REFERENCE TITLE: sober living homes; certification

State of Arizona Senate Fifty-third Legislature Second Regular Session 2018

## **SB 1465**

Introduced by Senators Brophy McGee: Barto; Representatives Campbell, Syms

## AN ACT

AMENDING SECTION 9-500.39, ARIZONA REVISED STATUTES; REPEALING SECTION 9-500.40, ARIZONA REVISED STATUTES; AMENDING SECTION 11-269.17, ARIZONA REVISED STATUTES; REPEALING SECTION 11-269.18, ARIZONA REVISED STATUTES; AMENDING TITLE 36, CHAPTER 18, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4; RELATING TO SOBER LIVING HOMES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- i -

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

Section 1. Section 9-500.39, Arizona Revised Statutes, is amended to read:

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9-500.39. <u>Limits on regulation of vacation rentals and</u> short-term rentals; state preemption; definitions
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- A. A city or town may not prohibit vacation rentals or short-term rentals.
- B. A city or town may not restrict the use of or regulate vacation rentals or short-term rentals based on their classification, use or occupancy. A city or town may regulate vacation rentals or short-term rentals for the following purposes:
- 1. Protection of the public's health and safety, including rules and regulations related to fire and building codes, health and sanitation, transportation or traffic control, solid or hazardous waste and pollution control, and designation of an emergency point of contact, if the city or town demonstrates that the rule or regulation is for the primary purpose of protecting the public's health and safety.
- 2. Adopting and enforcing residential use and zoning ordinances, including ordinances related to noise, protection of welfare, property maintenance and other nuisance issues, if the ordinance is applied in the same manner as other property classified under sections 42-12003 and 42-12004.
- 3. Limiting or prohibiting the use of a vacation rental or short-term rental for the purposes of housing sex offenders, operating or maintaining a structured sober living home, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.
- C. This section does not exempt an owner of a residential rental property, as defined in section 33-1901, from maintaining with the assessor of the county in which the property is located information required under title 33, chapter 17, article 1.
  - D. For the purposes of this section:
  - 1. "Transient" has the same meaning prescribed in section 42-5070.
- 2. "Vacation rental" or "short-term rental" means any individually or collectively owned single-family or one-to-four-family house or dwelling unit or any unit or group of units in a condominium, cooperative or timeshare, that is also a transient public lodging establishment or owner-occupied residential home offered for transient use if the accommodations are not classified for property taxation under section 42-12001. Vacation rental and short-term rental do not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

Sec. 2. Repeal

Section 9-500.40, Arizona Revised Statutes, is repealed.

- 1 -

Sec. 3. Section 11-269.17, Arizona Revised Statutes, is amended to read:

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11-269.17. <u>Limits on regulation of vacation rentals and short-term rentals; state preemption; definitions</u>
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- A. A county may not prohibit vacation rentals or short-term rentals.
- B. A county may not restrict the use of or regulate vacation rentals or short-term rentals based on their classification, use or occupancy. A county may regulate vacation rentals or short-term rentals for the following purposes:
- 1. Protection of the public's health and safety, including rules and regulations related to fire and building codes, health and sanitation, transportation or traffic control, solid or hazardous waste and pollution control, and designation of an emergency point of contact, if the county demonstrates that the rule or regulation is for the primary purpose of protecting the public's health and safety.
- 2. Adopting and enforcing residential use and zoning ordinances, including ordinances related to noise, protection of welfare, property maintenance and other nuisance issues, if the ordinance is applied in the same manner as other property classified under sections 42-12003 and 42-12004.
- 3. Limiting or prohibiting the use of a vacation rental or short-term rental for the purposes of housing sex offenders, operating or maintaining a structured sober living home, selling illegal drugs, liquor control or pornography, obscenity, nude or topless dancing and other adult-oriented businesses.
- C. This section does not exempt an owner of a residential rental property, as defined in section 33-1901, from maintaining with the assessor of the county in which the property is located information required under title 33, chapter 17, article 1.
  - D. For the purposes of this section:
  - 1. "Transient" has the same meaning prescribed in section 42-5070.
- 2. "Vacation rental" or "short-term rental" means any individually or collectively owned single-family or one-to-four-family house or dwelling unit or any unit or group of units in a condominium, cooperative or timeshare, that is also a transient public lodging establishment or owner-occupied residential home offered for transient use if the accommodations are not classified for property taxation under section 42-12001. Vacation rental and short-term rental do not include a unit that is used for any nonresidential use, including retail, restaurant, banquet space, event center or another similar use.

