

Multiple Agency Fiscal Note Summary

Bill Number: 5263 2S SB AMH HCW H1818.1	Title: Psilocybin
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of Attorney General	0	0	30,000	0	0	16,000	0	0	10,000
Total \$	0	0	30,000	0	0	16,000	0	0	10,000

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Fiscal note not available					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Attorney General	.4	78,000	78,000	108,000	.3	78,000	78,000	94,000	.3	78,000	78,000	88,000
Washington State Health Care Authority	Fiscal note not available											
Liquor and Cannabis Board	.3	0	0	84,190	.3	0	0	78,190	.3	0	0	78,190
Department of Health	6.5	1,640,000	1,640,000	1,640,000	5.4	1,340,000	1,340,000	1,340,000	5.2	1,308,000	1,308,000	1,308,000
University of Washington	4.1	1,464,436	1,464,436	1,464,436	2.1	729,318	729,318	729,318	.0	0	0	0
Department of Agriculture	.2	94,200	94,200	94,200	.2	94,200	94,200	94,200	.2	94,200	94,200	94,200
Total \$	11.5	3,276,636	3,276,636	3,390,826	8.3	2,241,518	2,241,518	2,335,708	6.0	1,480,200	1,480,200	1,568,390

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Attorney General	.0	0	0	.0	0	0	.0	0	0
Washington State Health Care Authority	Fiscal note not available								
Liquor and Cannabis Board	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
University of Washington	.0	0	0	.0	0	0	.0	0	0
Department of Agriculture	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Total									
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								

Estimated Capital Budget Breakout

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Prepared by: Breann Boggs, OFM	Phone: (360) 485-5716	Date Published: Preliminary 4/ 5/2023
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Individual State Agency Fiscal Note

Bill Number: 5263 2S SB AMH HCW H1818.1	Title: Psilocybin	Agency: 100-Office of Attorney General
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Legal Services Revolving Account-State 405-1	22,000	8,000	30,000	16,000	10,000
Total \$	22,000	8,000	30,000	16,000	10,000

Estimated Operating Expenditures from:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	0.3	0.4	0.3	0.3
Account					
General Fund-State 001-1	39,000	39,000	78,000	78,000	78,000
Legal Services Revolving Account-State 405-1	22,000	8,000	30,000	16,000	10,000
Total \$	61,000	47,000	108,000	94,000	88,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/30/2023
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 04/05/2023
Agency Approval: Dianna Wilks	Phone: 360-709-6463	Date: 04/05/2023
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 04/05/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1: New Section. Legislature establishes advisory board and interagency group and task force to provide advice and recommendations on developing a comprehensive regulatory framework for access to psilocybin for residents over 21.

Section 2: New Section. Purposes.

Section 3: New Section. Name includes Washington Psilocybin Services Act.

Section 4: New Section. Establishes advisory board within the Department of Health (DOH) to provide advice and recommendations to DOH, the Liquor and Cannabis Board (LCB), and the Department of Agriculture (AGR). Sets up how advisory board is selected. Also sets up how often board meets. Board may adopt rules and establish committees and subcommittees. Advisory board members can receive reimbursements consistent with RCW 43.03.220.

Section 5: New Section. Establishes interagency work group of DOH, LCB, and AGR to provide advice and recommendation on specified items. Findings of task force created in Section 6 must be submitted to the interagency work group created in this section and the advisory board. Work group must submit regular updates to the advisory board.

Section 6: New Section. Health Care Authority (HCA) must establish a task force to provide a report on psilocybin services. Sets out membership of task force. HCA must convene first meeting of task force by June 30, 2023, and provide a report by December 1, 2023. Sets out duties of HCA in consultation with task force. Task force meetings must be open to the public. Who is entitled to reimbursements. This section supersedes Section 211(99) chapter 297, Laws of 2022. This section expires June 30, 2024.

Section 7: New Section. Sets out duties, functions and powers of DOH in this chapter.

Section 8: New Section. Subject to appropriation, the psilocybin pilot programs is administered by the University of Washington (UW). Sets out requirements for the university in implementing this section.

Section 9: New Section. Medical professional licensed will not be subject to adverse licensing action by recommending psilocybin treatment.

Section 10: New Section. LCB shall assist and cooperate with AGR to carry out duties in this chapter. AGR needs to cooperate with DOH to carry out duties under this chapter.

Section 11: New Section. DOH, AGR, and LCB cannot refuse to act under this chapter on the basis that psilocybin is banned under federal law.

Section 12: New Section. Severability clause.

Section 13: Sections 1 through 5 and 7 through 11 constitute new chapter in Title 8.

Section 14: Sections 4 through 6 take effect immediately.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Cash receipts are assumed to equal the Legal Services Revolving Account (LSRA) cost estimates. These will be billed through the revolving account to the client agency.

