



DEPARTMENT OF HEALTH

Wes Moore, Governor · Aruna Miller, Lt. Governor · Meena Seshamani, M.D., Ph.D., Secretary

February 24, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, MD 21401

RE: Senate Bill 527 – Public Health - Ibogaine Clinical Research Grant Program - Establishment (Veterans Mental Health Innovations Act) – Letter of Opposition

Dear Chair Beidle and Committee Members:

The Maryland Department of Health (the Department) respectfully submits this letter of opposition for Senate Bill (SB) 527– Public Health – Ibogaine Clinical Research Grant Program. This legislation is expected to have an annual fiscal impact of about \$100,000 from FY2027 through FY2031.

Effective October 1, 2026 through September 30, 2031, SB 527 would create the Ibogaine Clinical Research Grant Program (“Program”) within the Department, administered in consultation with the Department of Veterans and Military Families. The Department would be required to establish regulations to implement and oversee the Program which would award grants to eligible research institutions to conduct a certified clinical trial overseen by the U.S. Food and Drug Administration on the use of Ibogaine for the treatment of opioid use disorder or “any other neurological condition for which Ibogaine demonstrates efficacy.” Awardees would be required to submit quarterly grant reports and the Department would be required to annually report on the Program beginning September 30, 2028.

To fund the Program, SB 527 would direct the Governor to include an appropriation in the annual budget bill of \$500,000 from the Opioid Restitution Fund (ORF). Established in 2019, the ORF receives all proceeds awarded to the State through prescription opioid-related legal settlements; at present, Maryland will receive payments until FY 2038. The State-Subdivision Agreements of [2022](#)¹ and [2023](#)² specify how ORF will be shared between the State and all participating subdivisions. In Maryland, 70 percent of funds subject to this agreement are distributed at the local level.

¹ *Maryland State Subdivision Agreement, National Opioid Settlement, Feb. 2022,* <https://nationalopioidsettlement.com/wp-content/uploads/2022/02/Maryland-State-Subdivision-Agreement.pdf>.

² *Maryland Signed State Subdivision Agreement — 2023 Update, Stop Overdose Maryland, Apr. 15, 2023,* <https://stopoverdose.maryland.gov/wp-content/uploads/sites/34/2024/03/2023.04.15-Maryland-Signed-State-Subdivision-Agreement-2023-Update.pdf>.

The Finance and Procurement Article § 7-331, outlines allowable uses for the ORF. At present, the ORF may only be used to provide funds for (1) evidence-based substance use disorder (SUD) prevention, treatment, recovery or harm reduction; (2) supporting community-based nonprofit recovery organization; (3) addressing socioeconomic and racial disparities in SUD prevention and treatment access; (4) evidence-informed SUD pilot programs or demonstration studies that the Opioid Restitution Fund Advisory Council, established under § 7.5-902 of the Health – General Article “determine that emerging evidence supports the district of money for the pilot program or there is a reasonable basis for funding the demonstration study with the expectation of creating an evidence-based program.” The Department is concerned about the diversion of funds from the ORF without the explicit approval of the ORF Advisory Council.

SB 527 is similar to and partially duplicative of the PTSD/TBI Alternative Therapies Act (Chapter 731, Maryland Laws, 2022). Chapter 731 established a nonlapsing fund for veterans to study the effectiveness of and improving access to alternative therapies for post-traumatic stress disorder and traumatic brain injury, with alternative therapies including psychedelics.

For these reasons, the Department respectfully opposes SB 527. If you would like to discuss this further, please do not hesitate to contact Meghan Lynch, Director of Governmental Affairs at meghan.lynch@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Meena Seshamani', with a stylized flourish at the end.

Meena Seshamani, M.D., Ph.D
Secretary of Health