Sec. 4. Repeal

Section 11-269.18, Arizona Revised Statutes, is repealed.

- 2 -

 Sec. 5. Title 36, chapter 18, Arizona Revised Statutes, is amended by adding article 4, to read:

ARTICLE 4. SOBER LIVING HOMES

36-2061. <u>Definitions</u>

IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- 1. "APPROVED CERTIFYING ORGANIZATION" MEANS AN ORGANIZATION THAT THE DEPARTMENT APPROVES TO CERTIFY HOMES AS SOBER LIVING HOMES PURSUANT TO THIS ARTICLE.
- 2. "APPROVED NATIONAL ORGANIZATION" MEANS 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.
- 3. "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 SUBSTANCE USE DISORDERS.
- 4. "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.
- (d) DOES NOT PROVIDE ANY MEDICAL OR CLINICAL SERVICES OR MEDICATION ADMINISTRATION ON-SITE, EXCEPT FOR URINALYSIS TESTING.

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36-2062. <u>Certification</u>; <u>standards</u>; <u>civil penalties</u>; <u>inspections</u>; <u>use of title</u>
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- A. THE DEPARTMENT SHALL CONTRACT WITH AN APPROVED CERTIFYING ORGANIZATION THAT IS AFFILIATED WITH AN APPROVED NATIONAL ORGANIZATION TO CERTIFY EACH SOBER LIVING HOME IN THIS STATE AND INVESTIGATE AND ADDRESS COMPLAINTS. THE DEPARTMENT SHALL ADOPT APPLICATION PROCEDURES AND STANDARDS FOR AN ORGANIZATION TO BE APPROVED BY THE DEPARTMENT AS THE APPROVED CERTIFYING ORGANIZATION.
- B. THE DEPARTMENT SHALL APPROVE THE APPROVED CERTIFYING ORGANIZATION'S CERTIFICATION STANDARDS THAT ARE CONSISTENT WITH AND WITHIN THE PARAMETERS OF THE STANDARDS PUBLISHED BY THE APPROVED NATIONAL ORGANIZATION. UNTIL THE DEPARTMENT APPROVES THE APPROVED CERTIFYING ORGANIZATION'S CERTIFICATION STANDARDS, THE APPROVED CERTIFYING ORGANIZATION MAY USE THE APPROVED NATIONAL ORGANIZATION'S STANDARDS TO CERTIFY SOBER LIVING HOMES IN THIS STATE. THE STANDARDS SHALL INCLUDE:
- 1. A REQUIREMENT THAT EACH SOBER LIVING HOME TO 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.

