by the director of
27 the department:

28 (1) One member of the public with knowledge of psilocybin.

29 (2) One member with knowledge and experience in the
30 pharmaceutical or nutraceutical manufacturing industry.

31 (3) One member representing law enforcement.

32 (4) One member who is a chemist or researcher with
33 experience in manufacturing and who is associated with a
34 research university.

35 (5) One member who has a background in fungus or mushroom

1 cultivation and processing.

2 (6) The director or the director's designee, who shall serve
3 as the chairperson of the board and as a nonvoting member,
4 except to cast a deciding vote in the event of a tie.

5 b. A person is ineligible for appointment to the board if
6 any of the following apply:

7 (1) The person has any commercial or ownership interest in a
8 psilocybin production establishment.

9 (2) The person is associated with a business that has an
10 owner, officer, director, or employee whose family member
11 holds a license or has an interest in a psilocybin production
12 establishment.

13 (3) The person is employed or contracted to lobby on behalf
14 of a psilocybin production establishment.

15 c. The director shall ensure that no two members of the
16 board are employed by or represent the same business or
17 nonprofit organization.

18 d. Members of the board shall serve a term of four years,
19 except that initial members of the board shall be appointed
20 for staggered terms such that the director appoints two or
21 three board members every two years. The director shall fill a
22 vacancy on the board for the balance of the unexpired term.

23 e. The director may remove a member of the board for cause,
24 neglect of duty, inefficiency, or malfeasance.

25 f. Members of the board shall serve without compensation but
26 may be reimbursed for actual expenses.

27 2. The board shall meet as called by the chairperson to do
28 all of the following:

29 a. Review each license application for compliance with this
30 chapter and rules adopted by the department.

31 b. Conduct a public hearing to consider a license
32 application.

33 c. Make a determination on a license application.

34 3. The board shall hold a public hearing to review
35 a psilocybin production establishment's license if the

1 establishment changes location or as necessary based on the
2 recommendation of the department.

3 4. The board is not subject to dissolution pursuant to
4 section 4A.5.

5 Sec. 6. NEW SECTION. 124F.5 Psilocybin production
6 establishment — license.

7 1. A person shall not operate a psilocybin production
8 establishment unless the person holds a psilocybin production
9 establishment license issued by the licensing board pursuant to
10 this chapter.

11 2. The department shall adopt rules pursuant to chapter 17A
12 to develop a process for soliciting and evaluating applications
13 for a psilocybin production establishment license.

14 3. An applicant for a psilocybin production establishment
15 license shall submit all of the following:

16 a. (1) The proposed name of the establishment and the
17 address where the establishment will be located, except as
18 provided in subparagraph (2).

19 (2) The board may issue a provisional license to an
20 applicant who submits an application that does not include
21 the address at which the establishment will be located. The
22 department shall convert a provisional license to a license if
23 the provisional licensee submits documentation confirming that
24 the provisional licensee has purchased or leased a location
25 meeting the requirements of subsection 4 and section 124F.15.

26 b. The name and address of any individual who has any of the
27 following:

28 (1) For a privately held company, a financial or voting
29 interest in the proposed psilocybin production establishment.

30 (2) The power to direct the management or control of the
31 proposed psilocybin production establishment.

32 c. An operating plan, approved by the department, that
33 complies with section 124F.8 and any laws that the municipality
34 or county in which the person is located adopts regarding the
35 operation of psilocybin production establishments.

1 *d.* A statement that the applicant will obtain and maintain
2 a performance bond that a surety authorized to transact surety
3 business in this state issues in an amount of at least one
4 hundred thousand dollars for each psilocybin cultivation
5 facility license, or at least fifty thousand dollars for each
6 independent psilocybin testing laboratory license.

7 *e.* An application fee in an amount determined by the
8 department.

9 *f.* A description of any investigatory or adverse action
10 taken by a licensing jurisdiction, government agency, law
11 enforcement agency, or court in any state for any violation
12 or detrimental conduct in relation to any of the applicant's
13 psilocybin-related operations or businesses.

14 4. A psilocybin production establishment shall not be
15 located within one thousand feet of a community location or
16 in or within five hundred feet of an area that is zoned as
17 primarily residential. The board may grant a waiver to reduce
18 the proximity requirements in this subsection by up to twenty
19 percent if the board determines that it is not reasonably
20 feasible for the applicant to site the proposed psilocybin
21 production establishment without the waiver.

22 5. Upon the approval of an application for a license under
23 this section, the applicant shall pay to the department the
24 initial licensing fee, as determined by the department by rule,
25 and the department shall inform the department of public safety
26 of the license approval.

27 6. A psilocybin production establishment may be located
28 at the same location as a medical cannabidiol manufacturer
29 licensed pursuant to section 124E.6 if a separate license is
30 obtained for each.

31 7. If the licensing board receives more than one application
32 for a psilocybin production establishment within the same city
33 or town, the licensing board shall consult with the local
34 land use authority before approving any of the applications
35 pertaining to that city or town.

1 8. The licensing board shall not issue a license to operate
2 an independent psilocybin testing laboratory to any of the
3 following persons:

4 *a.* A person who holds a license or has an ownership interest
5 to operate a psilocybin cultivation facility.

6 *b.* A person who has an owner, officer, director, or employee
7 whose family member holds a license or has an ownership
8 interest in a psilocybin cultivation facility.

9 *c.* A person who has an ownership interest in a psilocybin
10 cultivation facility.

11 9. The licensing board shall not issue a license to operate
12 a psilocybin production establishment to an applicant if an
13 individual described in subsection 3, paragraph "b", has been
14 convicted of a misdemeanor for drug distribution, or convicted
15 of a felony, or is younger than twenty-one years old.

16 10. The licensing board may, at the discretion of the
17 licensing board, grant preference to an applicant who currently
18 holds a medical cannabidiol manufacturer license issued
19 pursuant to section 124E.6.

