



Oregon
Psilocybin
Fall Business
Forum

October 19, 2022

**Summary of
Questions and Answers**

From State Agency Partners and Presenters

Oregon Psilocybin Fall Business Forum

Summary of Questions and Answers

The Oregon Psilocybin Fall Business Forum was hosted by the Oregon Office of Small Business Assistance (OSBA) and the Oregon Psilocybin Services (OPS) section. This virtual event included 6 sessions that featured guest speakers with time for participants to ask questions. All sessions were recorded and can be found on the [OPS Fall Business Forum](#) webpage in English, Spanish and American Sign Language (ASL).

Questions across the sessions have been compiled and summarized into this “Summary of Questions and Answers” document. Answers have been provided by the presenters.

Please keep in mind that this event occurred before the rules related to Oregon Psilocybin Services have been finalized. Proposed rules will be available for public comment on November 1, 2022, and OPS will be accepting public comment through November 21, 2022. Please refer to the [OPS Administrative Rules](#) webpage for more information on the rulemaking process.

Thank you to all who participated!



Oregon Psilocybin Fall Business Forum

Questions and Answers: Table of Contents

#1: Welcome: Oregon Psilocybin Services + Oregon Secretary of State’s Office of Small Business Assistance4

#2: Local Ordinances, Land Use, and Taxes8

#3: Resources for New Employers12

#4: Updates on Training Programs, Background Checks and HECC Licensure14

#5: Psilocybin Product Regulations and Testing18

#6: Lessons Learned in the Cannabis Industry22



Oregon Psilocybin Fall Business Forum

SESSION #1: Welcome from the Oregon Psilocybin Services Section and the Oregon Secretary of State's Office of Small Business Assistance

SPEAKERS:

Angie Allbee, Section Manager, Oregon Psilocybin Services Section, Oregon Health Authority

Greg McAllister, Small Business Ombudsman, Office of Small Business Assistance, Oregon Secretary of State

QUESTIONS:

What are the four (4) license types?

The four license types are:

- [Facilitator License](#)
- [Manufacturer License](#)
- [Laboratory Testing License](#)
- [Service Center Operator License](#)

To learn about the four license types, please click the links above and refer to our fact sheet:

- [Fact Sheet \(English\)](#)
- [Lista de datos \(español\)](#)
- [Fact Sheet \(ASL\)](#)

What are “worker permits” and who are they for? What is the cost of a worker permit?

Worker permits are described in [ORS 475A](#), section 480. Anyone conducting work on behalf of a licensed service center and/or licensed manufacturer must have an Oregon Psilocybin Services Worker Permit. Details related to how workers can assist licensees are still being developed in rules.

The proposed cost of a worker permit in the draft rules is currently \$25 and has a term of five years. Anyone applying for a worker permit must undergo a criminal background check. Please see the recording of the Fall Business Forum [presentation on background checks](#), to learn more about the background check process.

When will the license applications be available, reviewed, and when will determinations be made?

Oregon Psilocybin Services (OPS) will begin accepting applications for licensure on January 2, 2023. The OPS team has been working to develop an online application portal, the Training program, Licensing, and Compliance (TLC) system. As we get closer to January 2, we will have more instructions on how to apply and we will have a guide available to assist applicants.

The turn-around time for license applications depends upon the volume of applicants and program capacity, so we are not able to say when determinations will be made. The OPS team will work to respond to applicants in a timely manner.

Have the license fees been established? And will these be annual fees?

We are currently in the rulemaking process. Proposed annual license fees are in the September draft rules. These proposed fees were discussed during the September Rules Advisory Committees (RACs). The next version of draft rules will be available for public comment on November 1, 2022. The public comment period will be open from November 1 to November 22, 2022. For more information about the upcoming public comment period, please refer to the [OPS Administrative Rules](#) webpage.

The proposed license fees are part of the state agency budgeting processes and must follow the fee-based structure set forth in [ORS 475A](#). The fee-based structure means that license fees must cover the cost of administering the section’s work. OPS must create sustainability without reliance on state funds to operate and demonstrate this sustainability through the state agency budgeting process for future biennia.

