continuing care; automated external defibrillators

(now: sober living homes)

State of Arizona House of Representatives Fifty-sixth Legislature Second Regular Session 2024

HOUSE BILL 2317

AN ACT

AMENDING SECTIONS 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 ALCOHOL AND DRUG ABUSE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona:
Section 1. Section 36-2061, Arizona Revised Statutes, is amended to read:
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36-2061. <u>Definitions</u>

In this article, unless the context otherwise requires:

- 1. "Certifying organization" means an organization that certifies homes as sober living homes and is affiliated with a national organization recognized by the department whose primary function is to improve access to and the quality of sober living residences through standards, education, research and advocacy.
- 1. "LICENSE" MEANS A LICENSE ISSUED BY THE DIRECTOR PURSUANT TO THIS ARTICLE.
- 2. "Medication-assisted treatment" means the use of pharmacological medications that are approved by the United States food and drug administration, in combination with counseling and behavioral therapies, to provide a whole patient approach to the treatment of TREATING substance use disorders.
- 3. "Sober living home": means any premises, place or building that provides alcohol-free or drug-free housing and that:
 - (a) Promotes independent living and life skills development.
- (b) May provide activities that are directed primarily toward recovery from substance use disorders.
- (c) Provides a supervised setting to a group of unrelated individuals who are recovering from substance use disorders.
- (a) MEANS ANY PREMISES, PLACE OR DWELLING UNIT THAT IS USED FOR, OR PERSON THAT:
- (i) PROVIDES HOUSING FOR INDIVIDUALS AND PROVIDES OR ADVERTISES, MARKETS OR OTHERWISE IMPLIES THAT THE PREMISES, PLACE OR DWELLING UNIT PROVIDES ANY SERVICE FOR RECOVERY FROM ANY DISABILITY OR DISORDER RELATED TO ALCOHOL, DRUG OR SUBSTANCE USE, INCLUDING SUPERVISION, OBSERVATION, OVERSIGHT OR TRANSPORTATION TO OR FROM ANY SERVICE, TREATMENT OR ACTIVITY DIRECTED PRIMARILY TOWARD RECOVERY FROM A DISABILITY OR DISORDER RELATED TO ALCOHOL, DRUG OR SUBSTANCE USE.
- (d) (ii) Does not provide any medical or clinical services or medication administration on-site, except for verification of abstinence.
- (b) DOES NOT INCLUDE A HEALTH CARE INSTITUTION AS DEFINED IN SECTION 36-401.
- Sec. 2. Section 36-2062, Arizona Revised Statutes, is amended to read:

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36-2062. <u>Licensure required; standards; verification by local</u> <u>jurisdiction; use of title; civil penalties</u>
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A. The director shall adopt rules to establish minimum standards and requirements for the licensure of sober living homes in this state necessary to ensure the public health, safety and welfare. The director may use the current standards adopted by any recognized national

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organization approved by the department as guidelines in prescribing the minimum standards and requirements under this subsection. The standards shall include:

- 1. A requirement that each sober living home $t\sigma$ develop policies and procedures to allow individuals who are on medication-assisted treatment to continue to receive this treatment while living in the sober living home.
- 2. Consistent and fair practices for drug and alcohol testing, including frequency, that promote the residents' recovery.
- 3. Policies and procedures for the residence SOBER LIVING HOME to maintain an environment that promotes the safety of the surrounding neighborhood and the community at large.
- 4. Policies and procedures for discharge planning of persons living in the residence SOBER LIVING HOME that do not negatively impact the surrounding community, INCLUDING POLICIES AND PROCEDURES TO IMPLEMENT IF A LICENSE IS SUSPENDED OR REVOKED OR A CEASE AND DESIST NOTICE IS ISSUED.
- 5. A good neighbor policy to address neighborhood concerns and complaints.
- 6. A requirement that the operator of each sober living home have available for emergency personnel an up-to-date list of current medications and medical conditions of each person living in the ${\sf SOBERLIVING}$ home.
- 7. A policy that ensures residents are informed of all sober living home rules, residency requirements and resident agreements.
- 8. Policies and procedures for the management of MANAGING all monies received and spent by the sober living home in accordance with standard accounting practices, including monies received from residents of the sober living home.
- 9. A requirement that each sober living home post a statement of resident rights that includes the right to file a complaint about the residence SOBER LIVING HOME or provider and information about how to file a complaint.
- 10. Policies that promote recovery by requiring residents to participate in treatment, self-help groups or other recovery supports.
 - 11. Policies requiring abstinence from alcohol and illicit drugs.
- 12. Procedures regarding the appropriate use and security of medication by a resident.
- 13. Policies regarding the maintenance of sober living homes, including the installation of functioning smoke detectors, carbon monoxide detectors and fire extinguishers and compliance with local fire codes $\frac{\mathsf{AND}}{\mathsf{RULES}}$ applicable to comparable dwellings occupied by single families.
- 14. Policies and procedures that prohibit a sober living home owner, employee or administrator from requiring a resident to sign any document for the purpose of relinquishing the resident's public assistance

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 benefits, including medical assistance benefits, cash assistance and supplemental nutrition assistance program benefits.