The client agencies are the Department of Health (DOH), the Liquor and Cannabis Board (LCB) and the University of Washington (UW). The Attorney General's Office (AGO) will bill all clients for legal services rendered.

These cash receipts represent the AGO's authority to bill and are not a direct appropriation to the AGO. The direct appropriation is reflected in the client agencies' fiscal note. Appropriation authority is necessary in the AGO budget.

AGO AGENCY ASSUMPTIONS:

DOH will be billed for non-Seattle rates:

FY 2024 and FY 2025 (each FY): \$5,000 for 0.02 Assistant Attorney General FTE (AAG) and 0.01 Legal Assistant 3 FTE (LA).

FY 2026 and FY 2027 (each FY): \$8,000 for 0.03 AAG and 0.02 LA.

FY 2028 and each FY thereafter: \$5,000 for 0.02 AAG and 0.01 LA.

LCB will be billed for Seattle rates:

FY 2024 and FY 2025 (each FY): \$3,000 for 0.01 AAG and 0.01 LA.

UW will be billed for Seattle rates:

FY 2024: \$14,000 for 0.05 AAG and 0.03 LA.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Attorney General's Office (AGO) Agency Assumptions:

This bill is effective immediately due to an emergency clause.

Location of staffing is assumed to be in a Seattle and non-Seattle office building.

Total workload impact in this request includes standard assumption costs for goods & services, travel, and capital outlays for all FTE identified.

Agency administration support FTE are included in the tables. The Management Analyst 5 (MA) is used as a representative classification. An example ratio is for every 1.0 Assistant Attorney General FTE (AAG), the AGO includes 0.5 FTE for a Legal Assistant 3 (LA) and 0.25 FTE of an MA.

Assumptions for the AGO Agriculture & Health Division (AHD) legal services for the Department of Health (DOH):

The AGO will bill DOH for legal services based on the enactment of this bill.

The bill would require some legal advice to the psilocybin advisory board and to DOH on rulemaking pertaining to psilocybin advertising and creation of a psilocybin registry.

AHD total FTE workload impact for non-Seattle rates:

FY 2024 and FY 2025 (each FY): \$5,000 for 0.02 AAG and 0.01 LA.

FY 2026 and FY 2027 (each FY): \$8,000 for 0.03 AAG and 0.02 LA.

FY 2028 and each FY thereafter: \$5,000 for 0.02 AAG and 0.01 LA.

Assumptions for the AGO Licensing & Administrative Law Division (LAL) legal services for the Liquor and Cannabis Board (LCB):

The AGO will bill LCB for legal services based on the enactment of this bill.

LAL provides legal advice to the LCB, including advice on rulemaking and contract and procurement work.

This bill imposes limited new responsibilities on LCB and imposes no licensing or enforcement requirements on LCB.

LAL total FTE workload impact for Seattle rates:

FY 2024 and FY 2025 (each FY): \$3,000 for 0.01 AAG and 0.01 LA.

Assumptions for the AGO Administrative Division (ADM):

AGO ADM activities are funded with General Fund-State dollars. There is no appropriate client agency to bill for legal services.

ADM assumes the enactment of this bill will require 0.25 Policy Analyst (Exempt) FTE (PA) for an ongoing participation in and contributions to the psilocybin board.

ADM total FTE workload impact for Seattle rates:

FY 2024 and in each FY thereafter: \$39,000 for 0.25 PA.

Assumptions for the AGO University of Washington Division (UOW) legal services for the University of Washington (UW):

The AGO will bill UW for legal services based on the enactment of this bill.

UOW assumes to provide general legal advice regarding the structure of the program and any legal requirements UW might need to consider given the subject matter of the work.

UOW total FTE workload impact for Seattle rates:

FY 2024: \$14,000 for 0.05 AAG and 0.03 LA.

The AGO Social & Health Services – Olympia Division (SHO) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload. The enactment of this bill will not impact the provision of legal services to HCA. HCA is tasked with setting up a task force to study various aspects of psilocybin services, including various clinical issues. SHO does not anticipate HCA needing to seek legal advice regarding the task force. Any unanticipated inquiries would be part of the regular course of legal advice provided to HCA. New legal services are nominal, and costs are not included in this request.

The AGO Government Compliance & Enforcement Division (GCE) has reviewed this bill and determined it will not

significantly increase or decrease the division’s workload in representing LCB. GCE litigates licensing and enforcement actions for LCB. Section 4 of this bill would require the appointment of a member of LCB to the psilocybin advisory board. Section 5 would create an interagency psilocybin work group, which would require LCB to provide advice and recommendations to the advisory board. Section 6 would require HCA to establish a psilocybin task force, and the appointment of a LCB member to the task force. Section 10 would require LCB to assist and cooperate with DOH and the Washington State Department of Agriculture (WSDA) as necessary for the departments to carry out duties under this bill. Because LCB would have no regulatory authority under this bill, GCE does not anticipate this bill would result in any litigation that would impact GCE. Therefore, costs are not included in this request.

