

State of Arizona  
House of Representatives  
Fifty-third Legislature  
First Regular Session  
2017

**CHAPTER 122**  
**HOUSE BILL 2041**

AN ACT

AMENDING SECTIONS 36-405, 36-421, 36-422, 36-424, 36-425 AND 36-449.02,  
ARIZONA REVISED STATUTES; RELATING TO HEALTH CARE INSTITUTION LICENSURE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 36-405, Arizona Revised Statutes, is amended to  
3 read:

4 36-405. Powers and duties of the director

5 A. The director shall adopt rules to establish minimum standards  
6 and requirements for the construction, modification and licensure of  
7 health care institutions necessary to ~~assure~~ ENSURE the public health,  
8 safety and welfare. The standards and requirements shall relate to the  
9 construction, equipment, sanitation, staffing for medical, nursing and  
10 personal care services, and ~~record-keeping~~ RECORDKEEPING pertaining to the  
11 administration of medical, nursing, behavioral health and personal care  
12 services, in accordance with generally accepted practices of health care.  
13 The director shall use the current standards adopted by the joint  
14 commission on accreditation of hospitals and the commission on  
15 accreditation of the American osteopathic association or those adopted by  
16 any recognized accreditation organization approved by the department as  
17 guidelines in prescribing minimum standards and requirements under this  
18 section.

19 B. The director, by rule, may:

20 1. Classify and subclassify health care institutions according to  
21 character, size, range of services provided, medical or dental specialty  
22 offered, duration of care and standard of patient care required for the  
23 purposes of licensure. Classes of health care institutions may include  
24 hospitals, infirmaries, outpatient treatment centers, health screening  
25 services centers and residential care facilities. Whenever the director  
26 reasonably deems distinctions in rules and standards to be appropriate  
27 among different classes or subclasses of health care institutions, the  
28 director may make such distinctions.

29 2. Prescribe standards for determining a health care institution's  
30 substantial compliance with licensure requirements.

31 3. Prescribe the criteria for the licensure inspection process.

32 4. Prescribe standards for the selection of health ~~care-related~~  
33 CARE-RELATED demonstration projects.

34 5. Establish ~~and collect~~ nonrefundable APPLICATION AND LICENSING  
35 fees for health care institutions ~~for license applications, initial~~  
36 ~~licenses, renewal licenses~~, INCLUDING A GRACE PERIOD AND A FEE FOR THE  
37 LATE PAYMENT OF LICENSING FEES, and FEES FOR architectural ~~drawing~~ PLANS  
38 AND SPECIFICATIONS reviews.

39 6. ESTABLISH A PROCESS FOR THE DEPARTMENT TO NOTIFY A LICENSEE OF  
40 THE LICENSEE'S LICENSING FEE DUE DATE.

41 7. ESTABLISH A PROCESS FOR A LICENSEE TO REQUEST A DIFFERENT  
42 LICENSING FEE DUE DATE, INCLUDING ANY LIMITS ON THE NUMBER OF REQUESTS BY  
43 THE LICENSEE.

1 C. The director, by rule, shall adopt licensing provisions that  
2 facilitate the colocation and integration of outpatient treatment centers  
3 that provide medical, nursing and health-related services with behavioral  
4 health services consistent with article 3.1 of this chapter.

5 D. Ninety percent of the fees collected pursuant to this section  
6 shall be deposited, pursuant to sections 35-146 and 35-147, in the health  
7 services licensing fund established by section 36-414 and ten percent of  
8 the fees collected pursuant to this section shall be deposited, pursuant  
9 to sections 35-146 and 35-147, in the state general fund.

10 E. Subsection B, paragraph 5 of this section does not apply to a  
11 health care institution operated by a state agency pursuant to state or  
12 federal law or to adult foster care residential settings.

13 Sec. 2. Section 36-421, Arizona Revised Statutes, is amended to  
14 read:

15 36-421. Construction or modification of a health care  
16 institution

17 A. ~~An initial~~ A license application for a health care institution  
18 shall include architectural plans and specifications **OR THE DEPARTMENT'S**  
19 **APPROVAL OF THE ARCHITECTURAL PLANS AND SPECIFICATIONS**. These plans and  
20 specifications shall meet the minimum standards for licensure within the  
21 class or subclass of health care institution for which it is intended.  
22 The application shall include the name and address of each owner and  
23 lessee of any agricultural land **THAT IS** regulated pursuant to section  
24 3-365.

