

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

CHAPTER 194
SENATE BILL 1465

AN ACT

AMENDING SECTION 9-500.39, ARIZONA REVISED STATUTES; AMENDING SECTION 9-500.40, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, FIRST SPECIAL SESSION, CHAPTER 1, SECTION 1; AMENDING SECTION 11-269.17, ARIZONA REVISED STATUTES; AMENDING SECTION 11-269.18, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2018, FIRST SPECIAL SESSION, CHAPTER 1, SECTION 3; AMENDING TITLE 36, CHAPTER 18, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4; 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 9-500.39, Arizona Revised Statutes, is amended
3 to read:

4 9-500.39. Limits on regulation of vacation rentals and
5 short-term rentals; state preemption; definitions

6 A. A city or town may not prohibit vacation rentals or short-term
7 rentals.

8 B. A city or town may not restrict the use of or regulate vacation
9 rentals or short-term rentals based on their classification, use or
10 occupancy. A city or town may regulate vacation rentals or short-term
11 rentals for the following purposes:

12 1. Protection of the public's health and safety, including rules
13 and regulations related to fire and building codes, health and sanitation,
14 transportation or traffic control, solid or hazardous waste and pollution
15 control, and designation of an emergency point of contact, if the city or
16 town demonstrates that the rule or regulation is for the primary purpose
17 of protecting the public's health and safety.

18 2. Adopting and enforcing residential use and zoning ordinances,
19 including ordinances related to noise, protection of welfare, property
20 maintenance and other nuisance issues, if the ordinance is applied in the
21 same manner as other property classified under sections 42-12003 and
22 42-12004.

23 3. Limiting or prohibiting the use of a vacation rental or
24 short-term rental for the purposes of housing sex offenders, operating or
25 maintaining a **structured** sober living home, selling illegal drugs, liquor
26 control or pornography, obscenity, nude or topless dancing and other
27 adult-oriented businesses.

28 C. This section does not exempt an owner of a residential rental
29 property, as defined in section 33-1901, from maintaining with the
30 assessor of the county in which the property is located information
31 required under title 33, chapter 17, article 1.

32 D. For the purposes of this section:

33 1. "Transient" has the same meaning prescribed in section 42-5070.

34 2. "Vacation rental" or "short-term rental" means any individually
35 or collectively owned single-family or one-to-four-family house or
36 dwelling unit or any unit or group of units in a condominium, cooperative
37 or timeshare, that is also a transient public lodging establishment or
38 owner-occupied residential home offered for transient use if the
39 accommodations are not classified for property taxation under section
40 42-12001. Vacation rental and short-term rental do not include a unit
41 that is used for any nonresidential use, including retail, restaurant,
42 banquet space, event center or another similar use.

1 Sec. 2. Section 9-500.40, Arizona Revised Statutes, as amended by
2 Laws 2018, first special session, chapter 1, section 1, is amended to
3 read:

4 9-500.40. Sober living homes; standards; definitions

5 A. A city or town may adopt by ordinance standards for ~~structured~~
6 sober living homes that comply with state and federal fair housing laws
7 and the Americans with disabilities act. If adopted, the standards for
8 ~~structured~~ sober living homes may include:

9 1. A written notification from all ~~structured~~ sober living homes
10 that includes:

11 (a) The name, TELEPHONE NUMBER and address of the ~~structured~~ sober
12 living home. A CITY OR TOWN MAY NOT DISCLOSE THE ADDRESS OF A SOBER
13 LIVING HOME EXCEPT TO LOCAL LAW ENFORCEMENT AND EMERGENCY PERSONNEL. A
14 SOBER LIVING HOME'S ADDRESS IS NOT A PUBLIC RECORD AND IS NOT SUBJECT TO
15 TITLE 39, CHAPTER 1, ARTICLE 2.

16 (b) The following information regarding the property:

17 (i) The property owner's name, address and contact telephone
18 number.

19 (ii) If the property is leased, a copy of the lease that states
20 that the property will be used as a ~~structured~~ sober living home.

21 2. Supervision requirements in the ~~structured~~ sober living home for
22 the residents during all hours of operation.