The AGO GCE Division has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing DOH. GCE litigates disciplinary actions for certain boards and commissions supported by DOH. Section 7 of this bill would give DOH the necessary powers and duties related to psilocybin products and services. Section 9 would exempt medical professionals licensed in Washington State from adverse licensing action for recommending psilocybin therapy services. DOH would have regulatory authority over the products and services allowed by this bill. This would exclude the boards and commissions represented by GCE. Therefore, GCE does not anticipate any new work as a result of this bill, and costs are not included in this request.

The AGO Criminal Justice Division (CRJ) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Washington State Patrol (WSP). Prior references to WSP have been removed from this bill. The enactment of this bill will not impact the investigative or prosecutorial work of CRJ. Therefore, costs are not included in this request.

The AGO Civil Rights Division (CRD) has reviewed this bill and determined it will not significantly increase or decrease the division’s workload in representing the Human Rights Commission (HRC). New legal services are nominal, and costs are not included in this request.

AHD, LAL, ADM and UOW total FTE workload impact for Seattle and non-Seattle rates:

FY 2024: \$61,000 for 0.08 AAG, 0.05 LA and 0.25 PA.
 FY 2025 through FY 2027 (each year): \$47,000 for 0.03 AAG, 0.02 LA, and 0.25 PA.
 FY 2028 and in each FY thereafter: \$44,000 for 0.02 AAG, 0.01 LA and 0.25 PA.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	39,000	39,000	78,000	78,000	78,000
405-1	Legal Services Revolving Account	State	22,000	8,000	30,000	16,000	10,000
Total \$			61,000	47,000	108,000	94,000	88,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.4	0.3	0.4	0.3	0.3
A-Salaries and Wages	41,000	32,000	73,000	64,000	60,000
B-Employee Benefits	13,000	10,000	23,000	20,000	18,000
E-Goods and Other Services	7,000	5,000	12,000	10,000	10,000
Total \$	61,000	47,000	108,000	94,000	88,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Assistant Attorney General	118,700	0.0	0.0	0.0	0.0	0.0
Assistant Attorney General-Seattle	124,635	0.1	0.0	0.0		
Legal Assistant 3	55,872	0.0	0.0	0.0	0.0	0.0
Legal Assistant 3-Seattle	67,044	0.0	0.0	0.0		
Management Analyst 5	91,524	0.0	0.0	0.0	0.0	0.0
Policy Analyst (Exempt)	95,000	0.3	0.3	0.3	0.3	0.3
Total FTEs		0.4	0.3	0.4	0.3	0.3

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
ADMINISTRATIVE DIVISION (ADM)	39,000	39,000	78,000	78,000	78,000
AGRICULTURE AND HEALTH DIVISION (AHD)	5,000	5,000	10,000	16,000	10,000
LICENSING & ADMINISTRATIVE LAW DIVISION (LAL)	3,000	3,000	6,000		
UNIVERSITY OF WASHINGTON (UOW)	14,000		14,000		
Total \$	61,000	47,000	108,000	94,000	88,000

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5263 2S SB AMH HCW H1818.1	Title: Psilocybin	Agency: 195-Liquor and Cannabis Board
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
Account					
Dedicated Cannabis Account-State 315-1	42,095	42,095	84,190	78,190	78,190
Total \$	42,095	42,095	84,190	78,190	78,190

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/30/2023
Agency Preparation: Colin O Neill	Phone: (360) 664-4552	Date: 04/03/2023
Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 04/03/2023
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 04/03/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 1. The legislature intends to establish an advisory board and interagency work group to provide advice and recommendations on developing a comprehensive regulatory framework for access to regulated psilocybin for Washington residents who are at least 21 years of age.

Section 2. The legislature declares that the purposes of this chapter are:

(1) To develop a long-term strategic plan for ensuring that psilocybin services become and remain a safe, accessible, and affordable option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate or as part of their indigenous religious or cultural practices;

(2) To protect the safety, welfare, health, and peace of the people of this state by prioritizing this state's limited law enforcement resources in the most effective, consistent, and rational way;

(3) To develop a comprehensive regulatory framework concerning psilocybin products and psilocybin services under state law;

(4) To prevent the distribution of psilocybin products to other persons who are not permitted to possess psilocybin products under this chapter including but not limited to persons under 21 years of age; and

(5) To prevent the diversion of psilocybin products from this state to other states.

Section 4.

(1) The Washington psilocybin advisory board is established within the department to provide advice and recommendations to the department, the liquor and cannabis board, and the department of agriculture.