25 B. Construction or modification of a licensed health care  
26 institution shall meet the minimum standards for licensure within the  
27 class or subclass of health care institution for which it is intended.

28 C. An applicant shall comply with all state statutes and rules and  
29 local codes and ordinances required for the health care institution's  
30 construction.

31 D. A health care institution or its facility shall not be licensed  
32 if it is located on property that is less than four hundred feet from  
33 agricultural land that is regulated pursuant to section 3-365, except that  
34 the owner of the agricultural land may agree to comply with the buffer  
35 zone requirements of section 3-365. If the owner agrees in writing to  
36 comply with the buffer zone requirements and records the agreement in the  
37 office of the county recorder as a restrictive covenant running with the  
38 title to the land, the health care institution or facility may be licensed  
39 and located within the affected buffer zone. The agreement may include  
40 any stipulations regarding the health care institution or facility,  
41 including conditions for future expansion of the health care institution  
42 or facility and changes in the operational status of the health care  
43 institution or facility that will result in a breach of the agreement.  
44 This subsection does not apply to the issuance ~~or renewal~~ of a license for

1 a health care institution located in the same location for which a health  
2 care institution license was previously issued.

3 E. Notwithstanding any law to the contrary, a health care  
4 institution that was licensed as a level 1 psychiatric acute behavioral  
5 health facility-inpatient facility, ~~as of January 1, 2012 and that is not~~  
6 certified under title XIX of the social security act shall be licensed as  
7 a hospital and is not required to comply with the physical plant standards  
8 for a general hospital, rural general hospital or ~~a~~ special hospital  
9 prescribed by the department.

10 F. For the purposes of this section, health care institution does  
11 not include a home health agency, ~~a mental health service agency~~ or a  
12 hospice service agency.

13 Sec. 3. Section 36-422, Arizona Revised Statutes, is amended to  
14 read:

15 36-422. Application for license; notification of proposed  
16 change in status; joint licenses; definitions

17 A. A person who wishes to apply for ~~an initial~~ A license ~~or to~~  
18 ~~renew a license~~ to operate a health care institution pursuant to this  
19 chapter shall ~~file with~~ SUBMIT TO the department ALL OF THE FOLLOWING:

20 1. An application on a written or electronic form that is  
21 prescribed, prepared and furnished by the department. ~~The application~~  
22 ~~shall contain the following~~ THAT CONTAINS ALL OF THE FOLLOWING:

23 ~~1.~~ (a) The name and location of the health care institution.

24 ~~2.~~ (b) Whether ~~it~~ THE HEALTH CARE INSTITUTION is to be operated as  
25 a proprietary or nonproprietary institution.

26 ~~3.~~ (c) The name of the governing authority. The applicant shall  
27 be the governing authority having the operative ownership of, or the  
28 governmental agency charged with the administration of, the health care  
29 institution sought to be licensed. If the applicant is a partnership that  
30 is not a limited partnership, the partners shall ~~make the application~~  
31 APPLY jointly, and the partners are jointly the governing authority for  
32 purposes of this article.

33 ~~4.~~ (d) The name and business or residential address of each  
34 controlling person and an affirmation that none of the controlling persons  
35 has been denied a license or certificate by a health profession regulatory  
36 board pursuant to title 32 or by a state agency pursuant to chapter 6,  
37 article 7 or chapter 17 of this title or a license to operate a health  
38 care institution in this state or another state or has had a license or  
39 certificate issued by a health profession regulatory board pursuant to  
40 title 32 or issued by a state agency pursuant to chapter 6, article 7 or  
41 chapter 17 of this title or a license to operate a health care institution  
42 revoked. If a controlling person has been denied a license or certificate  
43 by a health profession regulatory board pursuant to title 32 or by a state  
44 agency pursuant to chapter 6, article 7 or chapter 17 of this title or a  
45 license to operate a health care institution in this state or another

1 state or has had a health care professional license or a license to  
2 operate a health care institution revoked, the controlling person shall  
3 include in the application a comprehensive description of the  
4 circumstances for the denial or the revocation.

