RESOLUTION NO. 22-2022

A RESOLUTION APPROVING REFERRAL TO THE ELECTORS OF CITY OF MADRAS THE QUESTION OF PROHIBITING PSILOCYBIN-RELATED BUSINESSES IN THE CITY, INCLUDING PSILOCYBIN PRODUCT MANUFACTURERS AND SERVICE CENTER OPERATORS.

- WHEREAS, in November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery, and administration of psilocybin at licensed facilities; and
- **WHEREAS**, ORS 475A.235 provides that the Oregon Heath Authority ("OHA") will regulate the manufacture, transportation, delivery, sale, and purchase of psilocybin products and the provision of psilocybin services in the state; and
- **WHEREAS**, OHA will begin accepting applications for licensure to manufacture, deliver, and administer psilocybin on January 2, 2023; and
- WHEREAS, OHA has initiated a rulemaking process to implement the state's psilocybin regulatory program. As of July 26, 2022, OHA has not completed the rulemaking process. Oregon counties and cities are uncertain how the manufacture, delivery, and administration of psilocybin at licensed psilocybin facilities will operate within local jurisdictions; and
- **WHEREAS**, ORS 475A.718 provides that a city council may adopt an ordinance to be referred to the electors of the city prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the city's jurisdiction; and
- WHEREAS, the city council (the "Council") for City of Madras ("City") adopted Ordinance No. 970, which ordinance prohibits state-licensed psilocybin manufacturers and psilocybin-related businesses in City's jurisdictional boundaries to be referred to the voters at the next statewide general election held on November 8, 2022; and
- WHEREAS, the Council desires to refer the question of whether to prohibit (i.e., ban) state-licensed psilocybin manufacturers and psilocybin-related businesses to the voters of City at the next statewide general election held on November 8, 2022.

NOW, THEREFORE, the City of Madras resolves as follows:

- 1. <u>Findings</u>. The above-stated findings contained in this Resolution No. 22-2022 (this "Resolution") are hereby adopted.
- 2. <u>Prohibition</u>. The Council refers to City's voters Ordinance No. 970 which ordinance concerns a prohibition on state-licensed psilocybin manufacturers and psilocybin-related businesses in City's jurisdictional boundaries.
- 3. <u>General Election Conducted by Mail</u>. The general election will be held on November 8, 2022. Pursuant to ORS 254.465 and ORS 254.470, the election will be conducted by mail by the Jefferson County Clerk according to procedures adopted by the Oregon Secretary of State and applicable Oregon law.

- 4. Ballot Title. City's city attorney has prepared a ballot title concerning the proposed amendments in the form attached hereto as Exhibit A. The ballot title in the form attached hereto as Exhibit A is approved.
- 5. Explanatory Statement. City's city attorney has prepared an explanatory statement to be provided in the Voters' Pamphlet in the form attached hereto as Exhibit B. The explanatory statement in the form attached hereto as Exhibit B is approved.
- 6. <u>Delegation</u>. The city recorder (or his or her designee) is authorized to act on behalf of City to take such further action as the city recorder (or his or her designee) deems necessary or appropriate to effect and carry out the intent and purposes set forth herein, including, without limitation, providing proper public notice and submitting the required forms with the county elections officer.
- 7. Miscellaneous. All pronouns contained in this Resolution and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. Any reference to a particular law, rule, regulation, code, and ordinance includes the law, rule, regulation, code, and ordinance as now in force and/or which may hereafter be amended. The provisions of this Resolution are hereby declared severable. If any section, subsection, sentence, clause, and/or portion of this Resolution is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Resolution. This Resolution may be corrected by order of the Council to cure editorial and/or clerical errors.

APPROVED and ADOPTED by the City Council of the City of Madras and signed by the mayor this 16th day of August, 2022.

Aves:

Navs:

Abstentions: Absences:

Vacancies:

Exhibit A Ballot Title

CAPTION: Prohibits psilocybin-related businesses within City of Madras.

QUESTION: Shall City of Madras prohibit psilocybin-related businesses in the city?

SUMMARY: Psilocybin is the psychedelic drug found in certain mushrooms. State law allows

operation and/or manufacture of certain licensed psilocybin services. State law provides that a city council may adopt an ordinance to be referred to the voters to prohibit (i.e., ban) the establishment and/or operation of psilocybin-related registered or licensed activities. City of Madras has adopted an ordinance to prohibit psilocybin-related businesses in the city, subject to voter approval. Approval of this measure would prohibit the establishment and/or operation of

psilocybin manufacturers and/or service centers within any area subject to the city's jurisdiction. The proposed ordinance is available for public inspection on

the city's website and at City Hall.

Exhibit B Explanatory Statement

Approval of this measure would prohibit (i.e., ban) the establishment and operation of psilocybin-related businesses in City of Madras.

Ballot Measure 109 was passed by Oregon voters in November 2020 directing the Oregon Health Authority ("OHA") to license and regulate the manufacture, transportation, delivery, sale, and purchase of psilocybin products. Psilocybin is the psychedelic drug derived from certain mushrooms.

ORS 475A.235 provides, in pertinent part, that OHA will regulate the manufacture, transportation, delivery, sale, and purchase of psilocybin products and the provision of psilocybin services in the State of Oregon. OHA has initiated the rulemaking process to implement the state's regulatory program. However, because the rulemaking process has not been completed to date, the city is uncertain how the manufacture, delivery, and administration of psilocybin at licensed psilocybin facilities will function or operate.

ORS Chapter 475A.718 provides a city council may adopt an ordinance prohibiting the establishment and operation of psilocybin-related businesses within the city, but the city council must refer the ordinance to the voters at a statewide general election. The city has adopted Ordinance No. 970, the Psilocybin Prohibition Ordinance, prohibiting the establishment and/or operation of psilocybin-related businesses within the city's jurisdictional boundaries. Ordinance No. 970 will take effect and become operative 30 days after voter approval (if applicable).

If approved, this measure will prohibit psilocybin-related businesses within the city.