

REFERENCE TITLE: sober living; enforcement; recovery residences

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

HB 2827

Introduced by
Representative Peshlakai

AN ACT

AMENDING TITLE 36, CHAPTER 4, ARTICLE 2, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-425.10; AMENDING SECTIONS 36-2061, 36-2062 AND 36-2063, ARIZONA REVISED STATUTES; REPEALING SECTION 36-2064, ARIZONA REVISED STATUTES; AMENDING SECTIONS 36-2065 AND 36-2066, 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. Title 36, chapter 4, article 2, Arizona Revised
3 Statutes, is amended by adding section 36-425.10, to read:

4 36-425.10. Certified recovery residences; licensure;
5 definition

6 A. THE DIRECTOR SHALL LICENSE CERTIFIED RECOVERY RESIDENCES TO
7 PROVIDE CLINICAL AND PEER-LED RECOVERY SERVICES IN THIS STATE.

8 B. FOR THE PURPOSES OF THIS SECTION, "CERTIFIED RECOVERY RESIDENCE"
9 MEANS A RESIDENTIAL CARE INSTITUTION THAT IS BOTH LICENSED BY THE
10 DEPARTMENT AND CERTIFIED BY A NATIONAL ACCREDITING BODY FOR RECOVERY
11 RESIDENCES TO PROVIDE CLINICAL AND PEER-LED RECOVERY SERVICES.

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

14 36-2061. Definitions

15 In this article, unless the context otherwise requires:

16 1. "Certifying organization" means an organization that certifies
17 homes as sober living homes, ~~and~~ THAT is affiliated with a national
18 organization recognized by the department AND whose primary function is to
19 improve access to and the quality of sober living residences through
20 standards, education, research and advocacy.

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

26 3. "Sober living home":

27 (a) Means any premises, place or building that provides
28 alcohol-free or drug-free housing and that:

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

30 ~~(b)~~ (ii) May provide activities that are directed primarily toward
31 recovery from substance use disorders.

32 ~~(c)~~ (iii) Provides a supervised, MONITORED OR PEER-LED setting to
33 a group of unrelated individuals who are recovering from substance use
34 disorders.

35 ~~(d)~~ (iv) Does not provide any medical or clinical services or
36 medication administration on-site, except for verification of abstinence.

37 (b) DOES NOT INCLUDE A HEALTH CARE INSTITUTION AS DEFINED IN
38 SECTION 36-401 OR CERTIFIED RECOVERY RESIDENCE AS DEFINED IN SECTION
39 36-425.10.

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

42 36-2062. Licensure; standards; use of title; violations;
43 civil penalties

44 A. The director shall adopt rules to establish minimum standards
45 and requirements for the licensure of sober living homes in this state

1 necessary to ensure the public health, safety and welfare. The director
2 may use the current standards adopted by any recognized national
3 organization approved by the department as guidelines in prescribing the
4 minimum standards and requirements under this subsection. The standards
5 shall include:

6 1. A requirement that each sober living home ~~to~~ develop policies
7 and procedures to allow individuals who are on medication-assisted
8 treatment to continue to receive this treatment while living in the sober
9 living home.

10 2. Consistent and fair practices for drug and alcohol testing,
11 including frequency, that promote the residents' recovery.

12 3. Policies and procedures for the residence to maintain an
13 environment that promotes the safety of the surrounding neighborhood and
14 the community at large.

15 4. Policies and procedures for discharge planning of persons living
16 in the residence that do not negatively impact the surrounding community.

17 5. A good neighbor policy to address neighborhood concerns and
18 complaints.

19 6. A requirement that the operator of each sober living home have
20 available for emergency personnel an up-to-date list of current
21 medications and medical conditions of each person living in the home.

22 7. A policy that ensures residents are informed of all sober living
23 home rules, residency requirements and resident agreements.

24 8. Policies and procedures for ~~the management of~~ MANAGING all
25 monies received and spent by the sober living home in accordance with
26 standard accounting practices, including monies received from residents of
27 the sober living home.

28 9. A requirement that each sober living home post a statement of
29 resident rights that includes the right to file a complaint about the
30 residence or provider and information about how to file a complaint.

31 10. Policies that promote recovery by requiring residents to
32 participate in treatment, self-help groups or other recovery supports.

33 11. Policies requiring abstinence from alcohol and illicit drugs.

34 12. Procedures regarding the appropriate use and security of
35 medication by a resident.

36 13. Policies regarding the maintenance of sober living homes,
37 including the installation of functioning smoke detectors, carbon monoxide
38 detectors and fire extinguishers and compliance with local fire codes
39 applicable to comparable dwellings occupied by single families.

40 14. Policies and procedures that prohibit a sober living home
41 owner, employee or administrator from requiring a resident to sign any
42 document for the purpose of relinquishing the resident's public assistance
43 benefits, including medical assistance benefits, cash assistance and
44 supplemental nutrition assistance program benefits.

1 15. Policies and procedures for managing complaints about sober
2 living homes.