The annual license fees that have been proposed for the four license types include the following:

- Facilitators (\$2,000)
- Service Centers (\$10,000)
- Testing Labs (\$10,000)
- Manufacturers (\$10,000)

There is also a proposal for a reduced fee for qualifying applicants. The details can be found in the [draft rules for September RACs](#) in the section entitled “License Fees (333-333-4060)”.

Will license fees be pro-rated since training programs will not be completed until April?

License fees will not be pro-rated.

Do the preparation sessions need to be with a licensed facilitator?

Yes. Under [ORS 475A](#), before clients can consume psilocybin in an administration session, they are required to participate in a preparation session with a licensed facilitator. Facilitation of administration sessions must be provided in-person at a licensed service center.

Can I apply for a facilitators license before I complete a training program?

No. We recommend that you do not start the application process until license requirements are completed. You must have a certificate of completion from a training program with curriculum approved by OHA, before OPS will grant a facilitators license.

Are there scholarships available to attend facilitator training programs?

Under ORS 475A, there are no funds available to subsidize the costs of facilitator training programs, license fees, or the costs of products or services for clients. Other entities outside of OHA, such as philanthropic organizations or specific training programs, may choose to offer scholarships for facilitator training.

Do facilitators also need to go through the Higher Education Coordinating Commission (HECC) process?

No. The HECC process only applies to psilocybin facilitator training programs. If you are interested in establishing a training program that meets Oregon Psilocybin Services requirements, please go to the [OPS Training Program](#) webpage for more details.

Can I apply for a service center operator license before having licensed facilitators?

Yes. Please keep in mind that the service center and manufacturer license applications are more complex than facilitator license applications. There are a number of requirements in statute, including the need for a [Land Use Compatibility Statement \(LUCS\)](#), as well as a site inspection for proposed licensed premises. We recommend that you do not start the application process until license requirements are completed.

Is there a distinction between manufacturers and processors?

Whether you plan to cultivate *psilocybe cubensis* mushrooms or process psilocybin products, such as extracts or edibles, you will need a [Manufacturer License](#). When you apply for a

manufacturer license you will need to indicate which endorsement(s) you are requesting: (a) fungi cultivation, (b) psilocybin extraction; and/or (c) edible psilocybin production.

A licensed manufacturer may hold multiple endorsements. Only one application and license fee are required for a manufacturer license regardless of how many endorsements are applied for. Details related to manufacturer endorsements can be found in the [OPS rules adopted in May 2022](#).

Will there be a veteran advocate for veterans looking for psilocybin services and treatment?

We are not aware of a specific veteran advocate working with community members. The Oregon Psilocybin Services team works closely with community partners to provide information to the public. If you have ideas for how we can work together to raise public awareness and engage with veterans or underrepresented communities, please email us at:

OHA.Psilocybin@odhsoha.oregon.gov.

Oregon Psilocybin Fall Business Forum

SESSION #2: Local Ordinances, Land Use, and Taxes

SPEAKERS:

Kelvin Adkins-Heljeson, Operations and Policy Analyst, Oregon Department of Revenue
Trevor Leahy, Small Business Ombudsman, Office of Small Business Assistance, Oregon Secretary of State
Jesse Sweet, Policy Analyst, Oregon Psilocybin Services Section, Oregon Health Authority

QUESTIONS:

What are the zoning requirements for the different licenses?

Allowable zones for manufacturers and service centers are determined by local governments (cities or counties). We encourage anyone interested in being licensed as a manufacturer or service center to work closely with their local jurisdictions to understand local zoning requirements. Cities and counties will provide that determination via the [Land Use Compatibility Statement \(LUCS\)](#) process.

Additional requirements for licensed manufacturers and service centers include:

- Manufacturers and service centers cannot be located on public state or federal lands.
- Manufacturers and service centers cannot be located on primary residences.
- If a service center is proposed within an incorporated city or town, it cannot be located on land that is zoned for “exclusive residential use”.
- If a service center is proposed to be in an unincorporated/county area, it can be on land zoned for exclusive residential use. However, the proposed service center footprint cannot overlap with a place of residence.
- If the applicant is not the owner of the premises at which the psilocybin is to be manufactured, the applicant shall submit to the authority signed informed consent from the owner of the premises to manufacture psilocybin at the premises.