20 11. The licensing board may revoke a license issued pursuant
21 to this section if any of the following apply:

22 *a.* The psilocybin production establishment does not
23 begin operations within one year after the date on which the
24 licensing board issues the initial license.

25 *b.* An individual psilocybin production establishment
26 operated by the licensee has violated the same provision of
27 this chapter three times.

28 *c.* An individual described in subsection 3, paragraph "b",
29 is convicted of a misdemeanor for drug distribution, or is
30 convicted of a felony.

31 *d.* The licensee fails to cooperate with an investigation
32 of the psilocybin production establishment conducted by the
33 licensing board.

34 *e.* The psilocybin production establishment demonstrates
35 a willful or reckless disregard for the requirements of this

1 chapter or the rules of the department.

2 *f.* The licensing board determines that the psilocybin
3 production establishment no longer meets the minimum standards
4 for licensure and operation of the psilocybin production
5 establishment.

6 *g.* For an independent psilocybin testing laboratory,
7 the independent psilocybin testing laboratory fails to
8 substantially meet the performance standards adopted by the
9 department by rule.

10 12. If the municipality or county where the licensed
11 psilocybin production establishment will be located requires
12 a local land use permit, a person who is issued a psilocybin
13 production establishment license under this chapter shall
14 submit to the licensing board a copy of the licensee's approved
15 land use permit within one hundred twenty days after the date
16 on which the licensing board issues the license.

17 13. The department shall deposit fees imposed under this
18 section into the general fund of the state.

19 14. The department shall begin accepting applications under
20 this chapter on July 1, 2026.

21 15. The licensing board's authority to issue a license under
22 this section shall be plenary and not subject to review.

23 16. The licensing board shall not issue more than four
24 licenses to operate an independent psilocybin testing
25 laboratory.

26 17. The department may operate or partner with a research
27 university to operate an independent psilocybin testing
28 laboratory.

29 18. A psilocybin production establishment license shall not
30 be transferable or assignable.

31 Sec. 7. NEW SECTION. **124F.6 Psilocybin production**
32 **establishment owners and directors — criminal background checks.**

33 1. The division of criminal investigation of the department
34 of public safety shall conduct a thorough investigation of
35 each applicant for a psilocybin production establishment

1 license as in a substantially similar manner as provided in
2 section 124E.19. The division shall report the results of the
3 investigation to the department.

4 2. The department shall collect a fee from the applicant,
5 determined by the department by rule, to cover the costs of the
6 investigation by the division of criminal investigation of the
7 department of public safety. The department shall remit the
8 fee to the division.

9 Sec. 8. NEW SECTION. 124F.7 License renewal.

10 The director of the department shall renew a license issued
11 pursuant to section 124F.5 on an annual basis if all of the
12 following apply:

13 1. The licensee meets all of the requirements for initial
14 licensure.

15 2. The director of the department does not identify a
16 significant failure of compliance with this chapter or grounds
17 for revocation.

18 3. The licensee pays a renewal fee as determined by the
19 department by rule.

20 Sec. 9. NEW SECTION. 124F.8 Operating plan.

21 A person applying for a psilocybin production establishment
22 license or license renewal shall submit to the department for
23 the department's review a proposed operating plan that includes
24 all of the following:

25 1. A description of the physical characteristics of the
26 proposed facility or, for a psilocybin cultivation facility, no
27 more than two facility locations, including a floor plan and an
28 architectural elevation.

29 2. A description of the credentials and experience of
30 each officer, director, and owner of the proposed psilocybin
31 production establishment, and of any highly skilled or
32 experienced prospective employee.

33 3. The psilocybin production establishment's employee
34 training standards.

35 4. A security plan.

1 5. A description of the psilocybin production
2 establishment's inventory control system.

3 6. Storage protocols to ensure that psilocybin is stored in
4 a manner that is sanitary and preserves the integrity of the
5 psilocybin.

6 7. For a psilocybin cultivation facility:

7 a. Psilocybin cultivation practices, including the
8 facility's intended pesticide and fertilizer use.

9 b. Square footage under cultivation and anticipated
10 psilocybin yield.

11 8. For an independent psilocybin testing laboratory:

12 a. Psilocybin and psilocybin product testing capacity.

13 b. Psilocybin and psilocybin product testing equipment.

14 c. Testing methods, standards, practices, and procedures for
15 testing psilocybin or psilocybin product.

16 Sec. 10. NEW SECTION. 124F.9 Psilocybin production
17 establishment agent — registration.

18 1. An individual shall not act as a psilocybin production
19 establishment agent unless the department registers the
20 individual as a psilocybin production establishment agent,
21 regardless of whether the individual is a seasonal, temporary,
22 or permanent employee.

23 2. None of the following individuals shall serve as a
24 psilocybin production establishment agent or have the power
25 to direct or cause the management or control of a psilocybin
26 production establishment:

27 a. An advanced registered nurse practitioner licensed under
28 chapter 152 or an advanced practice registered nurse under
29 chapter 152E.

30 b. An individual licensed under chapter 148 to practice
31 medicine and surgery or osteopathic medicine and surgery.

32 c. A physician assistant licensed under chapter 148C.

33 3. An independent psilocybin testing laboratory agent may
34 not act as a psilocybin cultivation facility agent.

35 4. The department shall, within fifteen business days

1 from the date on which the department receives a complete
2 application from a psilocybin production establishment on
3 behalf of a prospective psilocybin production establishment
4 agent, register and issue a psilocybin production establishment
5 agent registration card to the prospective psilocybin
6 production establishment agent who successfully passes a
7 criminal background investigation as provided in section 124F.6
8 if the psilocybin production establishment does all of the
9 following:

10 *a.* Provides to the department the prospective psilocybin
11 production establishment agent's name and address.

12 *b.* Pays a fee to the department in an amount determined by
13 the department by rule.

14 5. The department shall designate, on an individual's
15 psilocybin production establishment agent registration card,
16 the type of psilocybin production establishment for which the
17 individual is authorized to act as an agent.