(2)(j) The governor shall appoint the following individuals to the Washington psilocybin advisory board: A person designated by the liquor and cannabis board who has experience working with the cannabis central reporting system developed for tracking the transfer of cannabis items.

(3)(a) Members of the Washington psilocybin advisory board shall serve for a term of four years, but at the pleasure of the governor. Before the expiration of the term of a member, the governor shall appoint a successor whose term begins on January 1st of the following year. A member is eligible for reappointment. If there is a vacancy for any cause, the governor shall make an appointment to become immediately effective for the unexpired term.

6) Until July 1, 2024, the Washington psilocybin advisory board shall meet at least five times a calendar year at a time and place determined by the chair or a majority of the voting members of the board. After July 1, 2024, the board shall meet at least once every calendar quarter at a time and place determined by the chair or a majority of the voting members of the board. The board may meet at other times and places specified by the call of the chair or of a majority of the voting members of the board.

(9) The members of the Washington psilocybin advisory board may receive reimbursement or an allowance for expenses within amounts appropriated for that specific purpose consistent with RCW 43.03.220.

Section 5.

(1) An interagency psilocybin work group of the department of health, the liquor and cannabis board, and the department of agriculture is created to provide advice and recommendations to the advisory board on the following:

(a) Developing a comprehensive regulatory framework for a regulated psilocybin system, including a process to ensure clean and pesticide free psilocybin products;

(b) Reviewing indigenous practices with psilocybin, clinical psilocybin trials, and findings;

(c) Reviewing research of medical evidence developed on the possible use and misuse of psilocybin therapy; and

(d) Ensuring that a social opportunity program is included within any licensing program created under this chapter to remedy the targeted enforcement of drug-related laws on overburdened communities.

(2) The findings of the psilocybin task force in section 6 of this act must be submitted to the interagency work group created in this section and to the psilocybin advisory board.

(3) The interagency psilocybin work group must submit regular updates to the psilocybin advisory board.

Section 6(3) The health care authority must provide a report to the governor and appropriate committees of the legislature by December 1, 2023. The authority may form subcommittees within the task force and adopt procedures necessary to facilitate its work.

Section 6(4) The duties of the authority in consultation with the task force shall include, but not be limited to, the following activities:

(ia) Reviewing the available clinical information around specific clinical indications for use of psilocybin, including what co-occurring diagnoses or medical and family histories may exclude a person from use of psilocybin. Any review of clinical information should:

(i) Discuss populations excluded from existing clinical trials;

(ii) Discuss factors considered when approval of a medical intervention is approved;

(iii) Consider the diversity of participants in clinical trials and the limitations of each study when applying learnings to the population at large; and

(iv) Identify gaps in the clinical research for the purpose of identifying opportunities for investment by the state for the University of Washington or Washington State University or both to consider studying.

(ii) Reviewing and discussing regulatory structures for clinical use of psilocybin in Washington and other jurisdictions nationally and globally. This should include discussing how various regulatory structures do or do not address concerns around public health and safety the group has identified.

Section 10(1). The liquor and cannabis board shall assist and cooperate with the department of health and the department of agriculture to the extent necessary to carry out the duties of the departments under this chapter.

Section 11. The department, the department of agriculture, and the liquor and cannabis board may not refuse to perform any duty under this chapter on the basis that manufacturing, distributing, dispensing, possessing, or using psilocybin products is prohibited by federal law.

Section 14. Sections 4 through 6 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately.

CHANGES MADE BY THE STRIKING AMENDMENT:

Adds a military veteran, or representative of an organization that advocates on behalf of military veterans, with knowledge of psilocybin as a voting member of the Washington Psilocybin Advisory Board.

Adds a social worker, mental health counselor, or marriage and family therapist as a voting member of the Washington Psilocybin Advisory Board.

Replaces a reference to "psilocybin treatments" with a reference to "psilocybin therapy services."

Directs the University of Washington Department of Psychiatry and Behavioral Sciences to establish and administer a psilocybin therapy services (services) pilot program (Program) and requires the Program to:

(a) Offer services to populations including first responders and veterans who are 21 years of age or older and experiencing posttraumatic stress disorder, mood disorders, or substance use disorders;

(b) offer services facilitated by specified health care professionals;

(c) ensure services are safe, accessible, and affordable;

(d) require an initial assessment before receiving services, and an integration session after receiving services; and

(e) use outreach and engagement strategies to include participants from communities or demographic groups that are more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, or geographic location.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

With respect to the advisory board, the bill provides that the governor will appoint someone designated by the Washington State Liquor and Cannabis Board ("LCB") with experience in the Cannabis Central Reporting System (CCRS) to a four year term with some specific requirements (the advisory board meets at least five times a year and potentially other times where ever the chair or a majority of the advisory board wishes). Fiscal impact here would likely be FTE time devoted to advisory board work that might necessitate some existing workflow coordination. The agency believes this impact could likely be absorbed within existing resources and the bill provides for reimbursement of expenses.