It is up to each local city and county to determine whether the proposed site for a service center or manufacturer meets zoning requirements.

Separate from this process, the statute also requires that a service center be at least 1000 feet distance from a school.

Are there regulations on how many facilities are in any one area?

No. OPS does not have the authority to limit the number of licenses issued for any of the four license types. However, local governments may adopt ordinances to prohibit manufacturers or service centers from operating in their local jurisdictions. These ordinances must be referred to voters at the next statewide general election. It is important to know which cities or counties these prohibitions are. Ordinances that have been adopted by local governments can be found on the [Oregon Secretary of State Local Measures Search](#) website. Use the following search terms to locate local measures related to psilocybin: "2022" for Year, "2022 General Election" for Election, and "Psilocybin" for Ballot Title Caption.

Does the LUCS need to be completed before the application?

Yes. A completed [Land Use Compatibility Statement \(LUCS\)](#) is required as part of the application for a service center operator license and a manufacturer license. We recommend that you do not start the application process until license requirements are completed.

If your service center is outside city limits, do you still need a LUCS?

Yes. All service center operator license applicants need to provide a [Land Use Compatibility Statement \(LUCS\)](#). Whether you are within or outside of city limits, you will work with the city or county to complete a LUCS.

Do we have to have a lease secured before applying for a license? If so, how will a building owner be comfortable signing a lease with a business not yet licensed?

Oregon Psilocybin Services is currently in the rulemaking process. While current proposed rules do not require that a lease must be submitted with an application, it is important to understand the final rules that are adopted by December 31, 2022. If the applicant for a manufacturer license is not the owner of the premises at which the psilocybin is to be manufactured, the applicant must submit a signed informed consent from the owner of the premises. More details may be found in final rules. For both service center and manufacturer license application processes, the proposed licensed premises will be inspected during a site visit and cannot be changed without an official notification of change and payment of any applicable change fees.

Does OSBA have a list of accountants and attorneys who specialize in psilocybin and/or cannabis businesses?

OSBA cannot refer people to for-profit companies since that is essentially picking winners and losers. OSBA recommends contacting your local Chamber of Commerce and reviewing their membership lists.

What are the banking options? How can we collect payment from clients? Can Oregon businesses use international banks?

OPS is unable to offer business and banking advice.

Does 280e just apply to manufacturers? Or also facilitators and service centers?

Section 280E of the Internal Revenue Code prohibits taxpayers who earn revenue from the sale of controlled substances from deducting typical business expenses associated with those activities. OPS is unable to advise on federal tax matters.

Do you need to be a resident of the County where you are opening a business?

No, the statute does not require that applicants are residents of the counties they will be operating in. Until January 1, 2025, the statute does require that a license applicant provide proof that they have been a resident of the state of Oregon for two or more years. If the direct owner of the business is a legal entity, you must provide proof that more than 50 percent of the shares, membership interests, partnership interests, or other ownership interests of the legal entity are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years.

What if I have lived in Oregon for most of my life, but in the last 2 years I lived elsewhere?

An applicant needs to have been a resident of Oregon for the two years preceding their application date.

Where do churches and religious houses with long histories of entheogenic use fall under these rules and requirements?

Churches and religious institutions can apply for a manufacturer or service center license.

So, we will need to have a BIN and an EIN?

If your business has any employees, you will need to obtain an Employer Identification Number (EIN) and a Business Identification Number (BIN). You can get your EIN from the [IRS](#) and the BIN by using the Oregon [Combined Employer Registration Form](#).

For more guidance, please refer to the [Oregon Employer Guide](#) and www.oregon.gov/payrolltax.

Will OHA create a data base for local/state regulations post-election?

Oregon Psilocybin Services will not track local time, place, and manner regulations. However, we will make information available regarding which local government ordinances to prohibit psilocybin manufacturers or service centers were passed by voters after the election.

Can a manufacturer be at the same site as a service center?

The statute does not prohibit a manufacturer being on the same property as a service center. However, OPS rules will further address co-location requirements.