18 6. *a.* A psilocybin production establishment agent shall
19 comply with either a certification standard developed by the
20 department by rule, or a certification standard that the
21 department has reviewed and approved.

22 *b.* A certification standard described in paragraph "a" shall
23 include training in all of the following:

24 (1) Iowa medical psilocybin law.

25 (2) For a psilocybin cultivation facility agent, psilocybin
26 cultivation best practices.

27 (3) For an independent psilocybin testing laboratory agent,
28 psilocybin laboratory testing best practices.

29 7. A psilocybin production establishment agent registration
30 card shall expire two years from the date the department issued
31 the card. A psilocybin production establishment agent may
32 renew the agent's registration card if the agent is still
33 eligible to hold a psilocybin production establishment agent
34 registration card and pays a fee determined by the department
35 by rule.

1 8. *a.* A psilocybin production establishment agent shall
2 carry the individual's psilocybin production card with the
3 agent at all times when the agent is on the premises of
4 a psilocybin production establishment where the agent is
5 registered, or when the agent is transporting psilocybin or
6 psilocybin product.

7 *b.* If a psilocybin production establishment agent possesses
8 psilocybin or psilocybin product and produces the registration
9 card while handling or transporting psilocybin or psilocybin
10 product, there is a rebuttable presumption that the agent
11 possesses the psilocybin or psilocybin product legally and
12 a law enforcement officer does not have probable cause,
13 based solely on the agent's possession of the psilocybin or
14 psilocybin product, to believe that the individual is engaging
15 in illegal activity.

16 *c.* A psilocybin production establishment agent who fails to
17 carry the individual's psilocybin production card as required
18 by paragraph "a" is guilty of the following offenses:

19 (1) For a first offense, or second offense within a two-year
20 period, a simple misdemeanor punishable by a fine of one
21 hundred dollars.

22 (2) For a third or subsequent offense within a two-year
23 period, a simple misdemeanor punishable as provided by law.

24 *d.* For each violation of paragraph "c", the department may
25 assess the relevant psilocybin production establishment a fine
26 of up to five thousand dollars.

27 Sec. 11. NEW SECTION. 124F.10 Psilocybin production
28 establishment — general operation requirements.

29 1. A psilocybin production establishment shall operate in
30 accordance with the operating plan submitted by the psilocybin
31 production establishment pursuant to section 124F.8. A
32 psilocybin production establishment shall notify the department
33 prior to implementing a change to the establishment's operating
34 plan. The department shall inform the establishment of any
35 deficiencies in the new operating plan.

1 2. *a.* Except as provided in paragraph “b”, a psilocybin
2 production establishment shall operate in a facility that
3 is accessible only by an individual with a valid psilocybin
4 production establishment agent registration card.

5 *b.* A psilocybin production establishment may authorize
6 an individual who is at least eighteen years of age and who
7 is not a psilocybin production establishment agent to access
8 the psilocybin production establishment if the psilocybin
9 production establishment tracks and monitors the individual at
10 all times while the individual is at the psilocybin production
11 establishment, and maintains a record of the individual’s
12 access, including arrival and departure.

13 3. A psilocybin production establishment shall not employ
14 an individual who is younger than twenty-one years of age or
15 who has been convicted of a misdemeanor for drug distribution,
16 or convicted of a felony.

17 4. A psilocybin production establishment shall operate in a
18 facility that has all of the following:

19 *a.* A single, secure public entrance.

20 *b.* A security system with a backup power source that does
21 all of the following:

22 (1) Detects and records entry into the psilocybin
23 production establishment.

24 (2) Provides notice of an unauthorized entry to law
25 enforcement when the psilocybin production establishment is
26 closed.

27 (3) Secures any area where the psilocybin production
28 establishment stores psilocybin or a psilocybin product.

29 Sec. 12. NEW SECTION. 124F.11 **Inspections.**

30 1. The department may inspect the records and facility of a
31 psilocybin production establishment at any time during business
32 hours to determine if the psilocybin production establishment
33 complies with this chapter.

34 2. An inspection under this section may include all of the
35 following:

1 *a.* Inspection of a site, facility, vehicle, book, record,
2 paper, document, data, and other physical or electronic
3 information.

4 *b.* Questioning of any relevant individual.

5 *c.* Observation of an independent psilocybin testing
6 laboratory's methods, standards, practices, and procedures.

7 *d.* The sampling of a specimen of psilocybin or psilocybin
8 product sufficient for testing purposes.

9 *e.* Inspection of equipment, an instrument, a tool, or
10 machinery, including a container or label.

11 3. In conducting an inspection under this section, the
12 department may review and make copies of a book, record, paper,
13 document, data, or other physical or electrical information,
14 including financial data, sales data, shipping data, pricing
15 data, and employee data.

16 4. The department may impose a fee, or a license or
17 registration suspension or revocation, if a psilocybin
18 production establishment fails to comply with this section.

19 Sec. 13. NEW SECTION. 124F.12 Advertising.

20 1. A psilocybin production establishment shall not
21 advertise to the general public in any medium, except that a
22 psilocybin production establishment may advertise an employment
23 opportunity at the psilocybin production establishment.

24 2. The department shall adopt rules pursuant to chapter 17A
25 for standards relating to advertising by a qualified medical
26 psilocybin provider or qualified therapy provider. The rules
27 shall ensure that advertising by a qualified medical psilocybin
28 provider or qualified therapy provider does not imply that the
29 psilocybin may be used for recreational purposes.

30 Sec. 14. NEW SECTION. 124F.13 Psilocybin transportation.

31 1. No individual other than the following may transport
32 psilocybin or a psilocybin product:

33 *a.* A registered psilocybin production establishment agent.

34 *b.* A qualified therapy provider.

35 *c.* A registered qualified therapy provider agent.

1 *d.* An agent of the department conducting an inspection
2 pursuant to section 124F.11.