5 ~~5.~~ (e) The class or subclass of health care institution to be  
6 established or operated.

7 ~~6.~~ (f) The types and extent of the health care services to be  
8 provided, including emergency services, community health services and  
9 services to indigent patients.

10 ~~7.~~ (g) The name and qualifications of the chief administrative  
11 officer implementing direction in that specific health care institution.

12 ~~8.~~ (h) Other pertinent information required by the department for  
13 the proper administration of this chapter and department rules.

14 2. THE ARCHITECTURAL PLANS AND SPECIFICATIONS OR THE DEPARTMENT'S  
15 APPROVAL OF THE ARCHITECTURAL PLANS AND SPECIFICATIONS REQUIRED BY SECTION  
16 36-421, SUBSECTION A.

17 3. THE APPLICABLE APPLICATION FEE.

18 B. An application ~~filed~~ SUBMITTED pursuant to this section shall  
19 contain the written or electronic signature of:

20 1. If the applicant is an individual, the owner of the health care  
21 institution.

22 2. If the applicant is a partnership, limited liability company or  
23 corporation, two of the officers of the corporation or managing members of  
24 the partnership or limited liability company or the sole member of the  
25 limited liability company if it has only one member.

26 3. If the applicant is a governmental unit, the head of the  
27 governmental unit.

28 C. An application for licensure ~~or relicensure~~ shall be ~~filed~~  
29 SUBMITTED at least sixty but not more than one hundred twenty days before  
30 the anticipated DATE OF operation ~~or the expiration date of the current~~  
31 ~~license~~. An application for a substantial compliance survey submitted  
32 pursuant to section 36-425, subsection G shall be ~~filed~~ SUBMITTED at least  
33 thirty days before the date on which the substantial compliance survey is  
34 requested.

35 D. If a current licensee intends to terminate the operation of a  
36 licensed health care institution or if a change of ownership is planned  
37 ~~either during or at the expiration of the term of the license~~, the current  
38 licensee shall notify the director in writing at least thirty days before  
39 the termination of operation or change in ownership is to take place. The  
40 current licensee is responsible for preventing any interruption of  
41 services required to sustain the life, health and safety of the patients  
42 or residents. A new owner shall not begin operating the health care  
43 institution until the director issues a license TO THE NEW OWNER.

1 E. A licensed health care institution for which operations have not  
2 been terminated for more than thirty days may be relicensed pursuant to  
3 the **CODES AND STANDARDS FOR ARCHITECTURAL PLANS AND SPECIFICATIONS** that  
4 were applicable under its most recent license.

5 F. If a person operates a hospital in a county with a population of  
6 more than five hundred thousand persons in a setting that includes  
7 satellite facilities of the hospital that are located separately from the  
8 main hospital building, the department at the request of the applicant or  
9 licensee shall issue a single group license to the hospital and its  
10 designated satellite facilities located within one-half mile of the main  
11 hospital building if all of the facilities meet or exceed department  
12 licensure requirements for the designated facilities. At the request of  
13 the applicant or licensee, the department shall also issue a single group  
14 license that includes the hospital and not more than ten of its designated  
15 satellite facilities that are located farther than one-half mile from the  
16 main hospital building if all of these facilities meet or exceed  
17 applicable department licensure requirements. Each facility included  
18 under a single group license is subject to the department's licensure  
19 requirements that are applicable to that category of facility. Subject to  
20 compliance with applicable licensure or accreditation requirements, the  
21 department shall reissue individual licenses for the facility of a  
22 hospital located in separate buildings from the main hospital building  
23 when requested by the hospital. This subsection does not apply to nursing  
24 care institutions and residential care institutions. The department is  
25 not limited in conducting inspections of an accredited health care  
26 institution to ensure that the institution meets department licensure  
27 requirements. If a person operates a hospital in a county with a  
28 population of five hundred thousand persons or less in a setting that  
29 includes satellite facilities of the hospital that are located separately  
30 from the main hospital building, the department at the request of the  
31 applicant or licensee shall issue a single group license to the hospital  
32 and its designated satellite facilities located within thirty-five miles  
33 of the main hospital building if all of the facilities meet or exceed  
34 department licensure requirements for the designated facilities. At the  
35 request of the applicant or licensee, the department shall also issue a  
36 single group license that includes the hospital and not more than ten of  
37 its designated satellite facilities that are located farther than  
38 thirty-five miles from the main hospital building if all of these  
39 facilities meet or exceed applicable department licensure requirements.