With respect to the interagency work group fiscal impact would be significantly greater based on the described responsibilities (regulatory development for example) of the LCB designee. This group would report to the advisory board on an on-going basis, so it's possible that meetings would be more frequent than the advisory board.

With respect to the psilocybin task force, a report would be due to the legislature by Dec 1 2023, so assuming significant LCB contributions may be needed here, as well, although the cost of the report itself is covered in the bill, but staff time is not.

The agency assumes the roles as described for the second two bodies would have significant impact in terms of time needed to complete the work.

0.3 FTE Regulatory Analyst 3 - \$39,095/yr (\$38,264 salary/benefits, \$831 in associated costs).

The Attorney General's Office will bill the agency for legal services based on the enactment of this bill. This bill imposes limited new responsibilities on the agency and imposes no licensing or enforcement requirements. Therefore, some legal services will be required. This bill does not require the agency to do more than cooperate and consult with the Department of Health to formulate rules and plan to effectuate the bill.

FY 2024: \$3,000
 FY 2025: \$3,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
315-1	Dedicated Cannabis Account	State	42,095	42,095	84,190	78,190	78,190
Total \$			42,095	42,095	84,190	78,190	78,190

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.3	0.3	0.3	0.3	0.3
A-Salaries and Wages	28,847	28,847	57,694	57,694	57,694
B-Employee Benefits	9,417	9,417	18,834	18,834	18,834
C-Professional Service Contracts					
E-Goods and Other Services	3,789	3,789	7,578	1,578	1,578
G-Travel					
J-Capital Outlays	42	42	84	84	84
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	42,095	42,095	84,190	78,190	78,190

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Regulatory Analyst 3	96,156	0.3	0.3	0.3	0.3	0.3
Total FTEs		0.3	0.3	0.3	0.3	0.3

III. D - Expenditures By Program (optional)

Program	FY 2024	FY 2025	2023-25	2025-27	2027-29
Board Division (010)	42,095	42,095	84,190	78,190	78,190
Total \$	42,095	42,095	84,190	78,190	78,190

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5263 2S SB AMH HCW H1818.1	Title: Psilocybin	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	7.4	5.5	6.5	5.4	5.2
Account					
General Fund-State 001-1	954,000	686,000	1,640,000	1,340,000	1,308,000
Total \$	954,000	686,000	1,640,000	1,340,000	1,308,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/30/2023
Agency Preparation: Donna Compton	Phone: 360-236-4538	Date: 04/05/2023
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 04/05/2023
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 04/05/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The fiscal impact has changed from the fiscal note provided for 2SSB 5263. This amendment adds two voting members to the Washington Psilocybin Advisory Board.

This bill adds a new chapter to Title 18 RCW, establishing an advisory board and interagency work group, and a task force to provide advice and recommendations on developing a comprehensive regulatory framework for access to regulated psilocybin for Washington residents who are at least 21 years of age.

Section 4: Establishes the Washington Psilocybin Advisory Board (board) within the department to provide advice and recommendations to the department, the Liquor and Cannabis Board (LCB), and the Department of Agriculture (AGR). The advisory board shall consist of 21-23 members. The board must meet at least five times per calendar year until July 1, 2024, and at least once every calendar quarter each year thereafter. The members of the board may receive reimbursement or an allowance for expenses consistent with RCW 43.03.220 (Compensation of members of part-time boards and commissions—Class one groups.).

Section 5: Creates an interagency psilocybin work group (work group) of the department, LCB, and AGR to provide advice and recommendations to the advisory board. The work group must submit regular updates to the board.

Section 7: The department has the duties, functions, and powers necessary or proper to enable the department to carry out its duties, functions, and powers under this chapter, including: 1) To examine, publish, and distribute to the public available studies, research, and other information relating to the safety and efficacy of psilocybin; 2) To adopt, amend, or repeal rules necessary to carry out the intent and provisions of this chapter; and 3) To exercise all powers incidental, convenient, or necessary to enable the department to administer or carry out this chapter.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Board

Section 4: The bill establishes the Washington Psilocybin Advisory Board within the department, made up of 21–23 members. The department anticipates twelve (12) work group participants will be community representatives with lived experience who would not otherwise be compensated for their participation. Per RCW 43.03.220 (Compensation of members of part-time boards and commissions—Class one groups), the department will make available stipends of \$200 per meeting to these representatives. The bill requires the board meet at least five times per calendar year until July 1, 2024, and at least once every calendar quarter each year thereafter. Therefore, the department assumes the board will have 5 meetings in FY 2024 and 4 meetings in FY 2025 and each year thereafter. The board must meet at a time and place determined by the chair or a majority of the voting members of the board. In accordance with RCW 43.03.220, the department assumes all meetings will be held virtually in order to not require travel while still maximizing member and public participation. For all meetings, the department anticipates providing meeting announcements and materials in English, Spanish, Russian, and Vietnamese, ASL and Spanish interpretation services, and Communication Access Realtime (CART) will be available for virtual attendees.