3 2. An individual transporting psilocybin or psilocybin
4 product shall be employed by the individual authorizing the
5 transportation and possess a manifest that includes all of the
6 following:

7 *a.* A unique identifier that links the psilocybin or
8 psilocybin product to a relevant inventory control system.

9 *b.* The origin and destination information for any psilocybin
10 or psilocybin product that the person is transporting.

11 *c.* The departure and arrival times of the individual
12 transporting the psilocybin or psilocybin product.

13 3. A registered psilocybin production establishment
14 agent transporting psilocybin or psilocybin product without
15 a manifest as provided in subsection 2 is guilty of a simple
16 misdemeanor punishable by a fine of one hundred dollars.
17 However, if the registered psilocybin production establishment
18 agent is carrying more psilocybin or psilocybin product than is
19 indicated on the manifest, other than a de minimis amount, the
20 registered psilocybin production establishment agent is subject
21 to penalties as provided in chapter 124.

22 4. This section shall not prohibit the department from
23 taking administrative enforcement action against a psilocybin
24 production establishment or another person for failing to make
25 a transport in compliance with this section.

26 Sec. 15. NEW SECTION. 124F.14 Psilocybin — excess and
27 disposal.

28 1. As used in this section, "*psilocybin waste*" means waste
29 and unused material from the cultivation and production of
30 psilocybin or psilocybin product under this chapter.

31 2. A psilocybin production establishment shall do all of the
32 following:

33 *a.* Render psilocybin waste unusable and unrecognizable
34 before transporting it from the psilocybin production
35 establishment.

1 *b.* Dispose of the psilocybin waste in compliance with all
2 applicable state and federal laws.

3 3. A person shall not transport or dispose of psilocybin
4 waste other than as provided in this section.

5 Sec. 16. NEW SECTION. 124F.15 **Psilocybin production**
6 **establishment — local control.**

7 1. A local government shall allow a psilocybin production
8 establishment to operate in any zone designated for industrial
9 use unless the local government has designated by ordinance
10 at least one industrial zone for the operation of psilocybin
11 production establishments before a person submits an
12 application for the establishment of a psilocybin production
13 establishment to the local government.

14 2. A local government shall allow a psilocybin production
15 establishment to operate in any zone designated for
16 agricultural use unless the local government has designated by
17 ordinance at least one agricultural zone for the operation of
18 psilocybin production establishments before a person submits an
19 application for the establishment of a psilocybin production
20 establishment to the local government.

21 3. A psilocybin production establishment may operate on
22 land that a local government has not zoned.

23 4. A local government shall not do any of the following:

24 *a.* Revoke from, or refuse to issue a license or permit to,
25 a psilocybin production establishment on the sole basis that
26 the applicant or psilocybin production establishment violates
27 federal law regarding the legal status of psilocybin.

28 *b.* Require a certain distance between a psilocybin
29 production establishment and another psilocybin production
30 establishment or a retail tobacco store as defined in section
31 142D.2.

32 *c.* Enforce an ordinance against a psilocybin production
33 establishment that was not in effect on the date the psilocybin
34 production establishment submitted a complete application to
35 the local government.

1 Sec. 17. NEW SECTION. 124F.16 Psilocybin cultivation
2 facility — growing and harvesting.

3 1. A psilocybin cultivation facility shall use a unique
4 identifier that is connected to the facility's inventory
5 control system to identify all of the following:

6 a. Each unique harvest of psilocybin.

7 b. Each batch of psilocybin that the facility transfers to
8 an independent psilocybin testing laboratory.

9 c. Any psilocybin waste, as defined in section 124F.14, of
10 which the psilocybin cultivation facility disposes.

11 2. A psilocybin cultivation facility shall identify
12 psilocybin biomass as psilocybin byproduct or psilocybin
13 product before transferring the psilocybin biomass from the
14 facility.

15 3. A psilocybin cultivation facility shall destroy
16 psilocybin cultivation byproduct as provided in section
17 124F.15.

18 Sec. 18. NEW SECTION. 124F.17 Psilocybin cultivation
19 facility — sales.

20 1. A psilocybin cultivation facility shall not sell a
21 product other than a psilocybin product or educational material
22 related to the medical use of psilocybin.

23 2. A psilocybin cultivation facility shall not sell a
24 product to a person other than a qualified therapy provider or
25 a registered agent of a qualified therapy provider.

26 Sec. 19. NEW SECTION. 124F.18 Psilocybin cultivation
27 facility — labeling.

28 1. A psilocybin cultivation facility shall label a
29 psilocybin or psilocybin product with the amount of active
30 psilocybin in the psilocybin or psilocybin product.

31 2. The department may adopt rules pursuant to chapter 17A to
32 establish labeling requirements for a psilocybin product.

33 Sec. 20. NEW SECTION. 124F.19 Independent psilocybin
34 testing laboratory — psilocybin and psilocybin product testing.

35 1. The department shall adopt rules pursuant to chapter 17A

1 to do all of the following:

2 *a.* Identify the adulterant analyses required to be performed
3 on psilocybin or psilocybin product.

4 *b.* Determine the level of each adulterant that is safe for
5 human consumption.

6 *c.* Establish protocols for a recall of psilocybin or
7 psilocybin product by a psilocybin production establishment.

8 2. The department may require an independent psilocybin
9 testing laboratory to test for a toxin if the department
10 receives information indicating the potential presence of a
11 toxin, or the department's inspector has reason to believe a
12 toxin may be present based on the inspection of a facility.

13 3. A psilocybin production establishment may not transfer
14 psilocybin or psilocybin product to a qualified therapy
15 provider until an independent psilocybin testing laboratory
16 tests a representative sample of the psilocybin or psilocybin
17 product as provided by the department by rule.

18 4. Before the sale of a psilocybin product, an independent
19 psilocybin testing laboratory shall identify and quantify the
20 amount of active psilocybin present in the psilocybin product.

