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## FISCAL IMPACT REPORT

<b>SPONSOR</b> <u>Hochman-Vigil</u> <u>Study Psilocybin-Based Medication</u> <b>SHORT TITLE</b> <u>Treatment</u>	<b>LAST UPDATED</b> _____ <b>ORIGINAL DATE</b> <u>03/17/2025</u> <b>MEMORIAL</b> <u>House Memorial</u> <b>NUMBER</b> <u>58</u>  <b>ANALYST</b> <u>Chilton</u>
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### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

Relates to Senate Bill 219

### Sources of Information

LFC Files

Agency Analysis was Solicited but Not Received From  
Health Care Authority (HCA)

Agency Declined to Respond  
Department of Health (DOH)

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. This analysis could be updated if that analysis is received.

## SUMMARY

### Synopsis of House Memorial 58

House Memorial 58 (HM58) makes note of increasing interest in the use of psilocybin, a mushroom-derived drug, in treating various mental health-related disorders and the fact that several jurisdictions have allowed for its use. HM58 requests that the Department of Health (DOH) study the following aspects of psilocybin use:

- a) Training requirements for psilocybin use,
- b) Establishing testing for consistency, accuracy and safety of psilocybin products,
- c) Establishing testing for psilocybin potency,
- d) Determining needed initial and on-going training for those administering the drug,
- e) Reviewing state and federal regulations that might impede psilocybin use,

- f) Examining methods of oversight psilocybin use and who should be permitted to administer it,
- g) Evaluating which patients are likely to benefit from psilocybin use and which would avoid safety concerns,
- h) Making certain that equity concerns are met, allowing use by underserved patients who might benefit from the drug,
- i) Finding medical experts and scientists who could provide advice on protocols,
- j) Soliciting input from stakeholders, including tribal groups, health care providers, and mental health advocacy groups to make input into policies regarding psilocybin,
- k) Locating possible funders for needed research and implementation, and
- l) Establishing a timeline for eventual approval of use of the drug.

DOH would be asked to report on the results and associated recommendations for further funding, study, and implementation of a medical psilocybin program.

This memorial does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

## FISCAL IMPLICATIONS

There is no appropriation in House Memorial 58. DOH has not estimated its costs in performing and reporting on the requested studies. This analysis assumes that the study can be completed with existing resources.

## SIGNIFICANT ISSUES

In commenting on closely related Senate Bill 219, DOH notes:

DOH makes note of the high incidence of mental health illness among New Mexico adults, noting especially high rates among veterans and first responders. Although there have been some hopeful data from the past two years, New Mexico continues to rate high in alcohol- and drug-related illness and death. Studies suggest psilocybin has usefulness in treating a variety of conditions, including depression, anxiety, pain, and post-traumatic stress. A 2021 review article in *Molecule* notes:

Of all psychedelic drugs, psilocybin is reported to have the most favorable safety profile... Despite the lack of studies investigating the comparative efficacies of psilocybin and psychedelic drugs for the treatment of mood and anxiety disorders, the vast evidence-based data that exist for psilocybin alone suggest that psilocybin may be the most efficacious psychedelic drug for treating such disorders. The review article lists 26 categories of disease for which there is evidence of psilocybin's effectiveness:

### Table 1.

The potential therapeutic window of psilocybin-assisted therapy, that is, diseased states in which psilocybin-assisted therapy is being explored.

Disease State/Condition	Reference
1. Alcohol dependence	[23,24,25]

Disease State/Condition	Reference
2. Stimulant dependence	<a href="#">[25]</a>
3. Cocaine addiction	<a href="#">[26,27]</a>
4. Tobacco addiction	<a href="#">[25,28,29,30]</a>
5. Nicotine addiction	<a href="#">[26,29]</a>
6. Opioid addiction	<a href="#">[25]</a>
7. Cannabis dependence	<a href="#">[25]</a>
8. Anxiety disorders such as:	<a href="#">[26]</a>
i. Post-traumatic stress disorder (PTSD),	<a href="#">[26]</a>
ii. Generalized anxiety disorder (GAD),	<a href="#">[26]</a>
iii. Obsessive–compulsive disorder (OCD)	<a href="#">[31,32]</a>
iv. Advanced-stage cancer-related anxiety	<a href="#">[33,34,35,36,37]</a>
v. Psychological distress associated with existential crisis of terminal disease	<a href="#">[26]</a>
vi. Adjustment disorder with anxiety	<a href="#">[26,38]</a>
9. Cancer-related depression	<a href="#">[33,34,35,36,37,39]</a>
10. Treatment-resistant depression	<a href="#">[40,41,42,43,44]</a>
11. Major Depressive Disorder	<a href="#">[45]</a>
12. Severe existential depression	<a href="#">[26,33,36]</a>
13. Suicidality (ideation and actual attempts)	<a href="#">[13,46]</a>
14. Cluster (“suicide”) headaches	<a href="#">[6,47]</a>
15. Chronic pain	<a href="#">[48,49,50]</a>
16. Intractable phantom pain	<a href="#">[51]</a>
17. Demoralization	<a href="#">[52]</a>
18. Demoralization in older, long-term AIDS survivor men (OLTAS)	<a href="#">[53]</a>
19. Dysfunctional social cognition	<a href="#">[54]</a>
20. Maladaptive narcissism	<a href="#">[55]</a>
21. Borderline Personality Disorder (BPD)	<a href="#">[56,57]</a>
22. Narcissistic Personality Disorder (NPD)	<a href="#">[58,59,60]</a>
23. Epilepsy	<a href="#">[61]</a>
24. Psychopathy	<a href="#">[54]</a>
25. Emotional dysregulation and violence against one’s partner	<a href="#">[62,63,64]</a>
26. Inflammation	<a href="#">[49]</a>

The bracketed numbers in the third column of this table indicate references to studies showing effectiveness against the condition shown in the first column. Reference 23 is to a University of New Mexico study of use of psilocybin in the treatment of problematic drug and alcohol use and post-traumatic stress disorder; many other institutions, including Harvard, Johns Hopkins, and UCLA, have published studies of psilocybin for a number of the conditions shown in the table above.

Regarding safety, the article in *Molecule* states, “In general, psilocybin is reported to have the most favourable safety profile of all psychedelic drugs. Thousands of years of anecdotal evidence in addition to modern-day scientific studies confirm that psilocybin has low physiological toxicity, low abuse/addictive liability, safe psychological responses, no associated persisting adverse physiological or psychological effects during or after use. Psilocybin overdose is very rare.”

It is not clear how DOH would proceed if both House Memorial 58 and Senate Bill 219 were to pass.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to Senate Bill 219, which directs DOH to set up a psilocybin treatment program for patients suffering from post-traumatic stress disorder, refractory depression, substance use disorders, and end-of-life anxiety and other conditions that DOH and its psilocybin advisory board would determine might benefit from use of the drug.

Also relates to 2024 Senate Memorial 12, Study Psilocybin for Therapeutic Purposes, which passed.

LAC/hj