



1 doctors, physician assistants, nurses, pharmacists, and community health  
2 workers.

3 (4) Individuals who have experienced domestic violence or sexual assault.

4 The research study involving psilocybin shall be concentrated on the treatment of  
5 anxiety disorder, depressive disorder, or both. All research studies awarded a grant must measure  
6 participant baseline pain levels and any changes to the pain levels that may be related to the  
7 breakthrough therapies.

8 Each grant recipient shall be required to submit a report on the research findings and  
9 recommendations to the Division and the Breakthrough Therapies Task Force, established under  
10 Section 2 of this act, no later than January 15, 2031. The grant amount is intended to fund three  
11 years worth of research study.

12 **SECTION 1.(c)** Grant Awards. – Upon the recommendation of the Breakthrough  
13 Therapies Task Force, established under Section 2 of this act, and no later than July 1, 2027, the  
14 Division shall award up to five competitive grants of no less than one million dollars (\$1,000,000)  
15 each. No later than July 1, 2027, the Division shall announce the recipients of the competitive  
16 grant awards authorized under this section and report to the Joint Legislative Oversight  
17 Committee on Health and Human Services on the following information related to the research  
18 project or studies to be conducted by each eligible competitive grant recipient:

19 (1) The scope and purpose.

20 (2) The anticipated number of people participating and a description of the  
21 participating targeted population.

22 (3) The geographic area to be served.

23 (4) The anticipated time frame for completion.

24 **SECTION 1.(d)** Rules. – The Division may adopt any rules, emergency, temporary,  
25 or otherwise, for the purposes of this act. The Division shall determine the method and manner  
26 by which applicants may apply for the competitive grant, including what information the  
27 Division requires of the applicants.

28 **SECTION 2.(a)** Establishment of Task Force. – There is established within the  
29 Department of Health and Human Services, Division of Mental Health, Developmental  
30 Disabilities, and Substance Use Services (Division), the Breakthrough Therapies Task Force  
31 (Task Force). This Task Force shall consist of the following members:

32 (1) The Secretary of the Department of Health and Human Services, or the  
33 Secretary's designee.

34 (2) The Secretary of the Department of Military and Veterans Affairs, or the  
35 Secretary's designee.

36 (3) The Secretary of the Department of Commerce, or the Secretary's designee.

37 (4) One member representing mental health issues in the State, selected by the  
38 State chapter of the national alliance focused on mental health and mental  
39 illness.

40 (5) Two members representing healthcare needs of North Carolina Native  
41 communities, one selected by the tribal council of the Eastern Band of  
42 Cherokee Indians and one selected by the tribal council of the Lumbee Tribe  
43 of North Carolina.

44 (6) One member representing the healthcare needs of survivors of domestic  
45 violence and sexual assault, selected by the NC Domestic Violence  
46 Commission.

47 (7) One member representing the psychiatric profession, selected by the  
48 governing body of the North Carolina Psychiatric Association.

49 (8) One member of the faculty of the University of North Carolina School of  
50 Medicine, selected by the dean of the University of North Carolina School of  
51 Medicine.

- 1 (9) One member of the faculty of the East Carolina University Brody School of  
2 Medicine, selected by the dean of the Brody School of Medicine.
- 3 (10) Two members of the Senate, one appointed by the President Pro Tempore of  
4 the Senate and one appointed by the Senate Minority Leader.
- 5 (11) Two members of the House of Representatives, one appointed by the Speaker  
6 of the House of Representatives and one appointed by the House Minority  
7 Leader.
- 8 (12) Up to three members selected by the Task Force, once assembled, that the  
9 Task Force determines would serve the purpose of the Task Force, including,  
10 but not limited to, members of veterans advocacy groups, disabled veterans  
11 groups, first responders associations, anti-human trafficking advocacy  
12 organizations, law enforcement advocacy organizations, and victims' rights  
13 groups. The Task Force is not required to make an appointment under this  
14 subdivision.

15 The initial task force shall be appointed no later than December 1, 2026. On or after  
16 December 1, 2026, any vacancies shall be filled in the manner appointed.

17 **SECTION 2.(b)** Duties of the Task Force. – The Breakthrough Therapies Task Force  
18 shall have the following duties:

- 19 (1) Assess the potential use of psychedelic medicine in treating trauma-related  
20 mental health conditions.
- 21 (2) Identify barriers to access and affordable implementation.
- 22 (3) Recommend licensing and insurance requirements for practitioners in the  
23 State in the event that psychedelic medicines are federally reclassified and  
24 approved by the United States Food and Drug Administration.
- 25 (4) Consider legal and regulatory pathways to the legalization of psychedelic  
26 medicines in the State and the potential effects of the medicines on public  
27 health.
- 28 (5) Make recommendations to the Division regarding the method and manner by  
29 which applicants may apply for the competitive BTR Grant, including what  
30 information the Division requires of the applicants. Preference for grant  
31 applications focusing on implementation research shall be given.
- 32 (6) Review grant applications and make recommendations to the Division  
33 regarding research projects or studies to be funded.
- 34 (7) Monitor research projects or studies conducted by recipients of the BTR  
35 Grant.
- 36 (8) No later than December 1, 2027, and annually thereafter for three additional  
37 years, report to the Division regarding any updates based upon the monitoring  
38 of the BTR Grant research projects or studies, in accordance with subdivision  
39 (7) of this subsection.
- 40 (9) Evaluate the research findings and recommendations submitted by the BTR  
41 Grant recipients and include this evaluation in the report due to the Division  
42 no later than December 1, 2031, along with any recommendations for the  
43 continuation of the Breakthrough Therapies Research Grant Pilot Program  
44 and any recommended changes to the pilot program.

45 **SECTION 2.(c)** This section shall expire December 31, 2031.

46 **SECTION 3.** Effective July 1, 2026, there is appropriated from the General Fund to  
47 the Department of Health and Human Services, Division of Mental Health, Developmental  
48 Disabilities, and Substance Use Services, the sum of five million four hundred thousand dollars  
49 (\$5,400,000) in nonrecurring funds for the 2026-2027 fiscal year. Of those funds, five million  
50 dollars (\$5,000,000) in nonrecurring funds shall be deposited into the BTR Grant Fund, as  
51 established under Section 1(a) of this act. The remaining four hundred thousand dollars

1 (\$400,000) in nonrecurring funds shall be used by the Division for administrative costs related  
2 to the BTR Grants established under Section 1 of this act, including costs of the Breakthrough  
3 Therapies Task Force, established under Section 2 of this act.

4 **SECTION 4.** The Department of Health and Human Services, Division of Mental  
5 Health, Developmental Disabilities, and Substance Use Services (the Division), shall identify  
6 opportunities for the State to leverage federal funding of the BTR Grants established under  
7 Section 1 of this act, including opportunities under Section 3 of President Trump's April 18, 2026,  
8 Executive Order on "Accelerating Medical Treatments for Serious Mental Illness." The Division  
9 shall take all necessary actions to leverage those opportunities to secure maximum federal  
10 funding under this section.

11 **SECTION 5.** Except as otherwise provided, this act is effective when it becomes  
12 law.