- 15. Policies and procedures for managing complaints about sober living homes.
- 16. Requirements for the notification of NOTIFYING a family member or other emergency contact designated by a resident under certain circumstances, including death due to an overdose.
- B. The licensure of a sober living home under this article is for one year. A person operating a sober living home in this state that has failed to attain or maintain licensure of the sober living home shall pay a civil penalty of up to one thousand dollars for each violation.
- C. To receive and maintain licensure, a sober living home must comply with all federal, state and local laws, including the Americans with disabilities act of 1990. THE DEPARTMENT SHALL OBTAIN DOCUMENTATION FROM THE LOCAL JURISDICTION VERIFYING COMPLIANCE WITH ALL LOCAL ZONING, BUILDING, FIRE AND LICENSING ORDINANCES AND RULES BEFORE APPROVING A LICENSE OR LICENSE RENEWAL, ANY PROPOSED CHANGE IN THE MAXIMUM NUMBER OF RESIDENTS OR ANY CONSTRUCTION OR MODIFICATION OF THE SOBER LIVING HOME. EACH LOCAL JURISDICTION SHALL ANNUALLY PROVIDE TO THE DEPARTMENT CONTACT INFORMATION FOR THE LOCAL JURISDICTION'S POINT OF CONTACT FOR THESE REQUESTS. THE DEPARTMENT SHALL IDENTIFY ON EACH LICENSE THE MAXIMUM NUMBER OF UNRELATED RESIDENTS WHO ARE ALLOWED TO LIVE IN THE SOBER LIVING HOME, INCLUDING ANY MANAGER OR OTHER STAFF LIVING ON THE PREMISES.
- D. A treatment facility that is licensed by the department for the treatment of TO TREAT substance use disorders and that has one or more sober living homes on the same campus as the facility's program shall obtain licensure for each sober living home pursuant to this article.
- E. Once the director adopts the minimum standards as required in subsection A of this section, A person may SHALL not establish, conduct or maintain in this state a sober living home unless that person holds a current and valid license issued by the department or is certified as prescribed in section 36-2064. The license is valid only for the establishment, operation and maintenance of the sober living home. The licensee may SHALL not:
- 1. Imply by advertising, OR directory listing or otherwise IMPLY that the licensee is authorized to perform services more specialized or of a higher degree of care than is authorized by this article and the $\frac{1}{2}$ and $\frac{1}{2}$ and $\frac{1}{2}$ and $\frac{1}{2}$ and $\frac{1}{2}$ article and the $\frac{1}{2}$ and $\frac{1}{2}$ article and the $\frac{1}{2}$ article and the $\frac{1}{2}$ article and $\frac{1}{2}$ article article
- 2. Transfer or assign the license. A license is valid only for the premises occupied by the sober living home at the time of its issuance.
- F. IF A LICENSED HEALTH CARE INSTITUTION IS AFFILIATED WITH AN UNLICENSED SOBER LIVING HOME OR OTHER FACILITY, BUILDING OR STRUCTURE FOUND TO BE ENGAGING IN FRAUDULENT, ABUSIVE OR MISLEADING PRACTICES, THE HEALTH CARE INSTITUTION IS SUBJECT TO CIVIL PENALTIES PURSUANT TO SECTION 36-431.01 UP TO AND INCLUDING LICENSE SUSPENSION OR REVOCATION.

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 Sec. 3. Title 36, chapter 18, article 4, Arizona Revised Statutes, is amended by adding section 36-2062.01, to read:

36-2062.01. Legislative findings and intent; strict compliance
THE LEGISLATURE RECOGNIZES THE NEED TO PROTECT THE PUBLIC FROM
UNSCRUPULOUS OPERATORS OF SOBER LIVING HOMES AND THEREFORE FINDS AND
DETERMINES THAT STRICT COMPLIANCE WITH AND ENFORCEMENT OF THE REQUIREMENTS
OF THIS ARTICLE IS NECESSARY AND REQUIRED TO ENSURE THE PUBLIC HEALTH,
SAFETY AND WELFARE.