21 5. The department shall adopt rules pursuant to chapter
22 17A for standards, methods, practices, and procedures for the
23 testing of psilocybin and psilocybin products by an independent
24 psilocybin laboratory.

25 6. The department may require an independent psilocybin
26 testing laboratory to participate in a proficiency evaluation
27 that the department conducts, or that an organization that the
28 department approves conducts.

29 Sec. 21. NEW SECTION. 124F.20 Independent psilocybin
30 testing laboratory — inspections.

31 1. If an independent psilocybin testing laboratory
32 determines that the results of a laboratory test indicate that
33 a psilocybin or psilocybin product batch may be unsafe for
34 human use:

35 *a.* The independent psilocybin testing laboratory shall

1 report the laboratory test results and the psilocybin or
2 psilocybin product batch to the department and the psilocybin
3 cultivation facility from which the batch originated.

4 *b.* The department shall place a hold on the psilocybin or
5 psilocybin products to conduct a root cause analysis of the
6 defective batch and make a determination as to the root cause.
7 The psilocybin cultivation facility that grew the psilocybin
8 may appeal the determination of the department.

9 2. If the department determines that psilocybin or
10 psilocybin product prepared by a psilocybin cultivation
11 establishment is unsafe for human consumption, the department
12 may seize, embargo, or destroy the psilocybin or psilocybin
13 product batch as provided in section 124F.14.

14 3. If an independent psilocybin testing laboratory
15 determines that the results of a lab test indicate that the
16 active psilocybin content of psilocybin or a psilocybin product
17 batch diverges more than ten percent from the amount the label
18 indicates, the psilocybin cultivation facility shall not sell
19 the psilocybin or psilocybin product batch unless the facility
20 replaces the incorrect label with a label that correctly
21 indicates the active psilocybin content.

22 Sec. 22. NEW SECTION. 124F.21 **Psilocybin electronic**
23 **verification system.**

24 1. The department, in consultation with the department of
25 agriculture and land stewardship and the department of public
26 safety, shall adopt rules pursuant to chapter 17A for the
27 creation and operation of an electronic verification system
28 that, at minimum, does all of the following:

29 *a.* Allows a qualified medical psilocybin provider to access
30 dispensing information regarding a patient of the qualified
31 medical psilocybin provider, electronically recommend or renew
32 a recommendation for psilocybin or a psilocybin product,
33 connect with an inventory control system that a psilocybin
34 production establishment uses to track in real time and archive
35 purchases of any psilocybin or psilocybin product, and connect

1 with an inventory control system that a psilocybin production
2 establishment utilizes.

3 *b.* Allows access by all of the following:

4 (1) The department to the extent necessary to carry out the
5 department's functions and responsibilities.

6 (2) The department of inspections, appeals, and licensing
7 to carry out the functions and responsibilities related to
8 the participation of qualified medical psilocybin providers
9 and qualified therapy providers in the recommendation and
10 administration of psilocybin.

11 *c.* Creates a record each time a person accesses the system
12 that identifies the person who accessed the system and the
13 individual whose records the person accessed.

14 *d.* Keeps a current record of the total number of individuals
15 who have a psilocybin recommendation issued pursuant to section
16 124F.23.

17 2. The department may release limited data from the
18 electronic verification system for the purposes of conducting
19 research, issuing required reports, or for other official
20 department purposes.

21 3. *a.* A person who knowingly and intentionally releases any
22 information from the state electronic verification system in
23 violation of this section is guilty of a class "D" felony.

24 *b.* A person who negligently or recklessly releases any
25 information from the state electronic verification system in
26 violation of this section is guilty of a serious misdemeanor.

27 4. *a.* A person who obtains or attempts to obtain
28 information from the state electronic verification system by
29 misrepresentation or fraud is guilty of a class "D" felony.

30 *b.* A person who obtains or attempts to obtain information
31 from the state electronic verification system for a purpose
32 other than a purpose authorized in this chapter is guilty of a
33 class "D" felony.

34 5. *a.* Except as provided in paragraph "b", a person who
35 knowingly and intentionally uses, releases, publishes, or

1 otherwise makes available to any other person information
2 obtained from the state electronic verification system for
3 any purpose other than a purpose specified in this section is
4 guilty of a class "D" felony.

5 **b.** This subsection shall not prohibit a person who
6 rightfully obtains information from the state electronic
7 verification system from including the information in
8 the person's medical chart or file for access by a person
9 authorized to review the medical chart or file, providing the
10 information to a person in accordance with the requirements of
11 the federal Health Insurance Portability and Accountability Act
12 of 1996, Pub. L. No. 104-191, or discussing or sharing that
13 information about the patient with the patient.

14 Sec. 23. NEW SECTION. **124F.22 Qualified medical psilocybin**
15 **provider registration — continuing education — treatment**
16 **recommendation.**

17 1. An individual shall not recommend a medical psilocybin
18 treatment unless the department registers the individual as a
19 qualified medical psilocybin provider under this section.

20 2. The department shall, within fifteen days after the date
21 the department receives an application from an individual,
22 register and issue a qualified medical psilocybin provider
23 registration card to the individual if the individual does all
24 of the following:

25 **a.** Provides to the department the individual's name and
26 address.

27 **b.** Provides to the department a report detailing the
28 individual's completion of the applicable continuing education
29 requirements described in subsection 3.

30 **c.** Provides to the department evidence that the individual
31 holds a license that qualifies the individual as a qualified
32 medical psilocybin provider.

33 **d.** Pays an application fee as determined by the department
34 by rule.

35 **e.** For an applicant on or after January 1, 2026, provides

1 the information required by subsection 9.

2 3. *a.* An individual applying for initial registration
3 or renewal of a registration shall complete a continuing
4 education program as determined by the department by rule. The
5 continuing education program shall be offered by the department
6 or a continuing education provider approved by the department.
7 The continuing education program shall address all of the
8 following:

9 (1) This chapter.

10 (2) General information about psilocybin under federal and
11 state law.