The Assistant Attorney General will provide legal advice on board formation and governance and board rulemaking, including attending board meetings. Attorney General Office charges are estimated at \$4,000 each year.

Costs include board stipends, translation, interpretation, CART services, and Assistant Attorney General services:
FY 2024 costs will be \$27,000 (GF-S).
FY 2025 and ongoing, costs will be \$23,000 (GF-S) each year.

Work Group

Section 5: Department staff will be required to participate in the interagency psilocybin work group, providing advice and recommendations to the board on developing a comprehensive regulatory framework for a regulated psilocybin system, reviewing indigenous practices, clinical trials, findings, and research of medical evidence related to psilocybin, and ensuring that a social opportunity program is included within any psilocybin licensing program. The department assumes work in FY 2024 will be primarily focused on researching and reviewing clinical trials, findings, and available medical research and reporting this information to the board. The department assumes work in FY 2025 and FY 2026 will be focused on developing and providing recommendations on the development of a regulatory framework and a social opportunity program, as well as continued review of available research. Ongoing, staff will be required to further develop and provide recommendations to the board.

Costs include staff and associated expenses (goods and services, intra-agency, and indirect charges) for the following:

- Science Officer: 2.0 FTE in FY 2024, 0.5 FTE each year thereafter.
- Regulatory Framework Subject Matter Expert: 1.0 FTE ongoing.
- Equity & Community Engagement Specialist: 0.3 FTE in FY 2024; 0.5 FTE in FY 2025 and FY 2026; 0.3 FTE ongoing.

FY 2024 costs will be 4.7 FTE and \$615,000 (GF-S).

FY 2025 costs will be 2.8 FTE and \$348,000 (GF-S).

FY 2026 costs will be 2.8 FTE and \$348,000 (GF-S).

FY 2027 and ongoing, costs will be 2.5 FTE and \$316,000 (GF-S) each year.

Staff Support

Sections 4, 5, and 7: The department will hire staff to support the board and the work group, including coordination of meetings, drafting of formal recommendations made by the board to the department, LCB, and AGR, and other administrative duties, including coordination of board stipends. Additionally, staff will be required to draft and publish materials for the public and answer questions from the public and interested parties related to the board, work group, and department's work with psilocybin.

Costs includes staff and associated expenses (goods and services, intra-agency, and indirect charges) for the following:

- Psilocybin Work Group and Staff Support Manager: 0.25 FTE ongoing
- Work Group and Advisory Board Support: 1.25 FTE ongoing
- Administrative Assistant: 0.5 FTE ongoing

FY 2024 costs will be 2.7 FTE and \$312,000 (GF-S).

FY 2025 and ongoing, costs will be 2.7 FTE and \$315,000 (GF-S) each year.

Rulemaking

Section 7: The bill gives the department authority to adopt, amend, or repeal rules necessary to carry out the intent and provisions of this chapter. The department does not anticipate adopting any rules to implement this bill, therefore there is no assumed fiscal impact for rulemaking.

TOTAL COSTS TO IMPLEMENT THIS BILL:

FY 2024 costs will be 7.4 FTE and \$954,000 (GF-S).

FY 2025 costs will be 5.5 FTE and \$686,000 (GF-S).

FY 2026 costs will be 5.5 FTE and \$686,000 (GF-S).

FY 2027 and ongoing, costs will be 5.2 FTE and \$654,000 (GF-S) each year.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	954,000	686,000	1,640,000	1,340,000	1,308,000
Total \$			954,000	686,000	1,640,000	1,340,000	1,308,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	7.4	5.5	6.5	5.4	5.2
A-Salaries and Wages	615,000	440,000	1,055,000	859,000	838,000
B-Employee Benefits	227,000	166,000	393,000	324,000	316,000
C-Professional Service Contracts	7,000	6,000	13,000	12,000	12,000
E-Goods and Other Services	52,000	40,000	92,000	79,000	78,000
J-Capital Outlays	13,000	4,000	17,000	7,000	6,000
T-Intra-Agency Reimbursements	40,000	30,000	70,000	59,000	58,000
Total \$	954,000	686,000	1,640,000	1,340,000	1,308,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
ADMINISTRATIVE ASST 3	50,592	0.5	0.5	0.5	0.5	0.5
EPIDEMIOLOGIST 3 (NON-MEDICAL)	108,804	2.0	0.5	1.3	0.5	0.5
Fiscal Analyst 2	53,000	1.2	0.8	1.0	0.8	0.7
HEALTH SERVICES CONSULTANT 4	82,896	2.3	2.3	2.3	2.3	2.3
Health Svcs Conslt 1	53,000	0.8	0.6	0.7	0.6	0.6
MANAGEMENT ANALYST 4	82,896	0.3	0.5	0.4	0.4	0.3
WMS02	114,360	0.3	0.3	0.3	0.3	0.3
Total FTEs		7.4	5.5	6.5	5.4	5.2