- 3 -

- 2. CONSISTENT AND FAIR PRACTICES FOR DRUG AND ALCOHOL TESTING, INCLUDING FREQUENCY, THAT PROMOTE THE RESIDENTS' RECOVERY.
- 3. POLICIES AND PROCEDURES FOR THE RESIDENCE 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 THAT DO NOT NEGATIVELY IMPACT THE SURROUNDING COMMUNITY.
- 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 DIAGNOSES OF EACH PERSON LIVING IN THE 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 ALL MONIES RECEIVED AND SPENT BY THE SOBER LIVING HOME IN ACCORDANCE WITH STANDARD ACCOUNTING PRACTICES, INCLUDING MONIES RECEIVED FROM OR MANAGED ON BEHALF OF RESIDENTS OF THE SOBER LIVING HOME.
- 9. POLICIES REGARDING CRIMINAL BACKGROUND CHECKS FOR OWNERS AND EMPLOYEES OF SOBER LIVING HOMES.
- 10. A REQUIREMENT THAT EACH SOBER LIVING HOME POST A STATEMENT OF RESIDENT RIGHTS THAT INCLUDES THE RIGHT TO FILE A COMPLAINT ABOUT THE RESIDENCE OR PROVIDER AND INFORMATION ABOUT HOW TO FILE A COMPLAINT.
- 11. A POLICY THAT A SOBER LIVING HOME OWNER, EMPLOYEE OR ADMINISTRATOR, OR AN INDIVIDUAL RELATED TO A SOBER LIVING HOME OWNER, EMPLOYEE OR ADMINISTRATOR, MAY NOT DIRECTLY OR INDIRECTLY:
- (a) SOLICIT OR ACCEPT A COMMISSION, A FEE OR ANYTHING OF MONETARY OR MATERIAL VALUE FOR ADMISSION OF A RESIDENT OR RESIDENT FEES FROM A THIRD PARTY, EXCEPT FOR STATE OR FEDERAL CONTRACTS THAT SPECIFICALLY REIMBURSE FOR RESIDENT FEES.
- (b) RECEIVE A PAYMENT, TRADE, COMMISSION OR FEE FROM A TOXICOLOGY LABORATORY THAT PROVIDES CONFIRMATION TESTING OR POINT-OF-CARE TESTING, QUALITATIVE OR QUANTITATIVE FOR RESIDENT DRUG AND ALCOHOL TESTING.
- (c) SOLICIT OR ACCEPT A COMMISSION, A FEE OR ANYTHING OF MONETARY OR MATERIAL VALUE FROM A TREATMENT FACILITY THAT IS LICENSED OR CERTIFIED BY THE DEPARTMENT FOR THE TREATMENT OF SUBSTANCE USE DISORDERS FOR RESIDENT FEES.
- 12. POLICIES THAT PROMOTE RECOVERY BY REQUIRING RESIDENTS TO PARTICIPATE IN TREATMENT, SELF-HELP GROUPS OR OTHER RECOVERY SUPPORTS.
  - 13. POLICIES REQUIRING ABSTINENCE FROM ALCOHOL AND ILLICIT DRUGS.
- 14. PROCEDURES REGARDING THE APPROPRIATE USE AND SECURITY OF MEDICATION BY A RESIDENT.
- 15. POLICIES REGARDING THE MAINTENANCE OF SOBER LIVING HOMES, INCLUDING THE INSTALLATION OF FUNCTIONING SMOKE DETECTORS, CARBON MONOXIDE

- 4 -

 DETECTORS AND FIRE EXTINGUISHERS AND COMPLIANCE WITH LOCAL FIRE CODES APPLICABLE TO COMPARABLE DWELLINGS OCCUPIED BY SINGLE FAMILIES.

