

Senate Engrossed
sober living homes

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SENATE BILL 1361

AN ACT

AMENDING SECTIONS 13-3730, 36-2061 AND 36-2062, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 18, ARTICLE 4, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2062.01; AMENDING SECTION 36-2063, ARIZONA REVISED STATUTES; REPEALING SECTION 36-2064, ARIZONA REVISED STATUTES; AMENDING SECTIONS 36-2065, 36-2066 AND 36-2067, ARIZONA REVISED STATUTES; RELATING TO SOBER LIVING HOMES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 13-3730, Arizona Revised Statutes, is amended to
3 read:

4 13-3730. Unlawful patient brokering; classification;
5 definition

6 A. It is unlawful for a person, including a health care provider,
7 health care facility or sober living home, ~~when only providing or offering~~
8 ~~substance use disorder services~~, to offer, pay, solicit or receive any
9 commission, bonus, rebate, kickback or bribe, directly or indirectly, in
10 cash or in kind, or engage in any split-fee arrangement, in any form
11 whatsoever, in return for either:

12 1. Referring patients or clients to or from a sober living home or
13 a substance use disorder treatment facility.

14 2. Accepting or acknowledging the enrollment of a patient or client
15 for substance use disorder services at a sober living home.

16 B. A violation of this section is:

17 1. A class 3 felony if the consideration has a value of ~~one~~
18 ~~thousand dollars~~ \$1,000 or more.

19 2. A class 4 felony if the consideration has a value of more than
20 ~~one hundred dollars~~ \$100 but less than ~~one thousand dollars~~ \$1,000.

21 3. A class 6 felony if the consideration has a value of ~~one hundred~~
22 ~~dollars~~ \$100 or less.

23 C. For the purposes of this section, "sober living home" ~~means any~~
24 ~~premises, place or building that provides alcohol-free or drug-free~~
25 ~~housing and that:~~

26 ~~1. Promotes independent living and life skills development.~~

27 ~~2. May provide activities that are directed primarily toward~~
28 ~~recovery from substance use disorders.~~

29 ~~3. Provides a supervised setting to a group of unrelated~~
30 ~~individuals who are recovering from substance use disorders.~~

31 ~~4. Does not provide any medical or clinical services or medication~~
32 ~~administration on-site, except for verification of abstinence~~ HAS THE SAME
33 MEANING PRESCRIBED IN SECTION 36-2061.

34 Sec. 2. Section 36-2061, Arizona Revised Statutes, is amended to
35 read:

36 36-2061. Definitions

37 In this article, unless the context otherwise requires:

38 ~~1. "Certifying organization" means an organization that certifies~~
39 ~~homes as sober living homes and is affiliated with a national organization~~
40 ~~recognized by the department whose primary function is to improve access~~
41 ~~to and the quality of sober living residences through standards,~~
42 ~~education, research and advocacy.~~

43 1. "LICENSE" MEANS A LICENSE ISSUED BY THE DIRECTOR PURSUANT TO
44 THIS ARTICLE.

1 2. "Medication-assisted treatment" means the use of pharmacological
2 medications that are approved by the United States food and drug
3 administration, in combination with counseling and behavioral therapies,
4 to provide a whole patient approach to ~~the treatment of~~ TREATING substance
5 use disorders.

6 3. "Sober living home" means ~~any premises, place or building that~~
7 ~~provides alcohol-free or drug-free housing and that:~~

8 ~~(a) Promotes independent living and life skills development.~~

9 ~~(b) May provide activities that are directed primarily toward~~
10 ~~recovery from substance use disorders.~~

11 ~~(c) Provides a supervised setting to a group of unrelated~~
12 ~~individuals who are recovering from substance use disorders.~~

13 ~~(d) Does not provide any medical or clinical services or medication~~
14 ~~administration on-site, except for verification of abstinence.~~ ANY
15 PREMISES, PLACE OR DWELLING UNIT OR PERSON THAT PROVIDES ANY PREMISES,
16 PLACE OR DWELLING UNIT THAT MEETS AT LEAST ONE OF THE FOLLOWING:

17 (a) PROVIDES HOUSING THAT PROVIDES OR ARRANGES FOR RESIDENTS TO
18 RECEIVE ANY SERVICE OR ACTIVITY FOR RECOVERY FROM ANY SUBSTANCE USE
19 DISORDER, INCLUDING FULL-TIME OR PART-TIME SUPERVISION, OBSERVATION,
20 OVERSIGHT OR TRANSPORTATION TO OR FROM ANY SERVICE, TREATMENT OR ACTIVITY
21 DIRECTED PRIMARILY TOWARD RECOVERY FROM ANY SUBSTANCE USE DISORDER.

22 (b) ADVERTISES, MARKETS, HOLDS ITSELF OUT OR OTHERWISE IMPLIES
23 THROUGH ANY MEANS, INCLUDING ORAL, WRITTEN, ELECTRONIC OR PRINTED MEANS,
24 THAT IT PROVIDES OR WILL PROVIDE A LIVING ENVIRONMENT DIRECTED PRIMARILY
25 TOWARD RECOVERY FROM ANY SUBSTANCE USE DISORDER.

26 (c) PROVIDES ALCOHOL-FREE AND DRUG-FREE HOUSING IN A FULL-TIME OR
27 PART-TIME SUPERVISED LIVING ENVIRONMENT FOR INDIVIDUALS RECOVERING FROM
28 ANY SUBSTANCE USE DISORDER.

29 Sec. 3. Section 36-2062, Arizona Revised Statutes, is amended to
30 read:

31 36-2062. Licensure required; standards; administrative
32 clearance from local jurisdiction; use of title

33 A. The director shall adopt rules to establish minimum standards
34 and requirements for the licensure of sober living homes in this state
35 necessary to ensure the public health, safety and welfare. The director
36 may use the current standards adopted by any recognized national
37 organization approved by the department as guidelines in prescribing the
38 minimum standards and requirements under this subsection. The standards
39 shall include:

40 1. A requirement that each sober living home ~~to~~ develop policies
41 and procedures to allow individuals who are on medication-assisted
42 treatment to continue to receive this treatment while living in the sober
43 living home.

- 1 2. Consistent and fair practices for drug and alcohol testing,
2 including frequency, that promote the residents' recovery.
- 3 3. ~~Policies and procedures for the residence to~~ A REQUIREMENT THAT
4 THE SOBER LIVING HOME maintain an environment that promotes the safety of
5 the surrounding neighborhood and the community at large.
- 6 4. Policies and procedures for discharge planning of persons living
7 in the ~~residence~~ SOBER LIVING HOME that do not negatively impact the
8 surrounding community, INCLUDING POLICIES AND PROCEDURES TO IMPLEMENT IF A
9 LICENSE IS SUSPENDED OR REVOKED OR A CEASE AND DESIST NOTICE IS ISSUED.
- 10 5. A good neighbor policy to address neighborhood concerns and
11 complaints.
- 12 6. A requirement that the operator of each sober living home have
13 available for emergency personnel an up-to-date list of current
14 medications and medical conditions of each person living in the SOBER
15 LIVING home.
- 16 7. A policy that ensures residents are informed of all sober living
17 home rules, residency requirements and resident agreements.
- 18 8. Policies and procedures for ~~the management of~~ MANAGING all
19 monies received and spent by the sober living home in accordance with
20 standard accounting practices, including monies received from residents of
21 the sober living home.
- 22 9. A requirement that each sober living home post a statement of
23 resident rights that includes the right to file a complaint about the
24 ~~residence~~ SOBER LIVING HOME or provider and information about how to file
25 a complaint.
- 26 10. Policies that promote recovery by requiring residents to
27 participate in treatment, self-help groups or other recovery supports.
- 28 11. ~~Policies requiring~~ A REQUIREMENT THAT THE SOBER LIVING HOME
29 MAINTAIN AN ENVIRONMENT THAT IS FREE FROM ALCOHOL AND ILLEGAL SUBSTANCES
30 AT ALL TIMES AND REQUIRE abstinence from alcohol and illicit drugs.
- 31 12. Procedures regarding the appropriate use and security of
32 medication by a resident.
- 33 13. Policies regarding the maintenance of sober living homes,
34 including the installation of functioning smoke detectors, carbon monoxide
35 detectors and fire extinguishers and compliance with local fire codes AND
36 RULES applicable to comparable dwellings occupied by single families.
- 37 14. Policies and procedures that prohibit a sober living home
38 owner, employee or administrator from requiring a resident to sign any
39 document for the purpose of relinquishing the resident's public assistance
40 benefits, including medical assistance benefits, cash assistance and
41 supplemental nutrition assistance program benefits.
- 42 15. Policies and procedures for managing complaints about sober
43 living homes.