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5263 2S SB AMH HCW H1818.1	Title: Psilocybin	Agency: 360-University of Washington
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	4.1	4.1	4.1	2.1	0.0
Account					
General Fund-State 001-1	735,118	729,318	1,464,436	729,318	0
Total \$	735,118	729,318	1,464,436	729,318	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/30/2023
Agency Preparation: Charlotte Shannon	Phone: 2066858868	Date: 04/04/2023
Agency Approval: Charlotte Shannon	Phone: 2066858868	Date: 04/04/2023
OFM Review: Ramona Nabors	Phone: (360) 742-8948	Date: 04/04/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

5263-S2 AMH HCW H1818.1 relates to access to psilocybin services by individuals 21 years of age and older; adding a new chapter to Title 18 RCW; creating a new section; providing an expiration date; and declaring an emergency. In addition, Section 8 establishes a psilocybin therapy services pilot program at the University of Washington (UW) Department of Psychiatry and Behavioral Sciences. Please see the expenditures section below.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

SECTION 8:

This section establishes the psilocybin therapy services pilot program at the University of Washington (UW) Department of Psychiatry and Behavioral Sciences, who must implement this section no later than January 1, 2025. The pilot program must:

- (a) Offer psilocybin therapy services through pathways approved by the federal food and drug administration, to populations including first responders and veterans who are 21 years of age or older; and experiencing posttraumatic stress disorder, mood disorders, or substance use disorders.
- (b) Offer psilocybin therapy services facilitated by an advanced social worker, independent clinical social worker, or mental health counselor, a physician, or a psychiatric advanced registered nurse practitioner.
- (c) Ensure psilocybin therapy services are safe, accessible, and affordable
- (d) Require an initial assessment to understand participant goals and expectations, and assess the participant's history for any concerns that require further intervention or information before receiving psilocybin therapy services, and an integration session after receiving psilocybin therapy services; and
- (e) Use outreach and engagement strategies to include participants from communities or demographic groups that are more likely to be historically marginalized and less likely to be included in research and clinical trials represented by race, sex, sexual orientation, socioeconomic status, age, or geographic location.

FISCAL IMPACTS OF SECTION 8:

The fiscal impacts assessed by the UW are for a three-year pilot program to provide services to 30 volunteer participants. FY 24 would be used to develop the pilot program and receive FDA approval.

The pilot program would commence in FY25 and continue through FY26. Participants would receive services in FY25 and FY26 in what is known as a “cross over trial” – in FY25, half the group will receive the current standard of care and the other half will receive the standard of care plus psilocybin treatment. In FY26, these groups will flip, so that all trial participants will receive a year’s worth of psilocybin treatment.

Costs include:

FTE are consistent in FY24, FY25, and FY26 through the development and completion of the pilot program:

.4 FTE (salary \$216,000, benefits 24.1%): Faculty startup costs include trial development and seeking FDA approval, and ongoing trial oversight and administration.

.2 FTE Social Worker (salary \$99,996, benefits 31.8%)

.6 FTE Therapist II (salary \$150,000, benefits 31.8%):

.6 FTE Therapist I (salary \$99,996, benefits 31.8%):

The therapists and social worker will be providing behavioral healthcare services to participants, including services related to the use of psilocybin.

1.0 FTE Project Manager (salary \$90,000, benefits 31.8%)

1.0 FTE Study Coordinator (salary \$68,004, benefits 31.8%)

.3 FTE Finance Staff (salary \$150,000, benefits 31.8%)

The project manager, study coordinator, and finance staff are required to support the administrative functions of the pilot and to ensure ongoing compliance with FDA regulations.

Goods and services: The majority of the fiscal impacts assessed here are to cover the drug cost; with the addition of some minimal technology and space costs.