Will there be a map identifying possible allowable locations?

OPS plans to have a mapping tool available to applicants to help them determine if their location is within 1000 ft of a school, but an applicant is ultimately responsible for verifying that their location follows local zoning codes and regulations.

Oregon Psilocybin Fall Business Forum

SESSION #3: Resources for New Employers

SPEAKERS:

Monique Bourque, Public Outreach Facilitator, Office of Small Business Assistance, Oregon Secretary of State

Caitlin Breitbach, Small Business Ombudsman, Department of Consumer and Business Services

Charlie Burr, Training and Development Specialist, Oregon Bureau of Labor & Industries

Randy Westmoreland, Sr Occupational Health Consultant, Oregon Occupational Safety and Health Agency

QUESTIONS:

Will facilitators be able to function as an Independent Contractor, or will all facilitators have to be employed by Service Centers?

Facilitators may function as independent contractors or employees of a service center.

Can I be pointed to what makes someone an independent contractor vs. an employee beyond the 1099?

There are many factors in determining whether someone is an independent contractor or employee, and not every agency will have the same definitions. Some of the regulations in Oregon are listed here:

- [ORS 670.600](#)
- [OAR Chapter 436, Division 170](#)
- [US Dept. of Labor - Misclassification of Employees as Independent Contractors](#)

Oregon also has a website at www.oregon.gov/IC which has information about the agencies and regulations most frequently looking at misclassification of employees as independent contractors.

Do independent facilitators have to cover their own insurance?

OPS is unable to offer advice on insurance and liability.

Will clients be able to sign up and access services through an online portal?

How clients sign up for services is a business decision that will be determined by licensed service centers. Psilocybin administration sessions must be provided in-person at a licensed service center and in accordance with statute and rule requirements.

Oregon Psilocybin Fall Business Forum

SESSION #4: Updates on Training Programs, Background Checks and HECC Licensure

SPEAKERS:

Jeff Akin, Administrator, Background Checks Unit, Oregon Department of Human Services

Angie Allbee, Section Manager, Oregon Psilocybin Services Section, Oregon Health Authority

Peter Gertenrich, Education Specialist, Oregon Higher Education Coordinating Commission

Jennifer Violette, Licensing Program Manager, Oregon Psilocybin Services Section, Oregon Health Authority

QUESTIONS:

Who needs a background check?

Anyone who applies for a license or worker permit with Oregon Psilocybin Services will be required to complete a background check.

To create a more safety, equity, and justice centered criminal background check process, Oregon Psilocybin Services has shifted background checks to partners in the Oregon Background Check Unit, otherwise referred to as BCU.

BCU will be conducting criminal background checks on behalf of the Oregon Psilocybin Services Section. BCU has decades of experience conducting thousands of criminal background checks for the Oregon Department of Human Services and the Oregon Health Authority each year. In addition to having an established infrastructure, the BCU weighing test process ensures that applicants will not be immediately disqualified due to certain convictions. A “weighing test” is an opportunity for the applicant to provide more detailed information and explain circumstances related to criminal convictions and crime-related conditions. BCU uses this information to determine if the individual is a risk to the physical, emotional, or financial well-being of vulnerable individuals. By shifting this work to BCU, the OPS licensing and compliance functions will serve licensees with less opportunities for bias-related decision making based on criminal history.

According to ORS 475A.250 the applicant's background check may not consider the prior conviction of an applicant for:

- a. The manufacture of psilocybin or the manufacture of a marijuana item, as defined in ORS 475C.009, if:
 - A. The date of the conviction is two or more years before the date of the application; and
 - B. The person has not been convicted more than once for the manufacture of psilocybin or marijuana item; or
- b. The possession of a controlled substance, as defined in ORS 475.005, or a marijuana item, as defined in ORS 475C.009, if:
 - A. The date of the conviction is two or more years before the date of the application; or
 - B. The person has not been convicted more than once for the possession of a controlled substance or marijuana item.

Beyond these exceptions, any other criminal convictions will be further assessed by the Oregon Background Check Unit through a weighing test process. Please see the recording of the Fall Business Forum [presentation on background checks](#) to learn more about this process.