1 16. Requirements for ~~the notification of~~ NOTIFYING a family member
2 or other emergency contact designated by a resident under certain
3 circumstances, including death due to an overdose.

4 B. The licensure of a sober living home under this article is for
5 one year. ~~A person operating a sober living home in this state that has
6 failed to attain or maintain licensure of the sober living home shall pay
7 a civil penalty of up to one thousand dollars for each violation.~~

8 C. To receive and maintain licensure, a sober living home must
9 comply with all federal, state and local laws, including the Americans
10 with disabilities act of 1990. THE APPLICATION FOR LICENSURE SHALL
11 REQUIRE THE SOBER LIVING HOME TO OBTAIN WRITTEN ADMINISTRATIVE CLEARANCE
12 FROM THE LOCAL JURISDICTION WHERE THE SOBER LIVING HOME IS LOCATED
13 VERIFYING COMPLIANCE WITH ALL LOCAL ZONING, BUILDING, FIRE AND LICENSING
14 ORDINANCES. THE NAME AND CONTACT INFORMATION OF THE DESIGNATED EMPLOYEE
15 OF THE LOCAL JURISDICTION WHO IS AUTHORIZED TO PROVIDE THE REQUIRED
16 ADMINISTRATIVE CLEARANCE PURSUANT TO THIS SUBSECTION SHALL BE POSTED ON
17 THE LOCAL JURISDICTION'S WEBSITE OR THE WEBSITE OF AN ASSOCIATION
18 REPRESENTING THE LOCAL JURISDICTION IF THE LOCAL JURISDICTION DOES NOT
19 HAVE A WEBSITE. THE DEPARTMENT SHALL IDENTIFY ON EACH LICENSE THE MAXIMUM
20 NUMBER OF UNRELATED RESIDENTS WHO ARE ALLOWED TO LIVE IN THE SOBER LIVING
21 HOME, INCLUDING ANY MANAGER OR OTHER STAFF LIVING ON THE PREMISES.

22 D. A treatment facility that is licensed by the department ~~for the~~
23 ~~treatment of~~ TO TREAT substance use disorders and that has one or more
24 sober living homes on the same campus as the facility's program shall
25 obtain licensure for each sober living home pursuant to this article.

26 E. ~~Once the director adopts the minimum standards as required in
27 subsection A of this section,~~ A person ~~may~~ SHALL not establish, conduct or
28 maintain in this state a sober living home unless that person holds a
29 current and valid license issued by the department ~~or is certified as
30 prescribed in section 36-2064.~~ The license is valid only for the
31 establishment, operation and maintenance of the sober living home. The
32 licensee ~~may~~ SHALL not:

33 1. ~~Imply by advertising,~~ OR directory listing or otherwise IMPLY
34 that the licensee is authorized to perform services more specialized or of
35 a higher degree of care than is authorized by this article and the
36 ~~underlying~~ ADOPTED rules for sober living homes.

37 2. Transfer or assign the license. A license is valid only for the
38 premises occupied by the sober living home at the time of its issuance.