40 G. If a county with a population of more than one million persons  
41 or a special health care district in a county with a population of more  
42 than one million persons operates an accredited hospital that includes the  
43 hospital's accredited facilities that are located separately from the main  
44 hospital building and the accrediting body's standards as applied to all  
45 facilities meet or exceed the department's licensure requirements, the

1 department shall issue a single license to the hospital and its facilities  
2 if requested to do so by the hospital. If a hospital complies with  
3 applicable licensure or accreditation requirements, the department shall  
4 reissue individual licenses for each hospital facility that is located in  
5 a separate building from the main hospital building if requested to do so  
6 by the hospital. This subsection does not limit the department's duty to  
7 inspect a health care institution to determine its compliance with  
8 department licensure standards. This subsection does not apply to nursing  
9 care institutions and residential care institutions.

10 H. An applicant or licensee must notify the department within  
11 thirty days after any change regarding a controlling person and provide  
12 the information and affirmation required pursuant to subsection A,  
13 paragraph ~~1~~, SUBDIVISION (d) of this section.

14 I. This section does not limit the application of federal laws and  
15 regulations to an applicant or licensee THAT IS certified as a medicare or  
16 an Arizona health care cost containment system provider under federal law.

17 J. Except for an outpatient treatment center providing dialysis  
18 services or abortion procedures, a person wishing to begin operating an  
19 outpatient treatment center before ~~an initial~~ A licensing inspection is  
20 completed shall submit all of the following:

21 1. The ~~initial~~ license application required pursuant to this  
22 section.

23 2. All applicable application and license fees.

24 3. A written request for a temporary license that includes:

25 (a) The anticipated date of operation.

26 (b) An attestation signed by the applicant that the applicant and  
27 the facility comply with and will continue to comply with the applicable  
28 licensing statutes and rules.

29 K. Within seven days ~~of~~ AFTER the department's receipt of the items  
30 required in subsection J of this section, but not before the anticipated  
31 operation date submitted ~~in~~ PURSUANT TO subsection C of this section, the  
32 department shall issue a temporary license that includes:

33 1. The name of the facility.

34 2. The name of the licensee.

35 3. The facility's class or subclass.

36 4. The temporary license's effective date.

37 5. The location of the licensed premises.

38 L. A facility may begin operating on the effective date of the  
39 temporary license.

40 M. The director may cease the issuance of temporary licenses at any  
41 time if the director believes that public health and safety is endangered.

1 N. For the purposes of this section:

2 1. "Accredited" means accredited by a nationally recognized  
3 accreditation organization.

4 2. "Satellite facility" means an outpatient facility at which the  
5 hospital provides outpatient medical services.

6 Sec. 4. Section 36-424, Arizona Revised Statutes, is amended to  
7 read:

8 36-424. Inspections; suspension or revocation of license;  
9 report to board of examiners of nursing care  
10 institution administrators

11 ~~A. Every applicant for initial licensure or relicensure as a health~~  
12 ~~care institution shall submit to the director a properly completed~~  
13 ~~application for a license accompanied by the necessary fee.~~

14 ~~B.~~ A. Subject to the limitation prescribed by subsection ~~C~~ B of  
15 this section, the director shall inspect the premises of the health care  
16 institution and investigate the character and other qualifications of the  
17 applicant to ascertain whether the applicant and the health care  
18 institution are in substantial compliance with the requirements of this  
19 chapter and the rules established pursuant to this chapter. The director  
20 may prescribe rules regarding department background investigations into an  
21 applicant's character and qualifications.