- 16. 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 BENEFITS, INCLUDING MEDICAL ASSISTANCE BENEFITS, CASH ASSISTANCE AND SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS.
- 17. POLICIES AND PROCEDURES FOR MANAGING COMPLAINTS ABOUT SOBER LIVING HOMES.
- 18. REQUIREMENTS FOR THE NOTIFICATION OF A FAMILY MEMBER OR OTHER EMERGENCY CONTACT DESIGNATED BY A RESIDENT UNDER CERTAIN CIRCUMSTANCES, INCLUDING DEATH DUE TO AN OVERDOSE.
- C. EACH SOBER LIVING HOME IN THIS STATE SHALL BE CERTIFIED UNDER THIS ARTICLE. THE CERTIFICATION 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 CERTIFICATION OF THE SOBER LIVING HOME AND HAS NOT BEEN CERTIFIED UNDER THIS ARTICLE SHALL PAY A CIVIL PENALTY OF UP TO ONE THOUSAND DOLLARS FOR EACH VIOLATION.
- D. TO RECEIVE AND MAINTAIN CERTIFICATION, A SOBER LIVING HOME MUST COMPLY WITH ALL FEDERAL, STATE AND LOCAL LAWS, INCLUDING THE AMERICANS WITH DISABILITIES ACT OF 1990. FAILURE TO COMPLY OR REMAIN IN COMPLIANCE SHALL RESULT IN THE SOBER LIVING HOME'S LOSS OF CERTIFICATION.
- E. A TREATMENT FACILITY THAT IS LICENSED OR CERTIFIED BY THE DEPARTMENT FOR THE TREATMENT OF SUBSTANCE USE DISORDERS AND THAT HAS ONE OR MORE SOBER LIVING HOMES AS AN EXTENSION OF THE FACILITY'S PROGRAM SHALL OBTAIN CERTIFICATION FOR EACH SOBER LIVING HOME PURSUANT TO THIS ARTICLE AND SHALL OBTAIN ACCREDITATION FROM A NATIONAL ACCREDITING ORGANIZATION. THE TREATMENT FACILITY SHALL PROVIDE BOTH THE CERTIFICATION AND ACCREDITATION TO THE APPROVED CERTIFYING ORGANIZATION AND THE DEPARTMENT.
- F. THE DEPARTMENT MAY IMPOSE A CIVIL PENALTY FOR A VIOLATION OF SUBSECTION B, PARAGRAPH 11 OF THIS SECTION AS FOLLOWS:
  - 1. FOR THE FIRST OCCURRENCE, ONE THOUSAND DOLLARS.
  - 2. FOR THE SECOND OCCURRENCE, THREE THOUSAND DOLLARS.
- 3. FOR THE THIRD OR A SUBSEQUENT OCCURRENCE, TEN THOUSAND DOLLARS AND THE DEPARTMENT MAY REVOKE THE SOBER LIVING HOME'S CERTIFICATION.
- G. A SOBER LIVING HOME MAY NOT USE THE TITLE OR DESIGNATION "CERTIFIED" UNLESS THE HOME HOLDS A CURRENT CERTIFICATION PURSUANT TO THIS SECTION.

## 36-2063. <u>Fees; certification; inspections; complaints; investigation; sanctions</u>

A. THE DEPARTMENT, IN CONSULTATION WITH THE APPROVED CERTIFYING ORGANIZATION, SHALL ESTABLISH FEES FOR INITIAL CERTIFICATION, CERTIFICATION RENEWAL AND INSPECTIONS OF SOBER LIVING HOMES. IN ORDER FOR FEES TO BE KEPT AT A MINIMUM, THE DEPARTMENT SHALL SEEK ALL POSSIBLE FUNDING SOURCES, INCLUDING ANY AVAILABLE FEDERAL GRANTS.

- 5 -

- B. THE DEPARTMENT SHALL APPROVE, IN CONJUNCTION WITH THE APPROVED CERTIFYING ORGANIZATION, PROCEDURES FOR THE INVESTIGATION OF COMPLAINTS AGAINST CERTIFIED SOBER LIVING HOMES AND THE REPORTING REQUIRED BY THE APPROVED CERTIFYING ORGANIZATION TO THE DEPARTMENT.
- C. THE DEPARTMENT MAY IMPOSE SANCTIONS AND COMMENCE DISCIPLINARY ACTIONS AGAINST A CERTIFIED SOBER LIVING HOME, INCLUDING REVOKING THE CERTIFICATION.

36-2064. State contracts; referrals BEGINNING JANUARY 1, 2020:

- 1. A STATE AGENCY OR A STATE-CONTRACTED VENDOR THAT DIRECTS SUBSTANCE ABUSE TREATMENT SHALL REFER A PERSON ONLY TO A CERTIFIED SOBER LIVING HOME.
- 2. ONLY A CERTIFIED SOBER LIVING HOME MAY BE ELIGIBLE FOR FEDERAL OR STATE FUNDING TO DELIVER SOBER LIVING HOME SERVICES.
- 3. PERSONS WHOSE TREATMENT IS FUNDED WITH FEDERAL OR STATE MONIES MAY BE REFERRED ONLY TO A CERTIFIED SOBER LIVING HOME.
- 4. A STATE OR COUNTY COURT SHALL GIVE FIRST CONSIDERATION TO A CERTIFIED SOBER LIVING HOME WHEN MAKING RESIDENTIAL RECOMMENDATIONS FOR INDIVIDUALS UNDER ITS SUPERVISION.
- 5. A TREATMENT FACILITY THAT IS LICENSED OR CERTIFIED BY THE DEPARTMENT SHALL REFER A PATIENT OR CLIENT ONLY TO A CERTIFIED SOBER LIVING HOME.