39 Sec. 4. Title 36, chapter 18, article 4, Arizona Revised Statutes,
40 is amended by adding section 36-2062.01, to read:

41 36-2062.01. Legislative findings and intent: strict
42 compliance

43 THE LEGISLATURE RECOGNIZES THE NEED TO PROTECT BOTH THE PEOPLE IN
44 RECOVERY AND THE PUBLIC FROM UNSCRUPULOUS AND INCOMPETENT OPERATORS OF
45 SOBER LIVING HOMES AND THEREFORE FINDS AND DETERMINES THAT STRICT

1 COMPLIANCE WITH AND ENFORCEMENT OF THE REQUIREMENTS PRESCRIBED IN SECTION
2 36-2062, SUBSECTIONS A AND E ARE NECESSARY AND REQUIRED TO ENSURE THE
3 PUBLIC HEALTH, SAFETY AND WELFARE.

4 Sec. 5. Section 36-2063, Arizona Revised Statutes, is amended to
5 read:

6 36-2063. Fees; licensure and renewal; inspections;
7 complaints; investigations; penalties and
8 sanctions; third-party contractors

9 A. The department shall establish fees for initial licensure and
10 license renewal OF A SOBER LIVING HOME and a fee for the late payment of
11 licensing fees that includes a grace period. The department shall
12 deposit, pursuant to sections 35-146 and 35-147, ninety percent of the
13 fees collected pursuant to this section in the health services licensing
14 fund established by section 36-414 and ten percent of the fees collected
15 pursuant to this section in the state general fund.

16 B. On a determination by the director that there is reasonable
17 cause to believe a sober living home is not adhering to the ~~licensing~~
18 requirements of this article OR THE RULES ADOPTED PURSUANT TO THIS
19 ARTICLE, the director and any duly designated employee or agent of the
20 director may enter on and into the premises of any sober living home that
21 is licensed or required to be licensed pursuant to this article at any
22 reasonable time for the purpose of determining the state of compliance
23 with this article, the rules adopted pursuant to this article and local
24 fire ordinances or rules. Any application for licensure OR LICENSE
25 RENEWAL under this article constitutes permission for and complete
26 acquiescence in any entry or inspection of the premises during the
27 pendency of the LICENSE application OR LICENSE RENEWAL and, if licensed,
28 during the term of the license. ~~if an inspection reveals that the sober~~
29 ~~living home is not adhering to the licensing requirements established~~
30 ~~pursuant to this article, the director may take action authorized by this~~
31 ~~article. Any sober living home whose license has been suspended or~~
32 ~~revoked in accordance with this article is subject to inspection on~~
33 ~~application for relicensure or reinstatement of license.~~

34 ~~C. The director may~~

35 C. THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR SHALL CONDUCT A
36 PHYSICAL, ON-SITE INSPECTION OF A SOBER LIVING HOME TO VERIFY COMPLIANCE
37 WITH THE REQUIREMENTS OF THIS ARTICLE, THE RULES ADOPTED PURSUANT TO THIS
38 ARTICLE AND STANDARDS AND LOCAL FIRE ORDINANCES OR RULES AT THE FOLLOWING
39 TIMES:

40 1. BEFORE APPROVING A LICENSE OR A LICENSE RENEWAL, ANY PROPOSED
41 CHANGE IN THE MAXIMUM NUMBER OF RESIDENTS OR ANY CONSTRUCTION OR
42 MODIFICATION OF A SOBER LIVING HOME. APPLICANTS ARE NOT ALLOWED TO
43 SELF-ATTEST TO COMPLIANCE IN LIEU OF THIS INSPECTION.

1 2. AT LEAST ANNUALLY FOR EACH SOBER LIVING HOME.

2 3. PROMPTLY ON A DETERMINATION BY THE DIRECTOR THAT THERE IS
3 REASONABLE CAUSE TO BELIEVE THAT A SOBER LIVING HOME IS NOT ADHERING TO
4 THE REQUIREMENTS OF THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS
5 ARTICLE.