12 (3) The latest scientific research on medical psilocybin,
13 including risks and benefits.

14 (4) Best practices for recommending the form and dosage of
15 psilocybin.

16 (5) Systems and receptors affected by psilocybin.

17 (6) Mechanisms of action.

18 (7) Drug interactions.

19 (8) Diagnostic criteria.

20 (9) Contraindications.

21 (10) Side effects and mitigation of side effects.

22 (11) Administrative set and setting, including physical
23 patient safety.

24 (12) Integration.

25 (13) Potential outcomes.

26 (14) Ethical considerations.

27 (15) Discharge safety planning.

28 *b.* An applicant for initial registration shall complete
29 sixteen hours of continuing education. A qualified medical
30 psilocybin provider shall complete four hours of continuing
31 education every two years.

32 4. A qualified medical psilocybin provider shall not
33 recommend psilocybin to a patient, or renew a recommendation
34 for psilocybin, unless the qualified medical psilocybin
35 provider has done all of the following:

1 *a.* Completed and documented in the patient's medical record
2 a thorough assessment of the patient's condition and medical
3 history based on the appropriate standard of care.

4 *b.* Verified that the patient is at least twenty-one years
5 old.

6 *c.* Met with the patient face to face if the qualified
7 medical psilocybin provider has not recommended a psilocybin
8 treatment to the patient in the past.

9 5. *a.* Except as provided in paragraph "b", an individual
10 shall not advertise that the individual recommends medical
11 psilocybin treatment.

12 *b.* A qualified medical psilocybin provider, or a clinic or
13 office that employs a qualified medical psilocybin provider,
14 may advertise the following:

15 (1) The provider's or clinic's name and logo.

16 (2) That the individual is registered as a qualified medical
17 psilocybin provider and recommends medical psilocybin.

18 (3) A scientific study regarding medical psilocybin use.

19 6. *a.* A qualified medical psilocybin provider registration
20 card shall expire two years from the date the department issued
21 the card.

22 *b.* The department shall adopt rules pursuant to chapter 17A
23 for the renewal of a medical psilocybin provider registration
24 card.

25 7. The department may revoke a medical psilocybin provider
26 registration card if a qualified medical psilocybin provider
27 fails to maintain compliance with this section.

28 8. A qualified medical psilocybin provider shall not
29 receive any compensation or benefit for the qualified
30 medical psilocybin provider's medical psilocybin treatment
31 recommendation from a psilocybin production establishment or an
32 owner, officer, director, board member, employee, or agent of a
33 psilocybin production establishment.

34 9. On or before January 1 of each year, a qualified medical
35 provider shall report to the department all of the following:

1 a. That the qualified medical psilocybin provider, or the
2 entity that employs the qualified medical psilocybin provider,
3 represents online or in printed material that the qualified
4 medical psilocybin provider is a qualified medical psilocybin
5 provider or offers medical psilocybin recommendations to
6 patients, if applicable.

7 b. The fee amount that the qualified medical psilocybin
8 provider, or the entity that employs the qualified medical
9 psilocybin provider, charges a patient for a medical psilocybin
10 recommendation, either as an actual cash rate or, if the
11 psilocybin provider or entity bills insurance, an average cash
12 rate.

13 Sec. 24. NEW SECTION. 124F.23 Standard of care — provider
14 not liable — no private right of action.

15 1. A qualified medical psilocybin provider or a qualified
16 therapy provider who recommends or administers psilocybin in
17 compliance with this chapter shall not be subject to a civil or
18 criminal penalty, or license discipline, solely for violating
19 a federal law or regulation that prohibits recommending,
20 prescribing, possessing, or dispensing psilocybin or a
21 psilocybin product.

22 2. This chapter shall not be construed to reduce or
23 negate the duty of a qualified medical psilocybin provider or
24 qualified therapy provider to use reasonable and ordinary care
25 in the treatment of a patient.

26 Sec. 25. NEW SECTION. 124F.24 Nondiscrimination for use
27 of psilocybin.

28 1. For purposes of medical care, including an organ or
29 tissue transplant, a patient's use of psilocybin as provided in
30 this chapter is the equivalent of authorized use of any other
31 medication used at the discretion of a physician, and does
32 not constitute the use of an illicit substance or otherwise
33 disqualify an individual from needed medical care.

34 2. a. Except as provided in paragraph "b", the state or a
35 political subdivision of the state shall treat an employee's

1 use of medical psilocybin as provided in this chapter in
 2 the same way the state or political subdivision treats an
 3 employee's use of any prescribed controlled substance, and an
 4 employee's medical psilocybin recommendation from a qualified
 5 medical psilocybin provider in the same way the state or
 6 political subdivision treats an employee's prescription for any
 7 prescribed controlled substance.

8 *b.* A state or political subdivision employee who has a valid
 9 medical psilocybin registration shall not be subject to adverse
 10 action for failing a drug test due to psilocybin or psilocin
 11 without evidence that the employee was impaired or otherwise
 12 adversely affected in the employee's job performance due to the
 13 use of medical psilocybin. This paragraph shall not apply in
 14 any of the following circumstances:

15 (1) The employee's use of psilocybin jeopardizes federal
 16 funding, a federal security clearance, or any other federal
 17 background determination required for the employee's position.

18 (2) The employee's position is dependent on a license
 19 or peace officer certification that is subject to federal
 20 regulations, including 18 U.S.C. §922(g)(3).

21 (3) An employee who uses medical psilocybin during the
 22 twelve hours immediately preceding the employee's shift or
 23 during the employee's shift.

24 3. An agency of this state or a political subdivision
 25 thereof, including any law enforcement agency, shall not
 26 remove or initiate proceedings to remove a child under the age
 27 of eighteen from the home of a parent based solely upon the
 28 parent's possession or use of psilocybin as authorized under
 29 this chapter.