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

36-2063. Fees: licensure and renewal; inspections: complaints; investigations; penalties and sanctions; violation; classification; third-party contractors

- A. The department shall establish fees for initial licensure and license renewal OF A SOBER LIVING HOME and a fee for the late payment of licensing fees that includes a grace period. The department shall deposit, pursuant to sections 35-146 and 35-147, ninety percent of the fees collected pursuant to this section in the health services licensing fund established by section 36-414 and ten percent of the fees collected pursuant to this section in the state general fund.
- B. On a determination by the director that there is reasonable cause to believe a sober living home is not adhering to the licensing requirements of this article OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, the director and any duly designated employee or agent of the director may enter on and into the premises of any sober living home that is licensed or required to be licensed pursuant to this article at any reasonable time for the purpose of determining the state of compliance with this article, the rules adopted pursuant to this article and local fire ordinances or rules. Any application for licensure under this article constitutes permission for and complete acquiescence in any entry or inspection of the premises during the pendency of the LICENSE application and, if licensed, during the term of the license. inspection reveals that the sober living home is not adhering to the licensing requirements established pursuant to this article, the director may take action authorized by this article. Any sober living home whose license has been suspended or revoked in accordance with this article is subject to inspection on application for relicensure or reinstatement of license.

C. The director may

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

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- 1. BEFORE APPROVING A LICENSE OR A LICENSE RENEWAL, ANY PROPOSED CHANGE IN THE MAXIMUM NUMBER OF RESIDENTS OR ANY CONSTRUCTION OR MODIFICATION OF A SOBER LIVING HOME. APPLICANTS ARE NOT ALLOWED TO SELF-ATTEST TO COMPLIANCE IN LIEU OF THIS INSPECTION.
 - 2. AT LEAST ANNUALLY FOR EACH SOBER LIVING HOME.
- 3. PROMPTLY ON A DETERMINATION BY THE DIRECTOR THAT THERE IS REASONABLE CAUSE TO BELIEVE THAT A SOBER LIVING HOME IS NOT ADHERING TO THE REQUIREMENTS OF THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE.
- D. WITHIN THIRTY CALENDAR DAYS AFTER RECEIVING A COMPLAINT THAT IDENTIFIES AN ALLEGED VIOLATION OF THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, THE DEPARTMENT SHALL COMPLETE AN INVESTIGATION OF THE SOBER LIVING HOME THAT IS THE SUBJECT OF THE COMPLAINT. IF, THROUGH THE INVESTIGATION, THE DIRECTOR DETERMINES THAT THERE IS REASONABLE CAUSE TO BELIEVE THE SOBER LIVING HOME IS NOT ADHERING TO THE REQUIREMENTS OF THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR SHALL CONDUCT A PHYSICAL, ON-SITE INSPECTION OF THE SOBER LIVING HOME PURSUANT TO SUBSECTION C, PARAGRAPH 3 OF THIS SECTION.
- E. IF AN INVESTIGATION OR INSPECTION REVEALS THAT A PERSON HAS VIOLATED THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, THE DIRECTOR SHALL DO BOTH OF THE FOLLOWING:
- 1. Impose a civil penalty on a person that violates this article or the rules adopted pursuant to this article in an amount of not more than five hundred dollars \$1,000 for each violation. Each day that a violation occurs constitutes a separate violation. The director may issue a notice that includes the proposed amount of the civil penalty assessment. If a person requests a hearing to appeal an assessment, the director may SHALL not take further action to enforce and collect the assessment until the hearing process is complete. The director shall impose a civil penalty only for those days for which the violation has been documented by the department.
- 2. DENY THE APPLICATION OR REQUEST FOR A CHANGE AFFECTING A LICENSE, OR BOTH.
- D. The department may impose sanctions and commence disciplinary actions against a licensed sober living home, including revoking the license.
- F. IN ADDITION TO THE PENALTIES AND SANCTIONS PRESCRIBED IN SUBSECTION E OF THIS SECTION, IF AN INVESTIGATION OR INSPECTION REVEALS THAT A PERSON HAS VIOLATED THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE, THE DIRECTOR MAY DO EITHER OF THE FOLLOWING:
- 1. SUSPEND OR REVOKE THE LICENSE. A license $\frac{may}{may}$ SHALL not be suspended or revoked under this article without affording the licensee notice and an opportunity for a hearing as provided in title 41, chapter 6, article 10.