23 3. The establishment and maintenance of an operation plan that
24 facilitates the rehabilitative process, including discharge planning, and
25 that addresses the maintenance of the property and noise abatement
26 consistent with local ordinances.

27 B. A city or town that adopts standards for ~~structured~~ sober living
28 homes pursuant to subsection A of this section:

29 1. Shall require ~~structured~~ sober living homes to develop policies
30 and procedures to allow individuals on medication-assisted treatment to
31 continue to receive this treatment while living in the ~~structured~~ sober
32 living home.

33 2. May exclude from regulation any ~~structured~~ sober living home
34 that is subject to adequate oversight by another governmental entity or
35 contractor.

36 C. For the purposes of this section:

37 1. "Medication-assisted treatment" has the same meaning prescribed
38 in section 32-3201.01.

39 2. "~~Structured~~ Sober living home" ~~:-~~

40 ~~(a)~~ means any premises, place or building that provides
41 alcohol-free or drug-free housing, ~~AND THAT:~~

42 (a) Promotes independent living and life skill development. ~~and~~
43 ~~provides structured~~

44 (b) MAY PROVIDE activities that are directed primarily toward
45 recovery from substance use disorders. ~~++~~

1 (c) PROVIDES a supervised setting to a group of unrelated
2 individuals who are recovering from ~~drug or alcohol addiction and who are~~
3 ~~receiving outpatient behavioral health services for substance abuse or~~
4 ~~addiction treatment while living in the home~~ SUBSTANCE USE DISORDERS.

5 ~~(b) Does not include a private residence in which a related family~~
6 ~~member is required to receive outpatient behavioral health services for~~
7 ~~substance abuse or addiction treatment as a condition of continuing to~~
8 ~~reside in the family dwelling.~~

9 (d) DOES NOT PROVIDE ANY MEDICAL OR CLINICAL SERVICES OR MEDICATION
10 ADMINISTRATION ON-SITE, EXCEPT FOR VERIFICATION OF ABSTINENCE.

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

13 11-269.17. Limits on regulation of vacation rentals and
14 short-term rentals; state preemption;
15 definitions

16 A. A county may not prohibit vacation rentals or short-term
17 rentals.

18 B. A county may not restrict the use of or regulate vacation
19 rentals or short-term rentals based on their classification, use or
20 occupancy. A county may regulate vacation rentals or short-term rentals
21 for the following purposes:

22 1. Protection of the public's health and safety, including rules
23 and regulations related to fire and building codes, health and sanitation,
24 transportation or traffic control, solid or hazardous waste and pollution
25 control, and designation of an emergency point of contact, if the county
26 demonstrates that the rule or regulation is for the primary purpose of
27 protecting the public's health and safety.

28 2. Adopting and enforcing residential use and zoning ordinances,
29 including ordinances related to noise, protection of welfare, property
30 maintenance and other nuisance issues, if the ordinance is applied in the
31 same manner as other property classified under sections 42-12003 and
32 42-12004.

33 3. Limiting or prohibiting the use of a vacation rental or
34 short-term rental for the purposes of housing sex offenders, operating or
35 maintaining a ~~structured~~ sober living home, selling illegal drugs, liquor
36 control or pornography, obscenity, nude or topless dancing and other
37 adult-oriented businesses.

38 C. This section does not exempt an owner of a residential rental
39 property, as defined in section 33-1901, from maintaining with the
40 assessor of the county in which the property is located information
41 required under title 33, chapter 17, article 1.

42 D. For the purposes of this section:

43 1. "Transient" has the same meaning prescribed in section 42-5070.

44 2. "Vacation rental" or "short-term rental" means any individually
45 or collectively owned single-family or one-to-four-family house or

1 dwelling unit or any unit or group of units in a condominium, cooperative
2 or timeshare, that is also a transient public lodging establishment or
3 owner-occupied residential home offered for transient use if the
4 accommodations are not classified for property taxation under section
5 42-12001. Vacation rental and short-term rental do not include a unit
6 that is used for any nonresidential use, including retail, restaurant,
7 banquet space, event center or another similar use.