36-2065. Approved certifying organization; certification records; posting; confidential information

- A. THE DEPARTMENT MAY CONDUCT PERIODIC REVIEWS AND INSPECT THE RECORDS OF THE APPROVED CERTIFYING ORGANIZATION, AS NECESSARY, TO DETERMINE WHETHER THE APPROVED CERTIFYING ORGANIZATION IS COMPLYING WITH THE CONTRACT. THE DEPARTMENT MAY ACCESS THE CERTIFICATION RECORDS OF SOBER LIVING HOMES, INCLUDING INFORMATION REGARDING WHETHER THE SOBER LIVING HOMES ARE GRANTED OR DENIED CERTIFICATION AND INFORMATION RELATING TO COMPLAINTS RECEIVED AND THE RESOLUTION OF THOSE COMPLAINTS.
- B. THE DEPARTMENT SHALL POST ON ITS PUBLIC WEBSITE THE NAME AND TELEPHONE NUMBER OF EACH CERTIFIED SOBER LIVING HOME AND SHALL UPDATE THE LIST QUARTERLY. THE DEPARTMENT MAY NOT DISCLOSE THE ADDRESS OF A CERTIFIED SOBER LIVING HOME EXCEPT TO LOCAL LAW ENFORCEMENT AND EMERGENCY PERSONNEL.

36-2066. Outcome data reporting to department; annual report

- A. THE APPROVED CERTIFYING ORGANIZATION SHALL PROVIDE OUTCOME DATA AT LEAST ANNUALLY TO THE DEPARTMENT, INCLUDING THE FOLLOWING:
- 1. THE NUMBER OF RESIDENTS IN CERTIFIED SOBER LIVING HOMES IN THE PRECEDING TWELVE-MONTH PERIOD IN THIS STATE.
- 2. BY CERTIFIED SOBER LIVING HOME, THE NUMBER OF ADMISSIONS, THE NUMBER OF DISCHARGES AND THE TYPES OF DISCHARGES, INCLUDING THE NUMBER OF OVERDOSES RESULTING IN DEATH.

- 6 -

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- 3. THE TYPES OF HOUSING TO WHICH THE CERTIFIED SOBER LIVING HOME RESIDENTS RELOCATED.
  - 4. THE OUTCOMES OF CERTIFIED SOBER LIVING HOME RESIDENTS AFTER THEIR DISCHARGE.
  - B. BEGINNING JANUARY 2, 2019 AND EACH JANUARY 2 THEREAFTER, 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 CERTIFIED SOBER LIVING HOMES IN THIS STATE THAT INCLUDES:
- 10 1. THE NUMBER OF CERTIFIED SOBER LIVING HOMES IN EACH CITY, TOWN 11 AND COUNTY.
  - 2. THE NUMBER OF SOBER LIVING HOMES THAT ARE CERTIFIED EACH YEAR.
  - 3. THE NUMBER OF COMPLAINTS AGAINST CERTIFIED SOBER LIVING HOMES THAT THE DEPARTMENT INVESTIGATES ANNUALLY.
  - 4. THE NUMBER OF ENFORCEMENT ACTIONS THE DEPARTMENT TAKES AGAINST CERTIFIED SOBER LIVING HOMES ANNUALLY.
- 17 C. THE DEPARTMENT SHALL PROVIDE A COPY OF THE REPORT SUBMITTED 18 PURSUANT TO SUBSECTION B OF THIS SECTION TO THE SECRETARY OF STATE.

- 7 -