Will applicants with addiction/trauma/criminal backgrounds be prioritized for licensure first before other applicants?

No. There are no types of applications that will be prioritized in the licensure process. Applications will be processed in the order they are received.

Will the OHA approve license applications for facilitators who complete an approved training program that has not received HECC approval?

ORS 475A requires that applicants for facilitator licenses complete psilocybin facilitator training programs that are approved by OHA. If training programs are operating without Higher Education Coordinating Commission (HECC) licensure, they may be subject to penalties under Oregon law.

Are there facilitator training programs already operating in Oregon? How do we know which training programs have Higher Education Coordinating Commission (HECC) licensure?

The list of training programs with OPS approved curriculum can be found by accessing this link: <https://psilocybin.oregon.gov/training-approved>. If you have specific questions about a training program, we encourage you to contact training programs directly to learn more.

To find out if a training program has received HECC licensure, we encourage prospective students to reach out training programs directly to learn more about their HECC licensure requirements and status. It may be helpful to also reach out to HECC directly to verify licensing status and for a list of training programs who have been licensed.

For HECC Private Career School License – New school Licensure:

Peter Gertenrich – Phone: 503-551-8236

Peter.GERTENRICH@hecc.oregon.gov

What is the cost of Higher Education Coordinating Commission (HECC) licensure?

Please contact HECC for more information:

For Private Career School License – Exemption Request & Student Complaints

Matthew Altman – Phone: 503-881-2738

Matthew.ALTMAN@hecc.oregon.gov

For Private Career School License – New school Licensure

Peter Gertenrich – Phone: 503-551-8236

Peter.GERTENRICH@hecc.oregon.gov

For Schools Operating Without a Private Career School License – Cease and Desist Letters

Monika Peterson – Phone: 503-507-8726

Monika.PETERSON@state.or.us

What qualifies for Higher Education Coordinating Commission (HECC) exception?

Please contact HECC for more information:

For Private Career School License – Exemption Request & Student Complaints

Matthew Altman – Phone: 503-881-2738

Matthew.ALTMAN@hecc.oregon.gov

For Private Career School License – New school Licensure

Peter Gertenrich – Phone: 503-551-8236

Peter.GERTENRICH@hecc.oregon.gov

For Schools Operating Without a Private Career School License – Cease and Desist Letters

Monika Peterson – Phone: 503-507-8726

Monika.PETERSON@state.or.us

Will the training programs qualify for federal education grants & loans?

OPS is not able to answer this question. In general, current federal law strictly limits the use of federal funds for activities associated with a controlled substance.

Can you have facilitators at a retreat center who have not gone through a training program?

No. The only facilitators who can facilitate legal psilocybin services in Oregon are those who have a valid facilitator license from Oregon Health Authority. One of the requirements of licensure is to complete a psilocybin facilitator training program with a curriculum that has been approved by OPS. To learn more about becoming a licensed facilitator in Oregon, please see the [OPS Facilitator License webpage](#).

Oregon Psilocybin Fall Business Forum

SESSION #5: Psilocybin Product Regulations and Testing

SPEAKERS:

Steve Jetter, Assessor, Oregon Environmental Laboratory Accreditation Program, Oregon Health Authority

Sunny Summers, Senior Policy Advisor, Oregon Department of Agriculture

Erica Vaness, Manager, Food, Pools & Lodging Health and Safety Program, Oregon Health Authority

Emily York, Program Analyst, Oregon Psilocybin Services Section, Oregon Health Authority

QUESTIONS:

What about synthetic psilocybin?

Synthetic psilocybin is not currently allowed in Oregon Psilocybin Services. Psilocybin products are limited to one species of fungi, *Psilocybe cubensis*, and are required to undergo a speciation and potency test. Details on product testing can be found in the [OPS rules adopted in May](#).

Can a manufacturing business be licensed if located within a home?

This will be determined in rule. Currently the rules state that a licensed premises may not be located at the same location as a residence.

Regarding psilocybin product quantity limits for manufacturers (the draft rules say no more than 200 grams of psilocybin), does this include the wet mushrooms and mushrooms still growing?