8 Sec. 4. Section 11-269.18, Arizona Revised Statutes, as amended by
9 Laws 2018, first special session, chapter 1, section 3, is amended to
10 read:

11 11-269.18. Sober living homes; standards; definitions

12 A. A county may adopt by ordinance standards for ~~structured~~ sober
13 living homes that comply with state and federal fair housing laws and the
14 Americans with disabilities act. If adopted, the standards for ~~structured~~
15 sober living homes may include:

16 1. A written notification from all ~~structured~~ sober living homes
17 that includes:

18 (a) The name, TELEPHONE NUMBER and address of the ~~structured~~ sober
19 living home. A COUNTY MAY NOT DISCLOSE THE ADDRESS OF A SOBER LIVING HOME
20 EXCEPT TO LOCAL LAW ENFORCEMENT AND EMERGENCY PERSONNEL. A SOBER LIVING
21 HOME'S ADDRESS IS NOT A PUBLIC RECORD AND IS NOT SUBJECT TO TITLE 39,
22 CHAPTER 1, ARTICLE 2.

23 (b) The following information regarding the property:

24 (i) The property owner's name, address and contact telephone
25 number.

26 (ii) If the property is leased, a copy of the lease that states
27 that the property will be used as a ~~structured~~ sober living home.

28 2. Supervision requirements in the ~~structured~~ sober living home for
29 the residents during all hours of operation.

30 3. The establishment and maintenance of an operation plan that
31 facilitates the rehabilitative process, including discharge planning, and
32 that addresses the maintenance of the property and noise abatement
33 consistent with local ordinances.

34 B. A county that adopts standards for ~~structured~~ sober living homes
35 pursuant to subsection A of this section:

36 1. Shall require ~~structured~~ sober living homes to develop policies
37 and procedures to allow individuals on medication-assisted treatment to
38 continue to receive this treatment while living in the ~~structured~~ sober
39 living home.

40 2. May exclude from regulation any ~~structured~~ sober living home
41 that is subject to adequate oversight by another governmental entity or
42 contractor.

1 C. For the purposes of this section:

2 1. "Medication-assisted treatment" has the same meaning prescribed
3 in section 32-3201.01.

4 2. "~~Structured~~ Sober living home" ~~:-~~

5 ~~(a)~~ means any premises, place or building that provides
6 alcohol-free or drug-free housing, ~~AND THAT:~~

7 (a) Promotes independent living and life skill development. ~~and~~
8 ~~provides structured~~

9 (b) MAY PROVIDE activities that are directed primarily toward
10 recovery from substance use disorders. ~~in~~

11 (c) PROVIDES a supervised setting to a group of unrelated
12 individuals who are recovering from ~~drug or alcohol addiction and who are~~
13 ~~receiving outpatient behavioral health services for substance abuse or~~
14 ~~addiction treatment while living in the home~~ SUBSTANCE USE DISORDERS.

15 ~~(b) Does not include a private residence in which a related family~~
16 ~~member is required to receive outpatient behavioral health services for~~
17 ~~substance abuse or addiction treatment as a condition of continuing to~~
18 ~~reside in the family dwelling.~~

19 (d) DOES NOT PROVIDE ANY MEDICAL OR CLINICAL SERVICES OR MEDICATION
20 ADMINISTRATION ON-SITE, EXCEPT FOR VERIFICATION OF ABSTINENCE.

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

23 ARTICLE 4. SOBER LIVING HOMES

24 36-2061. Definitions

25 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

26 1. "CERTIFYING ORGANIZATION" MEANS AN ORGANIZATION THAT CERTIFIES
27 HOMES AS SOBER LIVING HOMES AND IS AFFILIATED WITH A NATIONAL ORGANIZATION
28 RECOGNIZED BY THE DEPARTMENT WHOSE PRIMARY FUNCTION IS TO IMPROVE ACCESS
29 TO AND THE QUALITY OF SOBER LIVING RESIDENCES THROUGH STANDARDS,
30 EDUCATION, RESEARCH AND ADVOCACY.

