

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4265H.011  
 Bill No.: HB 1643  
 Subject: Health Care; Department of Mental Health; Drugs and Controlled Substances  
 Type: Original  
 Date: February 16, 2026

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Bill Summary: This proposal modifies provisions relating to alternative therapies and treatments, including psilocybin.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue*	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

\*Oversight assumes costs to gather information as provided by individuals would not reach the threshold of \$250,000 in costs to DMH.

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

**ESTIMATED NET EFFECT ON LOCAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§191.479, 191.480 and 630.1170 - Alternative Therapies and Treatments, Including Psilocybin

Officials from the **Department of Mental Health (DMH)** state this bill requires a person using psilocybin to notify the DMH of the person's plans to acquire, use, produce, possess, transfer, or administer psilocybin. The requirement to provide this information appears entirely upon the person to provide. This bill does not specify what DMH is to do with this information and there are no specific requirements to review or act on the information. This bill does not require DMH to conduct research or prepare reports on psilocybin. DMH is submitting an unknown fiscal impact response since there is no information about what DMH is expected to do with the information received and uncertain how many people would seek to use psilocybin.

**Oversight** does not have information to the contrary. Oversight assumes that, because psilocybin is still being studied for the treatment of various disorders, and currently not widely prescribed, costs to simply gather information as provided by individuals would not reach the threshold of \$250,000 in costs to DMH.

Officials from the **Office of Administration, Budget and Planning (B&P)** stated this provides that certain individuals who acquire, use, produce, possess, transfer, or administer psilocybin for their own therapeutic use shall not be subject to state or local civil fines, penalties, or sanctions, provided specific conditions are met. Additionally, healthcare providers, laboratories, and facilitators are granted similar protections from civil fines or professional sanctions.

To the extent that these provisions reduce the number of fines or penalties collected by the state treasury due to psilocybin-related activities, Total State Revenue (TSR) may decrease by an unknown amount.

**Oversight** notes that violations of section §191.479 could result in fines or penalties. Oversight also notes per Article IX Section 7 of the Missouri Constitution fines and penalties collected by counties are distributed to school districts. Fines vary widely from year to year and are distributed to the school district where the violation occurred. Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

Officials from the **Department of Health and Senior Services (DHSS)** state §191.480.3 proposes that "A manufacturer of any investigational drug, biological product, or device shall register with the Department of Health and Senior Services. Before November 1, 2026, the DHSS shall create a registry of such manufacturers that manufacture any investigational drug, biological product, or device that involves a controlled substance."

The Bureau of Narcotics and Dangerous Drugs (BNDD) already registers all manufacturers and dispensers of controlled substances. The Bureau registers the practitioner, but NOT the drug they are using. These drugs would already be under some control of the FDA, DEA, and Institutional Review Board (IRB). Should the proposed legislation pass, BNDD would continue with the current manufacturer registration process.

This bill adds psilocybin to the list of controlled substances and it is assumed that the Department can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

**Oversight** assumes DHSS is provided with core funding to handle a certain amount of activity each year. Oversight assumes DHSS could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DHSS could request funding through the appropriation process. Officials from the DHSS assume the proposal will have no fiscal impact on their organization.

In response to similar legislation, SB 90 (2025), officials from the **University of Missouri Health Care (MUHC)** stated they have reviewed the proposed legislation and determined that as written it should not create expenses in excess of \$100,000 annually.

**Oversight** assumes the costs incurred by the MUHC related to this proposal can be absorbed within current resource levels.

Officials from the **Department of Commerce and Insurance, Department of Corrections, Office of the State Courts Administrator, Northwest Missouri State University** and **University of Central Missouri**, each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, other hospitals and colleges were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – DMH (§§191.479, 191.480 and 630.1170) Collecting information on psilocybin activities p.3</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Revenue Loss – School Districts (§191.479) Reduction of fines or penalties collected p.3</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

For the purposes of administering alternative therapies, this bill establishes what constitutes a "bona fide prescriber-patient relationship" and provides that under this bill, any person who acquires, uses, produces, possesses, transfers, or administers psilocybin for the person's own therapeutic use will not be subject to state or local criminal or civil penalties if the person: (1) Is 21 years of age or older; (2) Suffers from a condition listed in the bill; (3) Informs the Department of Mental Health that such person plans to acquire, use, produce, possess, transfer, or administer psilocybin under this bill; (4) Provides the Department with specified documentation and information; (5) Ensures the psilocybin is tested in a licensed laboratory; and (6) Limits the use of psilocybin to no more than 150 milligrams of psilocybin analyte during any 12-month period.

A person who is 21 years of age or older and who assists another in any of the acts permitted under this bill, as well as any laboratory testing psilocybin under this bill, will not be subject to state or local criminal or civil penalties.

Additionally, this bill modifies current law on the use of investigational drugs and devices for individuals with terminal illnesses to include individuals with life-threatening or severely debilitating conditions or illnesses. Currently, investigational drugs must not include Schedule I controlled substances. This bill repeals that prohibition.

The bill also requires a manufacturer of any investigational drug, biological product, or device to register with the Department of Health and Senior Services and provides that before November 1, 2026, the Department must create a registry of these manufacturers.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

Department of Commerce and Insurance  
Department of Corrections  
Department of Health and Senior Services  
Department of Mental Health  
Office of Administration - Budget and Planning  
Office of the State Courts Administrator  
Northwest Missouri State University  
University of Missouri Health Care  
University of Central Missouri



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