6 D. WITHIN THIRTY CALENDAR DAYS AFTER RECEIVING A COMPLAINT THAT
7 IDENTIFIES AN ALLEGED VIOLATION OF THIS ARTICLE OR THE RULES ADOPTED
8 PURSUANT TO THIS ARTICLE, THE DEPARTMENT SHALL INVESTIGATE THE SOBER
9 LIVING HOME THAT IS THE SUBJECT OF THE COMPLAINT. IF, THROUGH THE
10 INVESTIGATION, THE DIRECTOR DETERMINES THAT THERE IS REASONABLE CAUSE TO
11 BELIEVE THE SOBER LIVING HOME IS NOT ADHERING TO THE REQUIREMENTS OF THIS
12 ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, THE DEPARTMENT OR
13 ITS THIRD-PARTY CONTRACTOR SHALL CONDUCT A PHYSICAL, ON-SITE INSPECTION OF
14 THE SOBER LIVING HOME PURSUANT TO SUBSECTION C, PARAGRAPH 3 OF THIS
15 SECTION.

16 E. IF AN INVESTIGATION OR INSPECTION REVEALS THAT A PERSON HAS
17 VIOLATED THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, THE
18 DIRECTOR SHALL DO BOTH OF THE FOLLOWING:

19 1. Impose a civil penalty ~~on a person that violates this article or~~
20 ~~the rules adopted pursuant to this article in an amount~~ of not more than
21 ~~five hundred dollars~~ \$1,000 for each violation. Each day that a violation
22 occurs constitutes a separate violation. The director may issue a notice
23 that includes the proposed amount of the civil penalty assessment. If a
24 person requests a hearing to appeal an assessment, the director ~~may~~ SHALL
25 not take further action to enforce and collect the assessment until the
26 hearing process is complete. The director shall impose a civil penalty
27 only for those days for which the violation has been documented by the
28 department.

29 2. DENY OR WITHHOLD APPROVAL OF A PENDING APPLICATION OR REQUEST
30 FOR A CHANGE AFFECTING A LICENSE, OR BOTH, UNLESS AND UNTIL THE PERSON
31 DEMONSTRATES THAT THE VIOLATION HAS BEEN CURED AND THE APPLICATION OR
32 REQUEST MEETS THE REQUIREMENT OF THIS ARTICLE.

33 ~~D. The department may impose sanctions and commence disciplinary~~
34 ~~actions against a licensed sober living home, including revoking the~~
35 ~~license. A license may not be suspended or revoked under this article~~
36 ~~without affording the licensee notice and an opportunity for a hearing as~~
37 ~~provided in title 41, chapter 6, article 10.~~

38 F. PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10, THE DIRECTOR MAY
39 DENY, REVOKE OR SUSPEND A SOBER LIVING HOME LICENSE IF ANY OWNER, OFFICER,
40 AGENT OR EMPLOYEE OF THE SOBER LIVING HOME DOES ANY OF THE FOLLOWING:

41 1. VIOLATES THIS ARTICLE OR RULES ADOPTED PURSUANT TO THIS ARTICLE.
42 2. COMMITS A FELONY UNDER THE LAWS OF ANY STATE OR OF THE UNITED
43 STATES ARISING OUT OF OR IN CONNECTION WITH THE OPERATION OF A SOBER
44 LIVING HOME. THE RECORD OF CONVICTION OR A CERTIFIED COPY IS CONCLUSIVE
45 EVIDENCE OF CONVICTION.

1 3. KNOWINGLY AIDS, ALLOWS OR ABETS THE SUBMISSION OF FALSE OR
2 INACCURATE INFORMATION REQUIRED BY THIS ARTICLE OR RULES ADOPTED PURSUANT
3 TO THIS ARTICLE.

4 4. VIOLATES THE REQUIREMENTS FOR LICENSURE OF THE SOBER LIVING HOME
5 PURSUANT TO THIS ARTICLE.