No. The proposed product quantity limits only refer to the already tested dried products. After a sample has been tested for potency, the testing lab will assign a value to the product which will then apply to the entire batch. The product limits set in draft rules are currently 200 grams of tested psilocybin. A limit of 200 grams of tested psilocybin product would equate to approximately 8,000 doses of 25mg each. For more on testing rules, please see the [OPS Rules adopted in May](#).

How many square feet can manufacture license grow?

There are no requirements set in statute or draft rule related to square footage of a licensed premises.

How frequently will a manufacturing facility need their product to be tested? Does every harvest need to be tested?

A manufacturer must separate each harvest lot of dried whole fungi into batches no larger than one kilogram. A "harvest lot" means a specifically identified quantity of fungi that is cultivated and dried under the same conditions and harvested within a 24-hour period at the same location within the licensed premises.

Each batch will need a potency test and one batch harvested each month will require a speciation test. Sampling may be conducted at a manufacturer's licensed premises, or the manufacturer may transport the batch to a licensed and ORELAP-accredited laboratory.

The sampling and tests are done on whole dried fungi, using the licensed manufacturer's drying method of choice. Sufficient sample increments must be taken to perform required tests and samples must be taken in a manner consistent with the laboratory's sampling policies and procedures.

The frequency of testing will depend on the level of production from a facility and arrangements made with the laboratory. For more details about product testing, please see the [OPS rules adopted in May](#).

Will extraction methods need to be disclosed?

Oregon Psilocybin Services draft rules do not require disclosure of specific proprietary techniques, but during an applicant's site inspection safety requirements for extraction will be reviewed. The OPS rules adopted in May do specify that a manufacturer with a psilocybin extraction endorsement may use only water, vegetable glycerin, acetic acid, ethanol, and methanol as solvents in extraction. All other solvents are prohibited.

Further extraction requirements can be found in the [OPS rules adopted in May](#) in the section entitled "Psilocybin Extract Manufacturing Requirements (333-333-2060)".

Are in-process materials being tested, as well as finished products prior to release?

Rules for required product testing have been adopted and published [OPS rules adopted in May](#). The rules state that a product must be tested before it can be transferred. A licensee may not

transfer, accept, or provide a psilocybin product unless it has been sampled and tested in accordance with these rules.

Is composted manure still prohibited for use in growing mediums?

A manufacturer is prohibited from using manure in cultivation or production of psilocybin products. In the [OPS rules adopted in May](#), "manure" is defined as: animal excreta, alone or in combinations with litter, such as straw and feathers used for animal bedding, for use as a soil amendment or substrate. Manure does not include stabilized compost produced through a controlled composting process.

Is there a license needed for transporting and/or handling products?

A worker permit is required to transport or handle psilocybin products. Details related to how workers can assist licensees with product handling and transport are still being developed in rules. The proposed cost of a worker permit in the draft rules is \$25 and has a term of five years. Anyone applying for a worker permit must undergo a criminal background check. Please see the recording of the [presentation on background checks](#), to learn more about this process.

Are there plans to look at the minor compounds, beyond psilocybin and psilocin?

There are no current plans to regulate minor alkaloids. Laboratories may have the capabilities to analyze and report results on additional alkaloids, but there will not be regulatory requirements to do so.

What about shelf life? How do the rules deal with loss of potency in a product?

The rules currently describe a one-year expiration date from when the certificate of analysis is granted by a licensed testing laboratory. This may evolve over time as more data becomes available.

Are beneficial microbes (probiotics) introduced to growing substrate regulated the same as traditional pesticides/herbicides?

No. Because they do not kill, repel, or mitigate a pest, these are considered more in the category of fertilizers or other soil amendment. The beneficial microbe product will need to be registered for sale in Oregon and go through registration and label review with Oregon Department of Agriculture's fertilizer program and include a link to heavy metal testing.

Would the use of hydrogen peroxide or bleach be considered a pesticide?

It depends. If these products are being used to clean, and while being used to clean are not considered to be killing anything, (such as bacteria and viruses), you would not have a pesticide requirement.