\$136,280 in FY24

\$130,480 in FY25 and FY26

TOTAL FISCAL IMPACTS OF SECTION 8:

\$735,118 in FY24

\$729,318 in FY25 and FY26

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	735,118	729,318	1,464,436	729,318	0
Total \$			735,118	729,318	1,464,436	729,318	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	4.1	4.1	4.1	2.1	
A-Salaries and Wages	459,401	459,401	918,802	459,401	
B-Employee Benefits	139,437	139,437	278,874	139,437	
C-Professional Service Contracts					
E-Goods and Other Services	136,280	130,480	266,760	130,480	
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	735,118	729,318	1,464,436	729,318	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Faculty	216,000	0.4	0.4	0.4	0.2	
Finance staff	150,000	0.3	0.3	0.3	0.2	
Project Manager	90,000	1.0	1.0	1.0	0.5	
Social worker	99,996	0.2	0.2	0.2	0.1	
Study coordinator	68,004	1.0	1.0	1.0	0.5	
Therapist I	150,000	0.6	0.6	0.6	0.3	
Therapist II	99,996	0.6	0.6	0.6	0.3	
Total FTEs		4.1	4.1	4.1	2.1	0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Individual State Agency Fiscal Note

Bill Number: 5263 2S SB AMH HCW H1818.1	Title: Psilocybin	Agency: 495-Department of Agriculture
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
Account					
General Fund-State 001-1	47,100	47,100	94,200	94,200	94,200
Total \$	47,100	47,100	94,200	94,200	94,200

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 03/30/2023
Agency Preparation: Trecia Ehrlich	Phone: 360-584-3711	Date: 04/03/2023
Agency Approval: Jeannie Brown	Phone: 360-902-1989	Date: 04/03/2023
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 04/03/2023

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

5263 S2 AMH HCW H1818.1 is a House Committee amended bill to second substitute SB 5263. SB 5263 is an act related to access to psilocybin services in a guided clinical setting.

The original bill, SB 5263, creates a legal avenue for the legalization of psilocybin in a guided clinical setting. There were no sections in the original bill that provided WSDA a clear role, however, the bill granted Department of Health the authority to direct WSDA as needed. WSDA was not given a distinct role in the original bill, no fiscal impact could be measured at that time.

The substitute bill established a psilocybin advisory board and an interagency workgroup to 1) provide advice and recommendations on developing a comprehensive regulatory framework for the legalization of psilocybin and 2) responsible for providing regular updates to the psilocybin advisory board throughout the process. The workgroup would include members from Department of Health (DOH), Department of Agriculture (WSDA), and Liquor Cannabis Board (LCB).

It was in this bill, WSDA identified resource needs to include a .20 WMS 2 level policy/analyst staff person to sit on the interagency work group. The position was determined to be needed ongoing as the requirements of the workgroup would be ongoing. Given the work to create a regulatory framework for psilocybin, WSDA also anticipated a need for assistance from the agencies Attorney General's office as it relates to the advice and recommendations WSDA provides the work group.

The second substitute bill removed sections 4, 5, 8, 13, 14, and 16 through 24 and re-numbered all other sections. There was also a new subsection added in section 4 which established the frequency the psilocybin advisory board would be required to meet and a new Section added which directs the health care authority to create a separate psilocybin task force to provide a report on psilocybin services, with requirements to convene by June 30, 2023 and provide a final report to the governor and appropriate legislative committees by December 1, 2023. In the substitute bill, under (5) The WSDA is required to provide subject matter expertise and support to the task force and any subcommittee.

There were no additional language in the second substitute bill to create a timeline for the interagency workgroup, therefore, it was determined the changes in the second substitute bill did not change the fiscal impact to WSDA.

The committee amended second substitute bill changes include:

Section 4, (2) (a) adds sub subsections vi and vii which changes the composition of the Psilocybin Advisory Board, to add a military veteran or member of the military community and a social worker, mental health counselor, or marriage and family therapist.

New Section 8 added requiring the pilot program to be administered by the University of Washington department of psychiatry and behavioral sciences with specific dates to implement program services.

Throughout the amended bill "psilocybin treatment" was replaced with "psilocybin therapy services".

These amendments do not change the role that the WSDA plays or the the fiscal impacts as previously identified WSDA.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

No cash receipts impacts.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

WSDA estimates a .20 FTE WMS 2 position to be a part of the interagency workgroup for cost of \$39,300 per year and 52 hours of attorney general costs at \$150 per hour for \$7,800 per year. There are no travel costs assumed, as it is assumed that meetings will be held remotely.

Staff costs include salaries, benefits, supplies, and overhead.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	47,100	47,100	94,200	94,200	94,200
Total \$			47,100	47,100	94,200	94,200	94,200

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.2	0.2	0.2	0.2	0.2
A-Salaries and Wages	22,000	22,000	44,000	44,000	44,000
B-Employee Benefits	7,200	7,200	14,400	14,400	14,400
C-Professional Service Contracts					
E-Goods and Other Services	10,600	10,600	21,200	21,200	21,200
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service	100	100	200	200	200
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-Agency Admin Overhead	7,200	7,200	14,400	14,400	14,400
Total \$	47,100	47,100	94,200	94,200	94,200

III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
WMS 2 position	110,000	0.2	0.2	0.2	0.2	0.2
Total FTEs		0.2	0.2	0.2	0.2	0.2

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.