22 ~~C.~~ B. The director shall accept proof that a health care  
23 institution is an accredited hospital or is an accredited health care  
24 institution in lieu of all compliance inspections required by this chapter  
25 if the director receives a copy of the institution's accreditation report  
26 for the licensure period. If the health care institution's accreditation  
27 report is not valid for the entire licensure period, the department may  
28 conduct a compliance inspection of the health care institution during the  
29 time period the department does not have a valid accreditation report for  
30 the health care institution.

31 ~~D.~~ C. On a determination by the director that there is reasonable  
32 cause to believe a health care institution is not adhering to the  
33 licensing requirements of this chapter, the director and any duly  
34 designated employee or agent of the director, including county health  
35 representatives and county or municipal fire inspectors, consistent with  
36 standard medical practices, may enter on and into the premises of any  
37 health care institution that is licensed or required to be licensed  
38 pursuant to this chapter at any reasonable time for the purpose of  
39 determining the state of compliance with this chapter, the rules adopted  
40 pursuant to this chapter and local fire ordinances or rules. Any  
41 application for licensure under this chapter constitutes permission for  
42 and complete acquiescence in any entry or inspection of the premises  
43 during the pendency of the application and, if licensed, during the term  
44 of the license. If an inspection reveals that the health care institution  
45 is not adhering to the licensing requirements established pursuant to this



1 chapter, the director may take action authorized by this chapter. Any  
2 health care institution, including an accredited hospital, whose license  
3 has been suspended or revoked in accordance with this section is subject  
4 to inspection on application for relicensure or reinstatement of license.

5 ~~E.~~ D. The director shall immediately report to the board of  
6 examiners of nursing care institution administrators information  
7 identifying that a nursing care institution administrator's conduct may be  
8 grounds for disciplinary action pursuant to section 36-446.07.

9 Sec. 5. Section 36-425, Arizona Revised Statutes, is amended to  
10 read:

11 36-425. Inspections; issuance of license; posting  
12 requirements; provisional license; denial of  
13 license

14 A. On receipt of a properly completed application for ~~initial~~  
15 ~~licensure~~ A HEALTH CARE INSTITUTION LICENSE, the director shall conduct an  
16 inspection of the health care institution as prescribed by this chapter.  
17 If an application for ~~an initial~~ A license is submitted due to a planned  
18 change of ownership, the director shall determine the need for an  
19 inspection of the health care institution. Based on the results of the  
20 inspection AND AFTER THE SUBMISSION OF THE APPLICABLE LICENSING FEE, the  
21 director shall either deny the license or issue a regular or provisional  
22 license. A license issued by the department shall be ~~conspicuously~~ posted  
23 in A CONSPICUOUS LOCATION IN the reception area of that institution.  
24 ~~Unless the health care institution is an accredited hospital at the time~~  
25 ~~of licensure, an initial license is valid for one year after the date the~~  
26 ~~initial license is issued. If the health care institution is an~~  
27 ~~accredited hospital at the time of licensure, the licensure term is three~~  
28 ~~years from the expiration date of the hospital's current license, or in~~  
29 ~~the case of an initial license based on a change of ownership, the~~  
30 ~~licensure term is three years beginning on the effective date of the~~  
31 ~~hospital's current accreditation.~~

32 B. The director shall issue ~~an initial~~ A license if the director  
33 determines that an applicant and the health care institution for which the  
34 license is sought substantially comply with the requirements of this  
35 chapter and rules adopted pursuant to this chapter and the applicant  
36 agrees to carry out a plan acceptable to the director to eliminate any  
37 deficiencies. The director shall not require a health care institution  
38 that was designated as a critical access hospital to make any  
39 modifications required by this chapter or rules adopted pursuant to this  
40 chapter in order to obtain an amended license with the same licensed  
41 capacity the health care institution had before it was designated as a  
42 critical access hospital if all of the following are true:

1           1. The health care institution has subsequently terminated its  
2 critical access hospital designation.

3           2. The licensed capacity of the health care institution does not  
4 exceed its licensed capacity ~~prior to~~ BEFORE its designation as a critical  
5 access hospital.