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- 2. PROMPTLY SERVE ON THAT PERSON, EITHER BY PERSONAL SERVICE OR BY CERTIFIED MAIL, A NOTICE REQUIRING THE PERSON, ON RECEIPT OF THE NOTICE, TO CEASE AND DESIST FROM OPERATING THE SOBER LIVING HOME WITHIN TEN DAYS AFTER RECEIVING THE NOTICE. THE NOTICE SHALL STATE THAT THE PERSON MAY MAKE A WRITTEN REQUEST FOR A HEARING BEFORE THE DIRECTOR OR THE DIRECTOR'S DESIGNEE PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10. IF THE PERSON FAILS TO CEASE OPERATION, THE DEPARTMENT MAY REQUEST THAT THE COUNTY ATTORNEY OF THE COUNTY IN WHICH THE SOBER LIVING HOME IS LOCATED ENFORCE THIS ARTICLE. THE DEPARTMENT MAY ALSO NOTIFY THE ATTORNEY GENERAL, WHO SHALL IMMEDIATELY SEEK A RESTRAINING ORDER AND AN INJUNCTION AGAINST THE SOBER LIVING HOME. A PERSON WHO CONTINUES TO OPERATE A SOBER LIVING HOME WITHOUT A LICENSE TEN DAYS AFTER RECEIVING A NOTICE PURSUANT TO THIS SECTION IS GUILTY OF A CLASS 1 MISDEMEANOR.
- G. IN ADDITION TO THE PENALTIES AND SANCTIONS PRESCRIBED IN SUBSECTION E OF THIS SECTION, ON A DETERMINATION BY THE DIRECTOR THAT THERE IS REASONABLE CAUSE TO BELIEVE A PERSON IS OPERATING A SOBER LIVING HOME WITHOUT A LICENSE, THE DIRECTOR SHALL SERVE A CEASE AND DESIST NOTICE PURSUANT TO SUBSECTION F, PARAGRAPH 2 OF THIS SECTION. A PERSON SUBJECT TO A CEASE AND DESIST ORDER PURSUANT TO THIS SUBSECTION SHALL PROVIDE CLEAR AND CONVINCING EVIDENCE TO THE DIRECTOR THAT THE PREMISES, PLACE OR DWELLING UNIT WAS NOT INTENDED PRIMARILY FOR HOUSING INDIVIDUALS RECOVERING FROM OR RECEIVING TREATMENT FOR ANY DISABILITY OR DISORDER RELATED TO ALCOHOL, DRUG OR SUBSTANCE USE.
- H. WITHIN TEN CALENDAR DAYS AFTER RECEIVING A COMPLAINT FROM A POLITICAL SUBDIVISION OF THIS STATE, THE DEPARTMENT SHALL NOTIFY THE POLITICAL SUBDIVISION OF THE STATUS OF THE COMPLAINT. WITHIN TEN CALENDAR DAYS AFTER THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR COMPLETES AN INVESTIGATION OR INSPECTION, THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR SHALL PROVIDE TO THE POLITICAL SUBDIVISION OF THIS STATE THE FINDINGS OF ITS INVESTIGATION OR INSPECTION, INCLUDING COPIES OF INVESTIGATIVE REPORTS WITHOUT PERSONAL IDENTIFYING INFORMATION OF THE SOBER LIVING HOME RESIDENTS, ALL PENALTIES AND SANCTIONS IMPOSED AND ENFORCEMENT ACTIONS TAKEN.
- E. I. The department may contract with a third party to assist the department with licensure, INVESTIGATIONS and inspections, EXCEPT THAT THE DEPARTMENT SHALL NOT CONTRACT WITH ANY OWNER, OPERATOR, ADMINISTRATOR OR ASSOCIATION OF SOBER LIVING HOMES. THIRD-PARTY CONTRACTORS SHALL BE PAID FROM THE HEALTH SERVICES LICENSING FUND ESTABLISHED BY SECTION 36-414.

Sec. 5. Repeal

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

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 Sec. 6. Section 36-2065, Arizona Revised Statutes, is amended to read:

36-2065. Referrals; licensed sober living homes Beginning January 1, 2019:

- $rac{1.}{.}$ A. A state agency or a state-contracted vendor that directs substance abuse treatment shall refer a person only to a $rac{\mathsf{certified}\ \mathsf{or}}{\mathsf{licensed}\ \mathsf{sober}\ \mathsf{living}\ \mathsf{home}.$
- 2. B. Only a certified or licensed sober living home may be IS eligible for federal or state funding to deliver sober living home services in this state.
- 3. C. Persons whose substance abuse treatment is funded with federal or state monies may be referred only to a certified or licensed sober living home.
- 4. D. A state or county court shall give first consideration to a certified or licensed sober living home when making residential recommendations for individuals under its supervision.
- 5. E. A health care institution that provides substance abuse treatment and that is licensed by the department shall refer a patient or client only to a certified or licensed sober living home.
- 6. F. A behavioral health provider who is licensed pursuant to title 32, chapter 33 shall refer a patient or client only to a certified or licensed sober living home.
- Sec. 7. Section 36-2066, Arizona Revised Statutes, is amended to read:

36-2066. <u>Posting; confidential information; notification of local jurisdictions</u>

- A. The department shall post on its public website the name and telephone number of each certified and licensed sober living home and shall update the list quarterly. The department may SHALL not disclose the address of a certified or licensed sober living home, except THAT THE DEPARTMENT, ON REQUEST, SHALL DISCLOSE THE ADDRESS OF THE SOBER LIVING HOME to:
 - 1. A local jurisdiction for zoning purposes. —
 - 2. Local law enforcement. and
 - 3. Emergency personnel.
 - 4. A THIRD-PARTY CONTRACTOR OF THE DEPARTMENT.
- B. A sober living home's address is not a public record and is not subject to title 39, chapter 1, article 2.
- C. THE DEPARTMENT SHALL NOTIFY A LOCAL JURISDICTION OF ALL APPLICATIONS FOR LICENSURE AND RENEWAL AND ALL REQUESTS FOR CHANGES AFFECTING A SOBER LIVING HOME LICENSE ISSUED PURSUANT TO THIS ARTICLE IN THAT JURISDICTION WITHIN TEN CALENDAR DAYS AFTER RECEIPT OF THE APPLICATION FOR LICENSURE OR RENEWAL OR REQUEST FOR CHANGES.

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Sec. 8. Section 36-2067, Arizona Revised Statutes, is amended to read:

36-2067. Department; annual reports

- A. Beginning ON OR BEFORE January 2, 2020 and OF each January 2 thereafter YEAR, the department shall submit to the senate health and human services committee and the house of representatives health committee, or their successor committees, a report on licensed sober living homes in this state that includes:
- 1. The number of licensed sober living homes in each city, town and county.
 - 2. The number of sober living homes that are licensed each year.
- 3. The number of complaints against licensed sober living homes that RECEIVED BY the department investigates annually EACH YEAR.
- 4. THE NUMBER OF COMPLAINTS AGAINST LICENSED SOBER LIVING HOMES INVESTIGATED BY THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR EACH YEAR.
- 5. THE NUMBER OF COMPLAINTS AGAINST LICENSED SOBER LIVING HOMES THAT RESULTED IN INSPECTIONS BY THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR EACH YEAR.
- $rac{4.}{6.}$ The number of enforcement actions the department takes against licensed sober living homes annually TAKEN BY THE DEPARTMENT EACH YEAR
- B. ON OR BEFORE JANUARY 2 OF EACH YEAR, THE DEPARTMENT SHALL SUBMIT TO THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE AND THE HOUSE OF REPRESENTATIVES HEALTH COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, A REPORT ON SOBER LIVING HOMES IN THIS STATE THAT ARE NOT LICENSED BUT ARE REQUIRED TO BE LICENSED THAT INCLUDES:
- 1. THE NUMBER OF COMPLAINTS AGAINST SOBER LIVING HOMES THAT ARE NOT LICENSED BUT ARE REQUIRED TO BE LICENSED RECEIVED BY THE DEPARTMENT EACH YEAR.
- 2. THE NUMBER OF COMPLAINTS AGAINST SOBER LIVING HOMES THAT ARE NOT LICENSED BUT ARE REQUIRED TO BE LICENSED INVESTIGATED BY THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR EACH YEAR.
- 3. THE NUMBER OF COMPLAINTS AGAINST SOBER LIVING HOMES THAT ARE NOT LICENSED BUT ARE REQUIRED TO BE LICENSED THAT RESULTED IN INSPECTIONS BY THE DEPARTMENT OR ITS THIRD-PARTY CONTRACTOR EACH YEAR.
- 4. THE NUMBER OF ENFORCEMENT ACTIONS AGAINST SOBER LIVING HOMES THAT ARE NOT LICENSED BUT ARE REQUIRED TO BE LICENSED TAKEN BY THE DEPARTMENT EACH YEAR.
- ${\tt B.}$ C. The department shall provide a copy of the report REPORTS submitted pursuant to subsection SUBSECTIONS A AND B of this section to the secretary of state.

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