30 Sec. 26. NEW SECTION. 124F.25 Insurance — coverage
 31 requirement.

32 This chapter shall not be construed to require an insurer,
 33 a third-party administrator, or an employer to pay for or
 34 reimburse an employee for psilocybin or psilocybin product.

35 Sec. 27. NEW SECTION. 124F.26 Approved drugs.

1 This chapter shall not be construed to restrict or otherwise
2 affect the prescription, distribution, or dispensing of a
3 product that the United States food and drug administration has
4 approved.

5 Sec. 28. NEW SECTION. 124F.27 **Qualified therapy**
6 **provider registration — continuing education — psilocybin**
7 **administration.**

8 1. An individual shall not administer a medical psilocybin
9 treatment unless the department registers the individual as
10 a qualified medical psilocybin therapist as provided in this
11 section.

12 2. The department shall, within fifteen days after the date
13 the department receives an application from an individual,
14 register and issue a qualified medical psilocybin therapist
15 registration card to the individual if the individual does all
16 of the following:

17 *a.* Provides to the department the individual's name and
18 address.

19 *b.* Provides to the department the address of the clinic
20 at which the individual will be administering psilocybin to
21 patients.

22 *c.* Provides to the department a report detailing the
23 individual's completion of the applicable continuing education
24 requirements described in subsection 3.

25 *d.* Certifies to the department that the individual has
26 installed and maintains an inventory control system.

27 *e.* Provides to the department evidence that the individual
28 holds a license that qualifies the individual as a qualified
29 medical psilocybin provider.

30 *f.* Pays an application fee as determined by the department
31 by rule.

32 *g.* Provides to the department an emergency transport plan
33 for patients who experience a medical emergency during the
34 course of treatment.

35 3. *a.* An individual applying for initial registration

1 or renewal of a registration shall complete a continuing
2 education program as determined by the department by rule. The
3 continuing education program shall be offered by the department
4 or a continuing education provider approved by the department.
5 The continuing education program shall address all of the
6 following:

7 (1) This chapter.

8 (2) General information about psilocybin under federal and
9 state law.

10 (3) The latest scientific research on medical psilocybin,
11 including risks and benefits.

12 (4) Best practices for recommending the form and dosage of
13 psilocybin.

14 (5) Systems and receptors affected by psilocybin.

15 (6) Mechanisms of action.

16 (7) Drug interactions.

17 (8) Diagnostic criteria.

18 (9) Contraindications.

19 (10) Side effects and mitigation of side effects.

20 (11) Administrative set and setting, including physical
21 patient safety.

22 (12) Integration.

23 (13) Potential outcomes.

24 (14) Ethical considerations.

25 (15) Discharge safety planning.

26 *b.* An applicant for initial registration shall complete
27 eighty hours of continuing education. A qualified therapy
28 provider shall complete four hours of continuing education
29 every two years.

30 4. A qualified therapy provider shall only administer
31 psilocybin to a patient when all of the following requirements
32 are met:

33 *a.* The patient has a recommendation issued by a qualified
34 medical psilocybin provider.

35 *b.* The qualified medical therapy provider has obtained and

1 reviewed the patient's mental health history.

2 *c.* The qualified therapy provider has provided the patient
3 with a safety data sheet created by the department which
4 outlines the potential risks of psilocybin use.

5 *d.* There are unexpired rescue medications on site, as
6 determined by the department by rule.

7 *e.* The administration session is video-recorded and the
8 video recording is preserved for one year from the date of the
9 session, or the patient gives written, informed consent waiving
10 the video-recording requirement.

11 *f.* The qualified therapy provider has a contractual
12 relationship with a licensed physician and surgeon or
13 osteopathic physician and surgeon who remains on call during
14 the course of the administration session in case the patient
15 requires nonemergency medical intervention.

16 5. A qualified therapy provider shall only administer
17 psilocybin or a psilocybin product in a qualified therapy
18 provider location.

19 6. *a.* Except as provided in paragraph "b", an individual
20 shall not advertise that the individual administers medical
21 psilocybin treatment.

22 *b.* A qualified therapy provider or clinic or office
23 that employs a qualified therapy provider may advertise the
24 following:

25 (1) The provider's or clinic's name and logo.

26 (2) That the individual is registered as a qualified therapy
27 provider and administers medical psilocybin.

28 (3) A scientific study regarding medical psilocybin use.

29 7. *a.* A qualified therapy provider registration card
30 expires two years from the date the department issues the card.

31 *b.* The department shall adopt rules pursuant to chapter 17A
32 for the renewal of a qualified therapy provider registration
33 card.

34 8. Within seven days of the date on which an adverse event
35 occurs, a qualified therapy provider shall submit to the

1 department a report containing all of the following:

- 2 *a.* The age and sex of the patient.
- 3 *b.* The patient's preexisting health conditions, if any.
- 4 *c.* The amount of psilocybin administered to the patient.
- 5 *d.* Factors which contributed to the adverse event.
- 6 *e.* The nature and severity of the adverse event.
- 7 *f.* The ultimate outcome of the adverse event.

8 9. The department may revoke a qualified therapy provider
9 registration card if a qualified therapy provider fails to
10 maintain compliance with this section.

11 Sec. 29. NEW SECTION. 124F.28 Qualified therapy provider
12 agent — registration.

13 1. An individual shall not act as a qualified therapy
14 provider agent unless the department registers the individual
15 as a qualified therapy provider agent, regardless of whether
16 the individual is a seasonal, temporary, or permanent employee.

17 2. The department shall, within fifteen business days
18 after the date the department receives a complete application
19 from a qualified therapy provider agent, register and issue
20 a qualified therapy provider agent registration card to the
21 prospective agent who successfully passes a criminal background
22 investigation as provided in section 124F.6 if the prospective
23 agent does all of the following:

24 *a.* Provides to the department the prospective agent's name
25 and address.

26 *b.* Pays a fee to the department in an amount determined by
27 the department by rule.

