

Arizona Governor Vetoes Bill on Psilocybin Treatment Centers

LOS ANGELES – Arizona Governor Katie Hobbs vetoed a bill on June 18 that would have permitted the use of psilocybin in designated treatment centers. The vetoed House Bill 1570 proposed \$5 million in annual funding for psilocybin therapy, overseen by the Department of Human Services, which would have regulated therapy centers and facilitators. The bill also sought to establish the Arizona Psilocybin Advisory Board to develop the program and conduct studies.

Governor's Statement

Governor Hobbs explained her decision, citing the need for more evidence before supporting widespread clinical expansion. “The state’s psilocybin research advisory board established last year recently issued its annual report, with a clear message: although psilocybin may be a promising treatment in the future, we do not yet have the evidence needed to support widespread clinical expansion,” Hobbs stated. She emphasized the importance of appropriate guardrails for treatments that are still considered experimental.

Financial Considerations

Hobbs also noted the financial implications, pointing out that the \$400,000 annual cost was not included in the FY25 budget. She mentioned that \$5 million from last year’s budget would continue to support psilocybin research, aiming to ensure treatments are based on documented and verified research.

Response from the Bill's Sponsor

T.J. Shope, the bill’s sponsor, expressed disappointment, highlighting the bill’s bipartisan support. He pledged to reintroduce the legislation next year, emphasizing the need for mental health care for veterans and first responders. “I won’t stop fighting for our veterans and first responders to get the mental health care they deserve in these clinical settings,” Shope stated.

Comparative Legislation

Arizona’s veto follows a similar decision by California Governor Gavin Newsom in October 2023, who vetoed Senate Bill 58, which aimed to decriminalize psilocybin and other substances. Newsom supported new mental health treatment methods but emphasized the need for regulated guidelines before decriminalization.

Challenges in Other States

In contrast, Oregon, the first state to legalize licensed psilocybin treatment centers in November 2020, is experiencing challenges. Despite an estimated 3,500 people participating in legal psilocybin therapy sessions

between June 2023 and June 2024, treatment centers face sustainability issues due to inconsistent customer flow. The state will permit out-of-state business owners to obtain licenses starting in 2025, increasing competition.

Overall, the debate over psilocybin treatment centers continues as states navigate regulatory, financial, and clinical considerations.

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