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

6 B. The licensure of a sober living home under this article is for
7 one year. A person operating a sober living home OR A FACILITY, BUILDING
8 OR STRUCTURE in this state USING A NAME THAT INCLUDES THE PHRASE "SOBER
9 LIVING" OR ANY OTHER WORD OR PHRASE THAT WOULD LEAD THE PUBLIC TO BELIEVE
10 THAT THE FACILITY IS A LICENSED SOBER LIVING HOME that has failed to
11 attain or maintain licensure of the sober living home shall pay a civil
12 penalty of ~~up to one thousand dollars~~ NOT MORE THAN \$1,000, PLUS AN AMOUNT
13 OF NOT MORE THAN \$300 PER RESIDENT OR BED IN THE SOBER LIVING HOME,
14 FACILITY, BUILDING OR STRUCTURE for each violation.

15 C. To receive and maintain licensure, a sober living home must
16 comply with all federal, state and local laws, including the Americans
17 with disabilities act of 1990.

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

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

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

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

35 F. ANY BUSINESS OR ENTITY THAT REPRESENTS OR ADVERTISES ITSELF AS
36 SUPPORTING DRUG OR ALCOHOL RECOVERY AND THAT IS NOT LICENSED PURSUANT TO
37 THIS ARTICLE OR CHAPTER 4 OF THIS TITLE SHALL DISCLOSE IN ALL
38 ADVERTISEMENTS, BUSINESS DOCUMENTS, DIGITAL MEDIA AND PUBLICITY MATERIALS
39 WHETHER IT IS LICENSED OR UNLICENSED. THE DEPARTMENT SHALL ESTABLISH A
40 COMPLAINT PROCESS FOR ENFORCING THIS SUBSECTION. THE DIRECTOR MAY ASSESS
41 CIVIL PENALTIES AS PRESCRIBED IN SUBSECTION B OF THIS SECTION FOR A
42 VIOLATION OF THIS SUBSECTION.

43 G. IF A LICENSED HEALTH CARE INSTITUTION IS AFFILIATED WITH AN
44 UNLICENSED SOBER LIVING HOME OR OTHER FACILITY, BUILDING OR STRUCTURE
45 FOUND TO BE ENGAGING IN FRAUDULENT, ABUSIVE OR MISLEADING PRACTICES, THE

1 HEALTH CARE INSTITUTION IS SUBJECT TO CIVIL PENALTIES PURSUANT TO SECTION
2 36-431.01 UP TO AND INCLUDING LICENSE SUSPENSION OR REVOCATION.

3 H. EACH DAY A VIOLATION OCCURS UNDER THIS SECTION CONSTITUTES A
4 SEPARATE VIOLATION.

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

7 36-2063. Licensure; application; inspection; fees;
8 investigation; civil penalty; sanctions

9 A. ON RECEIPT OF A PROPERLY COMPLETED APPLICATION FOR A SOBER
10 LIVING HOME LICENSE, THE DIRECTOR SHALL CONDUCT AN INSPECTION OF THE SOBER
11 LIVING HOME. IF AN APPLICATION FOR A LICENSE IS SUBMITTED DUE TO A
12 PLANNED CHANGE OF OWNERSHIP, THE DIRECTOR SHALL DETERMINE THE NEED FOR AN
13 INSPECTION OF THE SOBER LIVING HOME. BASED ON THE RESULTS OF THE
14 INSPECTION AND AFTER THE SUBMISSION OF THE APPLICABLE LICENSING FEE, THE
15 DIRECTOR SHALL EITHER DENY THE LICENSE OR ISSUE A REGULAR OR PROVISIONAL
16 LICENSE. A LICENSE ISSUED BY THE DEPARTMENT SHALL BE POSTED IN A
17 CONSPICUOUS LOCATION IN THE SOBER LIVING HOME.

18 B. THE DIRECTOR SHALL ISSUE A LICENSE IF THE DIRECTOR DETERMINES
19 THAT AN APPLICANT AND THE SOBER LIVING HOME FOR WHICH THE LICENSE IS
20 SOUGHT SUBSTANTIALLY COMPLY WITH THE REQUIREMENTS OF THIS ARTICLE AND
21 RULES ADOPTED PURSUANT TO THIS ARTICLE AND THE APPLICANT AGREES TO CARRY
22 OUT A PLAN ACCEPTABLE TO THE DIRECTOR TO ELIMINATE ANY DEFICIENCIES.

23 C. THE DIRECTOR SHALL ANNUALLY INSPECT THE PREMISES OF THE SOBER
24 LIVING HOME AND INVESTIGATE THE QUALIFICATIONS OF THE APPLICANT TO
25 ASCERTAIN WHETHER THE APPLICANT AND THE SOBER LIVING HOME ARE IN
26 SUBSTANTIAL COMPLIANCE WITH THE REQUIREMENTS OF THIS ARTICLE AND THE RULES
27 ADOPTED PURSUANT TO THIS ARTICLE.