6 G. IF THE DIRECTOR REASONABLY BELIEVES THAT A VIOLATION OF
7 SUBSECTION F, PARAGRAPH 4 OF THIS SECTION HAS OCCURRED AND THAT THE LIFE
8 OR SAFETY OF THE RESIDENTS OR THE PUBLIC IS IMMEDIATELY AFFECTED, ON
9 WRITTEN NOTICE TO THE OWNER OR AGENT OF THE SOBER LIVING HOME, THE
10 DIRECTOR MAY ORDER THE IMMEDIATE TERMINATION OF ANY SPECIFIC SERVICE,
11 PROCEDURE OR PRACTICE OF THE SOBER LIVING HOME.

12 H. EXCEPT AS PROVIDED IN SUBSECTION G OF THIS SECTION, THE DIRECTOR
13 MAY NOT SUSPEND, REVOKE OR DENY A LICENSE WITHOUT AFFORDING THE LICENSEE
14 NOTICE AND AN OPPORTUNITY FOR A HEARING AS PROVIDED IN TITLE 41, CHAPTER
15 6, ARTICLE 10.

16 I. A PERSON WHOSE APPLICATION FOR A LICENSE OR A REQUEST FOR A
17 CHANGE AFFECTING A LICENSE HAS BEEN DENIED BY THE DIRECTOR OR WHO HAS BEEN
18 ORDERED BY THE DIRECTOR PURSUANT TO SUBSECTION G OF THIS SECTION TO
19 IMMEDIATELY TERMINATE ANY SPECIFIC SERVICE, PROCEDURE OR PRACTICE, AT ANY
20 TIME WITHIN THIRTY DAYS AFTER NOTICE OF THE DENIAL OR ORDER, MAY REQUEST
21 IN WRITING A HEARING BEFORE THE DIRECTOR OR A PERSON DESIGNATED BY THE
22 DIRECTOR TO REVIEW THE DIRECTOR'S ACTION. THE HEARING SHALL BE HELD WITHIN
23 THIRTY DAYS AFTER THE WRITTEN REQUEST.

24 J. THE OPERATION OR MAINTENANCE OF A SOBER LIVING HOME THAT DOES
25 NOT HOLD A CURRENT OR VALID LICENSE OR THAT EXCEEDS THE RANGE OF THE
26 ACTIVITIES OR SERVICES AUTHORIZED BY A LICENSE ISSUED PURSUANT TO THIS
27 ARTICLE IS A PUBLIC NUISANCE. IN ADDITION TO ANY OTHER REMEDIES
28 PRESCRIBED IN THIS ARTICLE, THE DIRECTOR MAY ISSUE A CEASE AND DESIST
29 ORDER PURSUANT TO SECTION 36-601 AGAINST THE SOBER LIVING HOME OR, IN THE
30 NAME OF THE PEOPLE OF THIS STATE, THROUGH THE ATTORNEY GENERAL OR A COUNTY
31 ATTORNEY, MAY BRING AN ACTION FOR AN INJUNCTION TO RESTRAIN THE VIOLATION
32 OR TO ENJOIN THE FUTURE OPERATION OR MAINTENANCE OF THE SOBER LIVING HOME
33 UNTIL THE SOBER LIVING HOME COMPLIES WITH THIS ARTICLE. BEFORE ISSUING A
34 CEASE AND DESIST ORDER OR BRINGING AN ACTION FOR AN INJUNCTION PURSUANT TO
35 THIS SECTION, THE DEPARTMENT MAY ISSUE A CERTIFIED LETTER TO THE OWNER OR
36 AGENT OF THE LICENSED OR UNLICENSED SOBER LIVING HOME THAT STATES THE
37 FACTUAL BASIS FOR THE DEPARTMENT'S BELIEF THAT THE SOBER LIVING HOME IS
38 OPERATING IN VIOLATION OF THIS ARTICLE OR RULES ADOPTED PURSUANT TO THIS
39 ARTICLE. THE DEPARTMENT MAY INCLUDE WITHIN THE LETTER THE ENFORCEMENT
40 OPTIONS AVAILABLE TO THE DEPARTMENT IF THE VIOLATIONS CONTINUE.