31 2. "MEDICATION-ASSISTED TREATMENT" MEANS THE USE OF PHARMACOLOGICAL
32 MEDICATIONS THAT ARE APPROVED BY THE UNITED STATES FOOD AND DRUG
33 ADMINISTRATION, IN COMBINATION WITH COUNSELING AND BEHAVIORAL THERAPIES,
34 TO PROVIDE A WHOLE PATIENT APPROACH TO THE TREATMENT OF SUBSTANCE USE
35 DISORDERS.

36 3. "SOBER LIVING HOME" MEANS ANY PREMISES, PLACE OR BUILDING THAT
37 PROVIDES ALCOHOL-FREE OR DRUG-FREE HOUSING AND THAT:

38 (a) PROMOTES INDEPENDENT LIVING AND LIFE SKILLS DEVELOPMENT.

39 (b) MAY PROVIDE ACTIVITIES THAT ARE DIRECTED PRIMARILY TOWARD
40 RECOVERY FROM SUBSTANCE USE DISORDERS.

41 (c) PROVIDES A SUPERVISED SETTING TO A GROUP OF UNRELATED
42 INDIVIDUALS WHO ARE RECOVERING FROM SUBSTANCE USE DISORDERS.

43 (d) DOES NOT PROVIDE ANY MEDICAL OR CLINICAL SERVICES OR MEDICATION
44 ADMINISTRATION ON-SITE, EXCEPT FOR VERIFICATION OF ABSTINENCE.

1 36-2062. Licensure; standards; civil penalties; inspections;
2 use of title

3 A. THE DIRECTOR SHALL ADOPT RULES TO ESTABLISH MINIMUM STANDARDS
4 AND REQUIREMENTS FOR THE LICENSURE OF SOBER LIVING HOMES IN THIS STATE
5 NECESSARY TO ENSURE THE PUBLIC HEALTH, SAFETY AND WELFARE. THE DIRECTOR
6 MAY USE THE CURRENT STANDARDS ADOPTED BY ANY RECOGNIZED NATIONAL
7 ORGANIZATION APPROVED BY THE DEPARTMENT AS GUIDELINES IN PRESCRIBING THE
8 MINIMUM STANDARDS AND REQUIREMENTS UNDER THIS SUBSECTION. THE STANDARDS
9 SHALL INCLUDE:

10 1. A REQUIREMENT THAT EACH SOBER LIVING HOME TO DEVELOP POLICIES
11 AND PROCEDURES TO ALLOW INDIVIDUALS WHO ARE ON MEDICATION-ASSISTED
12 TREATMENT TO CONTINUE TO RECEIVE THIS TREATMENT WHILE LIVING IN THE SOBER
13 LIVING HOME.

14 2. CONSISTENT AND FAIR PRACTICES FOR DRUG AND ALCOHOL TESTING,
15 INCLUDING FREQUENCY, THAT PROMOTE THE RESIDENTS' RECOVERY.

16 3. POLICIES AND PROCEDURES FOR THE RESIDENCE TO MAINTAIN AN
17 ENVIRONMENT THAT PROMOTES THE SAFETY OF THE SURROUNDING NEIGHBORHOOD AND
18 THE COMMUNITY AT LARGE.

19 4. POLICIES AND PROCEDURES FOR DISCHARGE PLANNING OF PERSONS LIVING
20 IN THE RESIDENCE THAT DO NOT NEGATIVELY IMPACT THE SURROUNDING COMMUNITY.

21 5. A GOOD NEIGHBOR POLICY TO ADDRESS NEIGHBORHOOD CONCERNS AND
22 COMPLAINTS.

23 6. A REQUIREMENT THAT THE OPERATOR OF EACH SOBER LIVING HOME HAVE
24 AVAILABLE FOR EMERGENCY PERSONNEL AN UP-TO-DATE LIST OF CURRENT
25 MEDICATIONS AND MEDICAL CONDITIONS OF EACH PERSON LIVING IN THE HOME.

26 7. A POLICY THAT ENSURES RESIDENTS ARE INFORMED OF ALL SOBER LIVING
27 HOME RULES, RESIDENCY REQUIREMENTS AND RESIDENT AGREEMENTS.

28 8. POLICIES AND PROCEDURES FOR THE MANAGEMENT OF ALL MONIES
29 RECEIVED AND SPENT BY THE SOBER LIVING HOME IN ACCORDANCE WITH STANDARD
30 ACCOUNTING PRACTICES, INCLUDING MONIES RECEIVED FROM RESIDENTS OF THE
31 SOBER LIVING HOME.