6           3. The health care institution remains in compliance with the  
7 applicable codes and standards that were in effect at the time the  
8 facility was originally licensed with the higher licensed capacity.

9           ~~C. On receipt of an application for a renewal of a health care  
10 institution's license that complies with the requirements of this chapter  
11 and rules adopted pursuant to this chapter, the department shall issue a  
12 renewal license to the health care institution. An accredited hospital's  
13 renewal license is valid for three years after the expiration date of the  
14 accredited hospital's current license. All other health care institution  
15 renewal licenses are valid for one year after the expiration date of the  
16 health care institution's current license.~~

17           C. A HEALTH CARE INSTITUTION LICENSE DOES NOT EXPIRE AND REMAINS  
18 VALID UNLESS:

19           1. THE DEPARTMENT SUBSEQUENTLY REVOKES OR SUSPENDS THE LICENSE.

20           2. THE LICENSE IS CONSIDERED VOID BECAUSE THE LICENSEE DID NOT PAY  
21 THE LICENSING FEE BEFORE THE LICENSING FEE DUE DATE.

22           D. Except as provided in section 36-424, subsection ~~C~~ B and  
23 subsection E of this section, the department shall conduct a compliance  
24 inspection of a health care institution to determine compliance with this  
25 chapter and rules adopted pursuant to this chapter at least once ~~during~~  
26 ~~each license period~~ ANNUALLY.

27           E. ~~After the initial license period ends and after~~ IF the  
28 department determines a facility to be deficiency free on a compliance  
29 survey, the department shall not conduct a compliance survey of that  
30 facility for twenty-four months ~~from~~ AFTER the date of the deficiency free  
31 survey. This subsection does not prohibit the department from enforcing  
32 licensing requirements as authorized by section 36-424.

33           F. A hospital licensed as a rural general hospital may provide  
34 intensive care services.

35           G. The director shall issue a provisional license for a period of  
36 not more than one year if an inspection or investigation of a currently  
37 licensed health care institution or a health care institution for which an  
38 applicant is seeking ~~initial licensure~~ A LICENSE reveals that the  
39 institution is not in substantial compliance with department licensure  
40 requirements and the director believes that the immediate interests of the  
41 patients and the general public are best served if the institution is  
42 given an opportunity to correct deficiencies. The applicant or licensee  
43 shall agree to carry out a plan to eliminate deficiencies that is  
44 acceptable to the director. The director shall not issue consecutive  
45 provisional licenses to a single health care institution. The director

1 shall not issue a license to the current licensee or a successor applicant  
2 before the expiration of the provisional license unless the health care  
3 institution submits an application for a substantial compliance survey and  
4 is found to be in substantial compliance. The director may issue a  
5 license only if the director determines that the institution is in  
6 substantial compliance with the licensure requirements of the department  
7 and this chapter. This subsection does not prevent the director from  
8 taking action to protect the safety of patients pursuant to section  
9 36-427.

10 H. Subject to the confidentiality requirements of articles 4 and 5  
11 of this chapter, title 12, chapter 13, article 7.1 and section 12-2235,  
12 the licensee shall keep current department inspection reports at the  
13 health care institution. Unless federal law requires otherwise, the  
14 licensee shall ~~conspicuously~~ post IN A CONSPICUOUS LOCATION a notice that  
15 identifies the location at that institution where the inspection reports  
16 are available for review.

17 I. A health care institution shall immediately notify the  
18 department in writing when there is a change of the chief administrative  
19 officer specified in section 36-422, subsection A, paragraph ~~7~~ 1,  
20 SUBDIVISION (g).

21 J. When the department issues an original license or an original  
22 provisional license to a health care institution, it shall notify the  
23 owners and lessees of any agricultural land within one-fourth mile of the  
24 health care institution. The health care institution shall provide the  
25 department with the names and addresses of owners or lessees of  
26 agricultural land within one-fourth mile of the proposed health care  
27 institution.