Do we know how many labs are seeking licensure in Oregon? If that becomes a bottleneck, will you license labs from out of state?

We do not know exactly how many laboratories will apply for licensure or how many will be needed to meet the product demand. ORELAP anticipates that labs will be accredited in time for licensure. Whether we will have adequate capacity will depend on the timeline for other license types and the number of manufacturers and volume of product.

Regardless, there will not be the ability to ship products across state lines. This product is not legal for federal transport, and any compliance testing for this product will need to be performed by a laboratory that is accredited with ORELAP and licensed with OPS.

Oregon Psilocybin Fall Business Forum

SESSION #6: Lessons Learned in the Cannabis Industry

SPEAKERS:

Mark Pettinger, Director, Communications & Education, Oregon Liqueur and Cannabis Commission

Patrick Owen, Marijuana Licensing Manager, Oregon Liqueur and Cannabis Commission

Margaret Flerchinger, Rules and Operations Liaison, Oregon Medical Marijuana Program, Oregon Health Authority

Emily York, Program Analyst, Oregon Psilocybin Services Section, Oregon Health Authority

QUESTIONS:

Given that service centers will be a cash only business and even bank accounts won't be an option, how can service centers be protected from armed robbery?

Although availability of banking and card processing is uncertain, neither statute nor draft rules require service centers to be cash-only businesses. The draft rules contain security and storage provisions that are designed to mitigate the risk of theft.

Psilocybin businesses may be affected in a similar way that cannabis businesses have been challenged by financial services. Oregon Representative Blumenauer is currently working on the Safe Banking Act at the federal level to address these challenges.

Are there any assurances, such as a letter or official memo, that can ensure that the Feds won't intervene with Oregon psilocybin businesses?

There is nothing equivalent to the Cole memo (in the cannabis industry), which was written to indicate that the federal government would only intervene in states that failed to prevent criminal involvement, sales to youths, or illegal diversion of cannabis products. In the first few years of new cannabis regulations, there were some cannabis businesses that had legitimate front door operations but were also diverting product out the backdoor into the unregulated market. There were some high-profile cases where federal authorities got involved. However, federal authorities did not make it difficult to establish the regulated adult use market.

What precautions if any are being planned to prevent market over saturation? Will there be license caps to prevent market over-saturation?

OPS does not have the authority to limit the number of licenses issued for any of the four license types.

How can we prevent packaging and product waste created by changes in rules?

Work with OPS to develop sound practices and approaches. Get involved in rulemaking process and educate regulators on the potential impacts of proposed rules. It is much easier to make adjustments before regulations are adopted then to change them after they are final.

How can businesses be effective in influencing rules and regulations?

Attend the public meetings. Submit public comment. They do get read! One thing that was helpful in Cannabis was when industry groups self-organized and came to regulators collectively and provided one point of contact to facilitate communication in both directions.

People are thinking about how to launch a new business, but also need to think about how you collectively launch this new industry. The Oregon Cannabis Association formed within a couple years and began sending delegations to DC to meet with legislators and staff. If you want this industry to be successful, you will have to think in terms of what you can do together and how you can organize.

Work to de-stigmatize and de-mystify psilocybin. If you are known as the “secret house” down the street, that will keep people from knowing you and de-legitimize the work. Get to know your neighbors, your local business associations, and get to know the community leaders. Get out there, tell people who you are and what you are about.

Based on lessons learned in the Cannabis industry, what should psilocybin businesses be thinking about?

You need more than a business launch plan. Put together a 5 and a 10-year plan. Many people who were at the starting gate at the first leg of the cannabis race, are not out there anymore. They have been acquired, it was not what they thought it was going to be, or they didn't have the business acumen. If you want to have a sustainable business, plan for the long haul.

Oregon Psilocybin Fall Business Forum

More Questions?

If you would like to provide input on the draft rules, please plan to participate in the November public comment period. More information can be found on the [OPS Administrative Rules page](#).

To learn about other upcoming events and opportunities from Oregon Psilocybin Services, please [Sign Up for Updates Here](#).

For all other questions and inquiries, please email: OHA.Psilocybin@odhsoha.oregon.gov



www.oregon.gov/psilocybin