28 ~~A.~~ D. The department shall establish fees for initial licensure
29 and license renewal and a fee for the late payment of licensing fees that
30 includes a grace period. The department shall deposit, pursuant to
31 sections 35-146 and 35-147, ninety percent of the fees collected pursuant
32 to this section in the health services licensing fund established by
33 section 36-414 and ten percent of the fees collected pursuant to this
34 section in the state general fund.

35 ~~B.~~ E. On a determination by the director that there is reasonable
36 cause to believe a sober living home is not adhering to the licensing
37 requirements of this article, the director and any duly designated
38 employee or agent of the director may enter on and into the premises of
39 any sober living home that is licensed or required to be licensed pursuant
40 to this article at any reasonable time for the purpose of determining the
41 state of compliance with this article, the rules adopted pursuant to this
42 article and local fire ordinances or rules. Any application for licensure
43 under this article constitutes permission for and complete acquiescence in
44 any entry or inspection of the premises during the pendency of the
45 application and, if licensed, during the term of the license. If an

1 inspection reveals that the sober living home is not adhering to the
2 licensing requirements established pursuant to this article, the director
3 may take action authorized by this article. Any sober living home whose
4 license has been suspended or revoked in accordance with this article is
5 subject to inspection on application for relicensure or reinstatement of
6 license.

7 ~~F.~~ F. EXCEPT AS PROVIDED IN SECTION 36-2062, the director may
8 impose a civil penalty on a person that violates this article or the rules
9 adopted pursuant to this article in an amount of not more than ~~five~~
10 ~~hundred dollars~~ \$500 for each violation. Each day that a violation occurs
11 constitutes a separate violation. The director may issue a notice that
12 includes the proposed amount of the civil penalty assessment. If a person
13 requests a hearing to appeal an assessment, the director may not take
14 further action to enforce and collect the assessment until the hearing
15 process is complete. The director shall impose a civil penalty only for
16 those days for which the violation has been documented by the department.

17 ~~G.~~ G. The department may impose sanctions and commence
18 disciplinary actions against a licensed sober living home, including
19 revoking the license. A license may not be suspended or revoked under
20 this article without affording the licensee notice and an opportunity for
21 a hearing as provided in title 41, chapter 6, article 10.

22 ~~H.~~ H. The department may contract with a third party to assist the
23 department with licensure and inspections.

24 Sec. 5. Repeal

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

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

28 36-2065. Referrals; licensed sober living homes

29 Beginning ~~January 1, 2019~~ ON THE EFFECTIVE DATE OF THIS AMENDMENT TO
30 THIS SECTION:

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

34 2. Only a ~~certified or~~ licensed sober living home may be eligible
35 for federal or state funding to deliver sober living home services in this
36 state.

37 3. Persons whose substance abuse treatment is funded with federal
38 or state monies may be referred only to a ~~certified or~~ licensed sober
39 living home.

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

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

1 6. A behavioral health provider who is licensed pursuant to title
2 32, chapter 33 shall refer a patient or client only to a ~~certified or~~
3 licensed sober living home.

4 Sec. 7. Section 36-2066, Arizona Revised Statutes, is amended to
5 read:

6 36-2066. Posting; confidential information; exceptions

7 A. The department shall post on its public website the name and
8 telephone number of each ~~certified and~~ licensed sober living home and
9 shall update the list quarterly. The department may not disclose the
10 address of a ~~certified or~~ licensed sober living home except ~~to a local~~
11 ~~jurisdiction for zoning purposes;~~ ON THE REQUEST OF ANY OF THE FOLLOWING:

- 12 1. THE OWNER OF THE PROPERTY OR SOBER LIVING HOME.
- 13 2. A LOCAL JURISDICTION OR STATE AGENCY THAT HAS DEMONSTRATED A
14 BONA FIDE STATUTORY OR ADMINISTRATIVE NEED FOR THE ADDRESS.
- 15 3. Local law enforcement ~~and~~ OR emergency personnel IN FURTHERANCE
16 OF BONA FIDE LAW ENFORCEMENT OR EMERGENCY ACTIVITIES.

17 B. AN ADDRESS THAT IS DISCLOSED PURSUANT TO SUBSECTION A, PARAGRAPH
18 2 OR 3 OF THIS SECTION MAY NOT BE FURTHER DISCLOSED EXCEPT WHEN NECESSARY
19 FOR THE PURPOSE OF COORDINATING OR OTHERWISE SHARING DATA FOR BONA FIDE
20 LAW ENFORCEMENT, EMERGENCY, STATUTORY OR ADMINISTRATIVE ACTIVITIES.

21 C. A sober living home's address is not a public record and is not
22 subject to title 39, chapter 1, article 2.

23 Sec. 8. Exemption for rulemaking

24 Notwithstanding any other law, for the purposes of this act, the
25 department of health services is exempt from the rulemaking requirements
26 of title 41, chapters 6 and 6.1, Arizona Revised Statutes, until July 1,
27 2025.