32 9. A REQUIREMENT THAT EACH SOBER LIVING HOME POST A STATEMENT OF
33 RESIDENT RIGHTS THAT INCLUDES THE RIGHT TO FILE A COMPLAINT ABOUT THE
34 RESIDENCE OR PROVIDER AND INFORMATION ABOUT HOW TO FILE A COMPLAINT.

35 10. POLICIES THAT PROMOTE RECOVERY BY REQUIRING RESIDENTS TO
36 PARTICIPATE IN TREATMENT, SELF-HELP GROUPS OR OTHER RECOVERY SUPPORTS.

37 11. POLICIES REQUIRING ABSTINENCE FROM ALCOHOL AND ILLICIT DRUGS.

38 12. PROCEDURES REGARDING THE APPROPRIATE USE AND SECURITY OF
39 MEDICATION BY A RESIDENT.

40 13. POLICIES REGARDING THE MAINTENANCE OF SOBER LIVING HOMES,
41 INCLUDING THE INSTALLATION OF FUNCTIONING SMOKE DETECTORS, CARBON MONOXIDE
42 DETECTORS AND FIRE EXTINGUISHERS AND COMPLIANCE WITH LOCAL FIRE CODES
43 APPLICABLE TO COMPARABLE DWELLINGS OCCUPIED BY SINGLE FAMILIES.

44 14. POLICIES AND PROCEDURES THAT PROHIBIT A SOBER LIVING HOME
45 OWNER, EMPLOYEE OR ADMINISTRATOR FROM REQUIRING A RESIDENT TO SIGN ANY

1 DOCUMENT FOR THE PURPOSE OF RELINQUISHING THE RESIDENT'S PUBLIC ASSISTANCE
2 BENEFITS, INCLUDING MEDICAL ASSISTANCE BENEFITS, CASH ASSISTANCE AND
3 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM BENEFITS.

4 15. POLICIES AND PROCEDURES FOR MANAGING COMPLAINTS ABOUT SOBER
5 LIVING HOMES.

6 16. REQUIREMENTS FOR THE NOTIFICATION OF A FAMILY MEMBER OR OTHER
7 EMERGENCY CONTACT DESIGNATED BY A RESIDENT UNDER CERTAIN CIRCUMSTANCES,
8 INCLUDING DEATH DUE TO AN OVERDOSE.

9 B. THE LICENSURE OF A SOBER LIVING HOME UNDER THIS ARTICLE IS FOR
10 ONE YEAR. A PERSON OPERATING A SOBER LIVING HOME IN THIS STATE THAT HAS
11 FAILED TO ATTAIN OR MAINTAIN LICENSURE OF THE SOBER LIVING HOME SHALL PAY
12 A CIVIL PENALTY OF UP TO ONE THOUSAND DOLLARS FOR EACH VIOLATION.

13 C. TO RECEIVE AND MAINTAIN LICENSURE, A SOBER LIVING HOME MUST
14 COMPLY WITH ALL FEDERAL, STATE AND LOCAL LAWS, INCLUDING THE AMERICANS
15 WITH DISABILITIES ACT OF 1990.

16 D. A TREATMENT FACILITY THAT IS LICENSED BY THE DEPARTMENT FOR THE
17 TREATMENT OF SUBSTANCE USE DISORDERS AND THAT HAS ONE OR MORE SOBER LIVING
18 HOMES ON THE SAME CAMPUS AS THE FACILITY'S PROGRAM SHALL OBTAIN LICENSURE
19 FOR EACH SOBER LIVING HOME PURSUANT TO THIS ARTICLE.