41 K. WITHIN FIFTEEN CALENDAR DAYS AFTER RECEIVING A COMPLAINT ABOUT A
42 SOBER LIVING HOME FROM A POLITICAL SUBDIVISION OF THIS STATE, THE
43 DEPARTMENT SHALL NOTIFY THE POLITICAL SUBDIVISION OF THE STATUS OF THE
44 COMPLAINT. WITHIN FIFTEEN CALENDAR DAYS AFTER THE DEPARTMENT OR ITS
45 THIRD-PARTY CONTRACTOR CONCLUDES THE INVESTIGATION OF THE COMPLAINT, THE

1 DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR SHALL PROVIDE TO THE POLITICAL
2 SUBDIVISION OF THIS STATE THE FINDINGS OF THE INVESTIGATION, INCLUDING
3 COPIES OF INVESTIGATIVE REPORTS WITHOUT PERSONAL IDENTIFYING INFORMATION
4 OF THE SOBER LIVING HOME RESIDENTS AND A DESCRIPTION OF ANY PENALTIES AND
5 SANCTIONS IMPOSED AND ENFORCEMENT ACTIONS TAKEN.

6 ~~2.~~ L. The department may contract with a third party to assist the
7 department with licensure, INVESTIGATIONS and inspections, EXCEPT THAT THE
8 DEPARTMENT SHALL NOT CONTRACT WITH ANY OWNER, OPERATOR, ADMINISTRATOR OR
9 ASSOCIATION OF SOBER LIVING HOMES. THIRD-PARTY CONTRACTORS SHALL BE PAID
10 FROM THE HEALTH SERVICES LICENSING FUND ESTABLISHED BY SECTION 36-414.

11 Sec. 6. Repeal

12 Section 36-2064, Arizona Revised Statutes, is repealed.

13 Sec. 7. Section 36-2065, Arizona Revised Statutes, is amended to
14 read:

15 36-2065. Referrals; licensed sober living homes

16 ~~Beginning January 1, 2019:~~

17 ~~1.~~ A. A state agency or a state-contracted vendor that directs
18 substance abuse treatment shall refer a person only to a ~~certified or~~
19 licensed sober living home.

20 ~~2.~~ B. Only a ~~certified or~~ licensed sober living home ~~may be~~ IS
21 eligible for federal or state funding to deliver sober living home
22 services in this state.

23 ~~3.~~ C. Persons whose substance abuse treatment is funded with
24 federal or state monies may be referred only to a ~~certified or~~ licensed
25 sober living home.

26 ~~4.~~ D. A state ~~or county~~ court shall give first consideration to a
27 ~~certified or~~ licensed sober living home when making residential
28 recommendations for individuals under its supervision.

29 ~~5.~~ E. A health care institution that provides substance abuse
30 treatment and that is licensed by the department shall refer a patient or
31 client only to a ~~certified or~~ licensed sober living home.

32 ~~6.~~ F. A behavioral health provider who is licensed pursuant to
33 title 32, chapter 33 shall refer a patient or client only to a ~~certified~~
34 ~~or~~ licensed sober living home.

35 Sec. 8. Section 36-2066, Arizona Revised Statutes, is amended to
36 read:

37 36-2066. Posting; confidential information; notification of
38 local jurisdictions

39 A. The department shall post on its public website the name and
40 telephone number of each ~~certified and~~ licensed sober living home and
41 shall update the list quarterly. The department ~~may~~ SHALL not disclose
42 the address of a ~~certified or~~ licensed sober living home, except THAT THE
43 DEPARTMENT, ON REQUEST, SHALL DISCLOSE THE ADDRESS OF THE SOBER LIVING
44 HOME to:

- 1 1. A local jurisdiction for zoning purposes. ~~,-~~
- 2 2. Local law enforcement. ~~and~~
- 3 3. Emergency personnel.
- 4 4. A THIRD-PARTY CONTRACTOR OF THE DEPARTMENT.
- 5 B. A sober living home's address is not a public record and is not
- 6 subject to title 39, chapter 1, article 2.
- 7 C. THE DEPARTMENT SHALL NOTIFY THE DESIGNATED EMPLOYEE OF THE LOCAL
- 8 JURISDICTION AS PRESCRIBED IN SECTION 36-2062, SUBSECTION C OF ALL
- 9 APPROVALS AND DENIALS FOR LICENSURE AND RENEWAL AND ALL REQUESTS FOR
- 10 CHANGES AFFECTING A SOBER LIVING HOME LICENSE ISSUED PURSUANT TO THIS
- 11 ARTICLE IN THAT JURISDICTION WITHIN THIRTY CALENDAR DAYS AFTER RECEIPT OF
- 12 THE APPLICATION FOR LICENSURE OR RENEWAL OR REQUEST FOR CHANGES.
- 13 Sec. 9. Section 36-2067, Arizona Revised Statutes, is amended to
- 14 read:
- 15 36-2067. Department; annual reports
- 16 A. ~~Beginning ON OR BEFORE~~ January ~~2, 2020 and 31 OF~~ each ~~January 2~~
- 17 ~~thereafter~~ YEAR, the department shall submit to the senate health and
- 18 human services committee and the house of representatives health
- 19 committee, or their successor committees, a report on licensed sober
- 20 living homes in this state that includes:
- 21 1. The number of licensed sober living homes in each city, town and
- 22 county.
- 23 2. The number of sober living homes that are licensed each year.
- 24 3. The number of complaints against licensed sober living homes
- 25 ~~that~~ RECEIVED BY the department ~~investigates annually~~ EACH YEAR.
- 26 4. THE NUMBER OF COMPLAINTS AGAINST LICENSED SOBER LIVING HOMES
- 27 INVESTIGATED BY THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR EACH YEAR.
- 28 5. THE NUMBER OF COMPLAINTS AGAINST LICENSED SOBER LIVING HOMES THAT
- 29 RESULTED IN INSPECTIONS BY THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR
- 30 EACH YEAR.
- 31 ~~4.~~ 6. The number of enforcement actions ~~the department takes~~
- 32 against licensed sober living homes ~~annually~~ TAKEN BY THE DEPARTMENT EACH
- 33 YEAR.
- 34 B. ON OR BEFORE JANUARY 31 OF EACH YEAR, THE DEPARTMENT SHALL
- 35 SUBMIT TO THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE AND THE HOUSE OF
- 36 REPRESENTATIVES HEALTH AND HUMAN SERVICES COMMITTEE, OR THEIR SUCCESSOR
- 37 COMMITTEES, A REPORT ON SOBER LIVING HOMES IN THIS STATE THAT ARE NOT
- 38 LICENSED BUT ARE REQUIRED TO BE LICENSED THAT INCLUDES:
- 39 1. THE NUMBER OF COMPLAINTS AGAINST SOBER LIVING HOMES THAT ARE NOT
- 40 LICENSED BUT ARE REQUIRED TO BE LICENSED RECEIVED BY THE DEPARTMENT EACH
- 41 YEAR.
- 42 2. THE NUMBER OF COMPLAINTS AGAINST SOBER LIVING HOMES THAT ARE NOT
- 43 LICENSED BUT ARE REQUIRED TO BE LICENSED INVESTIGATED BY THE DEPARTMENT OR
- 44 ITS THIRD-PARTY CONTRACTOR EACH YEAR.

1 3. THE NUMBER OF COMPLAINTS AGAINST SOBER LIVING HOMES THAT ARE NOT
2 LICENSED BUT ARE REQUIRED TO BE LICENSED THAT RESULTED IN INSPECTIONS BY
3 THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR EACH YEAR.

4 4. THE NUMBER OF ENFORCEMENT ACTIONS AGAINST SOBER LIVING HOMES
5 THAT ARE NOT LICENSED BUT ARE REQUIRED TO BE LICENSED TAKEN BY THE
6 DEPARTMENT EACH YEAR.

7 ~~B.~~ C. The department shall provide a copy of the ~~report~~ REPORTS
8 submitted pursuant to ~~subsection~~ SUBSECTIONS A AND B of this section to
9 the secretary of state.