28 3. *a.* A qualified therapy provider agent shall comply with
29 either a certification standard developed by the department
30 by rule, or a certification standard that the department has
31 reviewed and approved.

32 *b.* A certification standard described in paragraph "a" shall
33 include training in Iowa medical psilocybin law.

34 4. A qualified therapy provider agent registration card
35 shall expire two years from the date the department issued the

1 card. A qualified therapy provider agent may renew the agent's
2 registration card if the agent is still eligible to hold a
3 qualified therapy provider agent registration card and pays a
4 fee determined by the department by rule.

5 5. *a.* A qualified therapy provider agent shall carry the
6 individual's qualified therapy provider agent card with the
7 agent at all times when the agent is handling psilocybin or
8 psilocybin product.

9 *b.* If a qualified therapy provider agent possesses
10 psilocybin or psilocybin product and produces the registration
11 card in the agent's possession, there is a rebuttable
12 presumption that the agent possesses the psilocybin or
13 psilocybin product legally and a law enforcement officer does
14 not have probable cause, based solely on the agent's possession
15 of the psilocybin or psilocybin product, to believe that the
16 individual is engaging in illegal activity.

17 *c.* A qualified therapy provider agent who fails to carry
18 the individual's qualified therapy provider agent card with the
19 agent as required by paragraph "a" is guilty of the following
20 offenses:

21 (1) For a first offense, or a second offense within a
22 two-year period, a simple misdemeanor punishable by a fine of
23 one hundred dollars.

24 (2) For a third offense, or a subsequent offense within a
25 two-year period, a simple misdemeanor.

26 *d.* For each violation of paragraph "c", the department may
27 assess the relevant qualified therapy provider a fine of up to
28 two thousand five hundred dollars.

29 Sec. 30. NEW SECTION. 124F.29 Reports.

30 1. *a.* On or before November 1, 2025, and by November 1 of
31 each year thereafter, the department shall submit a report to
32 the general assembly including all of the following:

33 (1) The number of patients for whom psilocybin has been
34 recommended.

35 (2) The age and county of patients.

1 (3) The number of qualified medical psilocybin providers.

2 (4) The number of license applications and renewal
3 applications received.

4 (5) The number of licenses the department has issued in each
5 county.

6 (6) The number of licenses the department has revoked.

7 (7) The expenses incurred and revenues generated from the
8 medical psilocybin program.

9 (8) The number and nature of adverse events reported.

10 b. The department shall not include personally identifying
11 information in the report submitted pursuant to paragraph "a".

12 2. The department shall submit a report to the general
13 assembly regarding the efficacy of medical psilocybin,
14 including recommendations, by June 1, 2028.

15 Sec. 31. NEW SECTION. 124F.30 **Enforcement.**

16 1. If a person that is licensed or registered under this
17 chapter violates a provision of this chapter or rules adopted
18 by the department pursuant to this chapter, or fails to
19 comply with an enforcement action taken under this chapter,
20 the department may do any of the following, subject to the
21 requirements of this section:

22 a. Revoke the person's license or registration card.

23 b. Decline to renew the person's license or registration
24 card.

25 c. Assess an administrative fee, as determined by the
26 department by rule.

27 2. If the department finds that a person produced a
28 psilocybin or psilocybin product batch that contains a
29 substance, other than active psilocybin, that poses a
30 significant threat to human health the department shall do all
31 of the following:

32 a. Issue the person a written administrative citation.

33 b. Attempt to negotiate a stipulated settlement.

34 c. Seize, embargo, or destroy the psilocybin or psilocybin
35 product batch.

1 *d.* Order the person to cease and desist from the action that
2 creates a violation.

3 3. The department may, for a person subject to an
4 uncontested citation, a stipulated settlement, or a finding of
5 a violation in an adjudicative proceeding under this section,
6 if a fine is not already specified by law, assess a person who
7 is not an individual a fine of up to five thousand dollars per
8 violation.

9 4. The department shall not revoke a license or registration
10 issued under this chapter without first conducting a contested
11 case proceeding pursuant to chapter 17A.

12 5. Except where a criminal penalty is expressly provided for
13 a specific violation of this chapter, the following criminal
14 penalties apply:

15 *a.* Except as provided in paragraph "*b*", an individual who
16 violates a provision of this chapter is guilty of a simple
17 misdemeanor punishable by a fine of one hundred dollars.

18 *b.* An individual who intentionally or knowingly violates
19 a provision of this chapter, or violates a provision of this
20 chapter three or more times, is guilty of a serious misdemeanor
21 punishable by a fine of one thousand dollars.

22 Sec. 32. NEW SECTION. 124F.31 **Psilocybin and psilocybin**
23 **products — consumable goods — rules.**

24 The department shall adopt rules pursuant to chapter 17A
25 to allow for the production and sale of consumable goods
26 containing psilocybin and psilocybin product.

27 Sec. 33. NEW SECTION. 124F.32 **Contracts enforceable.**

28 It is the public policy of this state that contracts related
29 to the production, sale, and administration of psilocybin
30 pursuant to this chapter shall be enforceable. It is the
31 public policy of this state that no contract entered into
32 by a psilocybin production establishment, qualified medical
33 psilocybin provider, or qualified therapy provider, or
34 its employees or agents as permitted pursuant to a valid
35 registration, or by an entity who allows property to be used

1 by an establishment, qualified medical psilocybin provider,
2 or qualified therapy provider, its employees, or its agents
3 as permitted pursuant to a valid registration, shall be
4 unenforceable on the basis that cultivating, obtaining,
5 manufacturing, distributing, dispensing, transporting, selling,
6 possessing, or using psilocybin is prohibited by federal law.

7 Sec. 34. PSYCHEDELIC COMPOUNDS — STUDY. The department
8 of health and human services shall conduct a study regarding
9 the use of psychedelic compounds other than psilocybin in the
10 treatment of medical conditions. The department shall submit
11 a report to the general assembly, including the department's
12 findings and recommendations, by January 1, 2026.