20 E. ONCE THE DIRECTOR ADOPTS THE MINIMUM STANDARDS AS REQUIRED IN
21 SUBSECTION A OF THIS SECTION, A PERSON MAY NOT ESTABLISH, CONDUCT OR
22 MAINTAIN IN THIS STATE A SOBER LIVING HOME UNLESS THAT PERSON HOLDS A
23 CURRENT AND VALID LICENSE ISSUED BY THE DEPARTMENT OR IS CERTIFIED AS
24 PRESCRIBED IN SECTION 36-2064. THE LICENSE IS VALID ONLY FOR THE
25 ESTABLISHMENT, OPERATION AND MAINTENANCE OF THE SOBER LIVING HOME. THE
26 LICENSEE MAY NOT:

27 1. IMPLY BY ADVERTISING, DIRECTORY LISTING OR OTHERWISE THAT THE
28 LICENSEE IS AUTHORIZED TO PERFORM SERVICES MORE SPECIALIZED OR OF A HIGHER
29 DEGREE OF CARE THAN IS AUTHORIZED BY THIS ARTICLE AND THE UNDERLYING RULES
30 FOR SOBER LIVING HOMES.

31 2. TRANSFER OR ASSIGN THE LICENSE. A LICENSE IS VALID ONLY FOR THE
32 PREMISES OCCUPIED BY THE SOBER LIVING HOME AT THE TIME OF ITS ISSUANCE.

33 36-2063. Fees; licensure; inspections; complaints;
34 investigation; civil penalty; sanctions

35 A. THE DEPARTMENT SHALL ESTABLISH FEES FOR INITIAL LICENSURE AND
36 LICENSE RENEWAL AND A FEE FOR THE LATE PAYMENT OF LICENSING FEES THAT
37 INCLUDES A GRACE PERIOD. THE DEPARTMENT SHALL DEPOSIT, PURSUANT TO
38 SECTIONS 35-146 AND 35-147, NINETY PERCENT OF THE FEES COLLECTED PURSUANT
39 TO THIS SECTION IN THE HEALTH SERVICES LICENSING FUND ESTABLISHED BY
40 SECTION 36-414 AND TEN PERCENT OF THE FEES COLLECTED PURSUANT TO THIS
41 SECTION IN THE STATE GENERAL FUND.

42 B. ON A DETERMINATION BY THE DIRECTOR THAT THERE IS REASONABLE
43 CAUSE TO BELIEVE A SOBER LIVING HOME IS NOT ADHERING TO THE LICENSING
44 REQUIREMENTS OF THIS ARTICLE, THE DIRECTOR AND ANY DULY DESIGNATED
45 EMPLOYEE OR AGENT OF THE DIRECTOR MAY ENTER ON AND INTO THE PREMISES OF

1 ANY SOBER LIVING HOME THAT IS LICENSED OR REQUIRED TO BE LICENSED PURSUANT
2 TO THIS ARTICLE AT ANY REASONABLE TIME FOR THE PURPOSE OF DETERMINING THE
3 STATE OF COMPLIANCE WITH THIS ARTICLE, THE RULES ADOPTED PURSUANT TO THIS
4 ARTICLE AND LOCAL FIRE ORDINANCES OR RULES. ANY APPLICATION FOR LICENSURE
5 UNDER THIS ARTICLE CONSTITUTES PERMISSION FOR AND COMPLETE ACQUIESCENCE IN
6 ANY ENTRY OR INSPECTION OF THE PREMISES DURING THE PENDENCY OF THE
7 APPLICATION AND, IF LICENSED, DURING THE TERM OF THE LICENSE. IF AN
8 INSPECTION REVEALS THAT THE SOBER LIVING HOME IS NOT ADHERING TO THE
9 LICENSING REQUIREMENTS ESTABLISHED PURSUANT TO THIS ARTICLE, THE DIRECTOR
10 MAY TAKE ACTION AUTHORIZED BY THIS ARTICLE. ANY SOBER LIVING HOME WHOSE
11 LICENSE HAS BEEN SUSPENDED OR REVOKED IN ACCORDANCE WITH THIS ARTICLE IS
12 SUBJECT TO INSPECTION ON APPLICATION FOR RELICENSURE OR REINSTATEMENT OF
13 LICENSE.