28 K. In addition to the grounds for denial of licensure prescribed  
29 pursuant to subsection A of this section, the director may deny a license  
30 because an applicant or anyone in a business relationship with the  
31 applicant, including stockholders and controlling persons, has had a  
32 license to operate a health care institution denied, revoked or suspended  
33 or a license or certificate issued by a health profession regulatory board  
34 pursuant to title 32 or issued by a state agency pursuant to chapter 6,  
35 article 7 or chapter 17 of this title denied, revoked or suspended or has  
36 a licensing history of recent serious violations occurring in this state  
37 or in another state that posed a direct risk to the life, health or safety  
38 of patients or residents.

39 L. In addition to the requirements of this chapter, the director  
40 may prescribe by rule other licensure requirements ~~and may prescribe~~  
41 ~~procedures for conducting investigations into an applicant's character and~~  
42 ~~qualifications.~~

1           Sec. 6. Section 36-449.02, Arizona Revised Statutes, is amended to  
2 read:

3           36-449.02. Abortion clinics; licensure requirements; rules;  
4                                   inspections; standing to intervene; legal  
5                                   counsel

6           A. Beginning on April 1, 2000, an abortion clinic shall meet the  
7 same licensure requirements as prescribed in article 2 of this chapter for  
8 health care institutions. ~~On initial~~ AT THE TIME OF licensure ~~and any~~  
9 ~~subsequent renewal~~, an abortion clinic shall submit to the director all  
10 documentation required by this article, including verification that the  
11 clinic's physicians who are required to be available have admitting  
12 privileges at a health care institution as required by section 36-449.03,  
13 subsection C, paragraph 3.

14           ~~B. An abortion clinic that holds an unclassified health care~~  
15 ~~facility license issued before August 6, 1999 may retain that~~  
16 ~~classification until April 1, 2000 subject to compliance with all laws~~  
17 ~~that relate to unclassified health care facilities.~~

18           B. ON OR BEFORE THE ANNIVERSARY OF THE ISSUE DATE OF AN ABORTION  
19 CLINIC'S LICENSE, THE ABORTION CLINIC SHALL SUBMIT TO THE DIRECTOR ALL  
20 DOCUMENTATION REQUIRED BY THIS ARTICLE.

21           C. Beginning on April 1, 2000, abortion clinics shall comply with  
22 department requirements for abortion clinics and department rules that  
23 govern abortion clinics.

24           D. If the director determines that there is reasonable cause to  
25 believe an abortion clinic is not adhering to the licensing requirements  
26 of this article or any other law or rule concerning abortion, the director  
27 and any duly designated employee or agent of the director, including  
28 county health representatives and county or municipal fire inspectors,  
29 consistent with standard medical practices, may enter on and into the  
30 premises of the abortion clinic that is licensed or required to be  
31 licensed pursuant to this article during regular business hours of the  
32 abortion clinic to determine compliance with this article, rules adopted  
33 pursuant to this article, local fire ordinances or rules and any other law  
34 or rule relating to abortion.

35           E. An application for licensure pursuant to this article  
36 constitutes permission for, and complete acquiescence in, an entry or  
37 inspection of the premises during the pendency of the application and, if  
38 licensed, ~~during the term of the license~~ WHILE THE ABORTION CLINIC IS  
39 LICENSED.

40           F. If an inspection conducted pursuant to this section reveals that  
41 an abortion clinic is not adhering to the licensing requirements  
42 prescribed pursuant to this article or any other law or rule concerning  
43 abortion, the director may take action authorized by this article.

1           G. An abortion clinic whose license has been suspended or revoked  
2 pursuant to this article or section 36-424 is subject to inspection on  
3 application for relicensure or reinstatement of the license.

4           H. In any proceeding in which the constitutionality, legality or  
5 application of this section is challenged, the attorney general or any  
6 county or city attorney who wishes to defend the law has the right to  
7 intervene as a party and is deemed to have proper standing in the matter.  
8 The only objection that may be raised to a motion to intervene as of right  
9 pursuant to this subsection is that the proposed intervenor does not have  
10 a good faith intention to defend the law. Any party or proposed  
11 intervenor may raise this objection. Notwithstanding section 41-192, the  
12 department may employ legal counsel and make an expenditure or incur an  
13 indebtedness for legal services for the purposes of defending this  
14 section.

APPROVED BY THE GOVERNOR MARCH 31, 2017.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 31, 2017.