



**TO: MAYOR AND TOWN COUNCIL**  
**FROM: THAD W. RENAUD, TOWN ATTORNEY**  
**RE: TOWN REGULATORY IMPLICATIONS OF COLORADO'S NATURAL MEDICINE HEALTH ACT OF 2022**  
**DATE: JULY 23, 2024**

### **Summary Statement:**

Pursuant to the Natural Medicine Health Act of 2022 (hereinafter the "Act," a copy of which is attached), in the coming months the State of Colorado will adopt rules concerning the licensure and operation of "healing centers" at which individuals may receive "natural medicine services" that include the guided administration of various types of "natural medicine" (to include only psilocybin – often referred to as "magic mushrooms" - until at least June, 2026).

Under the Act, municipalities are granted authority to regulate the time, place and manner of the operation of healing centers, but may not prohibit their operation entirely, nor prohibit the provision of natural medicine services if a facility or individual has been permitted by the state to provide such services.

The purpose of this memorandum is to provide a more detailed discussion of the purposes and effects of the Act, in order that the Council may consider what regulations, if any, should be adopted to further regulate activities under the Act.

### **Discussion:**

The intent and effect of the Act is to decriminalize the use and possession (but not the sale, except in the context of a healing center) of certain "natural medicine" (defined at section 12-170-103(h) of the Act), and to adopt a medical model for those substances that recognizes both the emerging science on the efficacy of the medical use of such substances when combined with therapy, as well as the cultural significance of the substances to some groups of people.

Under the Act, it will be lawful for a "facilitator" that has been licensed by the state to provide, within a licensed "healing center," an "administration session" at which an individual may purchase, consume and experience the effects of a natural medicine. The Act requires that regulations are to be prepared and enforced by the state to include requirements for a "preparation session" prior to an "administration session," and that the "administration session" be followed by an "integration session." The Act also provides that the state regulations "shall

include” rules that “allow for locations not owned by a healing center where natural medicine services may be provided by licensed facilitators, including but not limited to, health care facilities and private residences.” These various regulations are now being prepared by the state, and must be in place by September 30, 2024. Thereafter, the state is to begin accepting applications for healing center licenses and must act on an application within 60 days of its receipt.

Under the Act, it is also lawful for an individual:

1. to possess, store, use, purchase, transport or give away natural medicine for personal use without compensation to a person twenty-one years of age or older; and
2. to grow or process natural medicine for personal use if the growing is done in or on the grounds of a private residence and the growing area is secured from access from persons under twenty-one years of age.

As noted above, except in the context of a sale within a healing center for the purposes of an administration session (or a sale to a healing center or facilitator by a natural medicine grower or manufacturer), the sale of natural medicine remains unlawful under the Act and related state laws.

As also noted above, the Act grants Colorado municipalities limited regulatory authority over natural medicine uses. The Town may regulate the time, place and manner of the operation of healing centers licensed by the state, but may not prohibit the uses entirely. The Town may not prohibit licensed health care facilities or individuals from providing natural medicine services within the Town, nor may it prohibit the transportation of natural medicine on public roads within the Town. Finally, according to the Act, the Town may not impose regulations that are “unreasonable or in conflict with the [Act].”

Under these provisions of state law, the Town could adopt zoning restrictions that specifically address natural medicine uses by:

1. limiting the location of various uses (whether by zone district, by distance limitations from other uses, or both);
2. limiting the times of day during which such uses could operate; and/or
3. by imposing other limitations on operation (that are not inconsistent with state law) to address potential adverse impacts of such uses on adjacent property or the community.

These regulations could be very detailed, or as simple as a rules that do little more than establish “healing center” uses as medical office uses already addressed by the Towns Code, and growing, product manufacturing, and testing uses as light industrial uses already addressed in the code.

Town staff members need guidance on the extent of regulations that are desired (if any) to regulate the operation of healing centers and related uses within the Town beyond the

regulations that currently exist under state law, or that are in the process of adoption by regulations of the state.

**Recommendation:**

On that basis, it is my

**RECOMMENDATION:**

that the Town Council consider the matter discussed above, and provide guidance to Town staff concerning the scope of any regulation of natural medicine that it desires to consider in the future.