14 C. THE DIRECTOR MAY IMPOSE A CIVIL PENALTY ON A PERSON THAT
15 VIOLATES THIS ARTICLE OR THE RULES ADOPTED PURSUANT TO THIS ARTICLE IN AN
16 AMOUNT OF NOT MORE THAN FIVE HUNDRED DOLLARS FOR EACH VIOLATION. EACH DAY
17 THAT A VIOLATION OCCURS CONSTITUTES A SEPARATE VIOLATION. THE DIRECTOR
18 MAY ISSUE A NOTICE THAT INCLUDES THE PROPOSED AMOUNT OF THE CIVIL PENALTY
19 ASSESSMENT. IF A PERSON REQUESTS A HEARING TO APPEAL AN ASSESSMENT, THE
20 DIRECTOR MAY NOT TAKE FURTHER ACTION TO ENFORCE AND COLLECT THE ASSESSMENT
21 UNTIL THE HEARING PROCESS IS COMPLETE. THE DIRECTOR SHALL IMPOSE A CIVIL
22 PENALTY ONLY FOR THOSE DAYS FOR WHICH THE VIOLATION HAS BEEN DOCUMENTED BY
23 THE DEPARTMENT.

24 D. THE DEPARTMENT MAY IMPOSE SANCTIONS AND COMMENCE DISCIPLINARY
25 ACTIONS AGAINST A LICENSED SOBER LIVING HOME, INCLUDING REVOKING THE
26 LICENSE. A LICENSE MAY NOT BE SUSPENDED OR REVOKED UNDER THIS ARTICLE
27 WITHOUT AFFORDING THE LICENSEE NOTICE AND AN OPPORTUNITY FOR A HEARING AS
28 PROVIDED IN TITLE 41, CHAPTER 6, ARTICLE 10.

29 E. THE DEPARTMENT MAY CONTRACT WITH A THIRD PARTY TO ASSIST THE
30 DEPARTMENT WITH LICENSURE AND INSPECTIONS.

31 36-2064. Certified sober living homes

32 A. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, A SOBER
33 LIVING HOME IN THIS STATE THAT IS CERTIFIED BY A CERTIFYING ORGANIZATION
34 MAY OPERATE IN THIS STATE AND RECEIVE REFERRALS PURSUANT TO SECTION
35 36-2065. A SOBER LIVING HOME CERTIFICATION IS IN LIEU OF LICENSURE UNTIL
36 THE SOBER LIVING HOME IS LICENSED. A CERTIFIED SOBER LIVING HOME SHALL
37 APPLY TO THE DEPARTMENT FOR LICENSURE WITHIN NINETY DAYS AFTER THE
38 DEPARTMENT'S INITIAL LICENSURE RULES ARE FINAL. THE DEPARTMENT SHALL
39 NOTIFY THE CERTIFYING ORGANIZATION WHEN THE DEPARTMENT'S INITIAL LICENSURE
40 RULES ARE FINAL.

41 B. IN LIEU OF AN INITIAL ON-SITE LICENSURE SURVEY AND ANY ANNUAL
42 ON-SITE SURVEY, THE DEPARTMENT SHALL ISSUE A LICENSE TO A SOBER LIVING
43 HOME THAT SUBMITS AN APPLICATION PRESCRIBED BY THE DEPARTMENT AND THAT
44 MEETS THE FOLLOWING REQUIREMENTS:

1 1. IS CURRENTLY CERTIFIED AS A SOBER LIVING HOME BY A CERTIFYING
2 ORGANIZATION.

3 2. MEETS ALL DEPARTMENT LICENSURE REQUIREMENTS.

4 36-2065. State contracts; referrals

5 BEGINNING JANUARY 1, 2019:

6 1. A STATE AGENCY OR A STATE-CONTRACTED VENDOR THAT DIRECTS
7 SUBSTANCE ABUSE TREATMENT SHALL REFER A PERSON ONLY TO A CERTIFIED OR
8 LICENSED SOBER LIVING HOME.

9 2. ONLY A CERTIFIED OR LICENSED SOBER LIVING HOME MAY BE ELIGIBLE
10 FOR FEDERAL OR STATE FUNDING TO DELIVER SOBER LIVING HOME SERVICES IN THIS
11 STATE.

12 3. PERSONS WHOSE SUBSTANCE ABUSE TREATMENT IS FUNDED WITH FEDERAL
13 OR STATE MONIES MAY BE REFERRED ONLY TO A CERTIFIED OR LICENSED SOBER
14 LIVING HOME.

15 4. A STATE OR COUNTY COURT SHALL GIVE FIRST CONSIDERATION TO A
16 CERTIFIED OR LICENSED SOBER LIVING HOME WHEN MAKING RESIDENTIAL
17 RECOMMENDATIONS FOR INDIVIDUALS UNDER ITS SUPERVISION.

18 5. A HEALTH CARE INSTITUTION THAT PROVIDES SUBSTANCE ABUSE
19 TREATMENT AND THAT IS LICENSED BY THE DEPARTMENT SHALL REFER A PATIENT OR
20 CLIENT ONLY TO A CERTIFIED OR LICENSED SOBER LIVING HOME.

21 6. A BEHAVIORAL HEALTH PROVIDER WHO IS LICENSED PURSUANT TO TITLE
22 32, CHAPTER 33 SHALL REFER A PATIENT OR CLIENT ONLY TO A CERTIFIED OR
23 LICENSED SOBER LIVING HOME.

24 36-2066. Posting; confidential information

25 THE DEPARTMENT SHALL POST ON ITS PUBLIC WEBSITE THE NAME AND
26 TELEPHONE NUMBER OF EACH CERTIFIED AND LICENSED SOBER LIVING HOME AND
27 SHALL UPDATE THE LIST QUARTERLY. THE DEPARTMENT MAY NOT DISCLOSE THE
28 ADDRESS OF A CERTIFIED OR LICENSED SOBER LIVING HOME EXCEPT TO A LOCAL
29 JURISDICTION FOR ZONING PURPOSES, LOCAL LAW ENFORCEMENT AND EMERGENCY
30 PERSONNEL. A SOBER LIVING HOME'S ADDRESS IS NOT A PUBLIC RECORD AND IS
31 NOT SUBJECT TO TITLE 39, CHAPTER 1, ARTICLE 2.

32 36-2067. Department; annual report

33 A. BEGINNING JANUARY 2, 2020 AND EACH JANUARY 2 THEREAFTER, THE
34 DEPARTMENT SHALL SUBMIT TO THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE
35 AND THE HOUSE OF REPRESENTATIVES HEALTH COMMITTEE, OR THEIR SUCCESSOR
36 COMMITTEES, A REPORT ON LICENSED SOBER LIVING HOMES IN THIS STATE THAT
37 INCLUDES:

38 1. THE NUMBER OF LICENSED SOBER LIVING HOMES IN EACH CITY, TOWN AND
39 COUNTY.

40 2. THE NUMBER OF SOBER LIVING HOMES THAT ARE LICENSED EACH YEAR.

41 3. THE NUMBER OF COMPLAINTS AGAINST LICENSED SOBER LIVING HOMES
42 THAT THE DEPARTMENT INVESTIGATES ANNUALLY.

43 4. THE NUMBER OF ENFORCEMENT ACTIONS THE DEPARTMENT TAKES AGAINST
44 LICENSED SOBER LIVING HOMES ANNUALLY.

1 B. THE DEPARTMENT SHALL PROVIDE A COPY OF THE REPORT SUBMITTED
2 PURSUANT TO SUBSECTION A OF THIS SECTION TO THE SECRETARY OF STATE.

3 Sec. 6. Department of health services; rulemaking; exemption

4 For the purposes of title 36, chapter 18, article 4, Arizona Revised
5 Statutes, as added by this act, the department of health services is
6 exempt from the rulemaking requirements of title 41, chapter 6, Arizona
7 Revised Statutes, for two years after the effective date of this act.

8 Sec. 7. Conditional repeal; notice

9 A. Sections 9-500.40 and 11-269.18, Arizona Revised Statutes, as
10 amended by this act, are repealed ninety days after the date that the
11 director of the department of health services finalizes rules relating to
12 the licensure of sober living homes pursuant to title 36, chapter 18,
13 article 4, Arizona Revised Statutes, as added by this act.

14 B. The director of the department of health services shall notify
15 in writing the director of the Arizona legislative council and each city,
16 town and county in this state of the date the rules are finalized.

APPROVED BY THE GOVERNOR APRIL 11, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2018.