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SENATE BILL 26-113

BY SENATOR(S) Amabile and Ball, Benavidez, Cutter, Exum, Gonzales J., Jodeh, Kipp, Kolker, Lindstedt, Marchman, Mullica, Snyder, Wallace, Weissman, Coleman;
also REPRESENTATIVE(S) Carter and McCormick, Bacon, Boesenecker, Brown, Clifford, English, Lindsay, Ricks, Rydin, Sirota, McCluskie.

CONCERNING REQUIRING A RECOVERY RESIDENCE TO OBTAIN A LICENSE
FROM THE BEHAVIORAL HEALTH ADMINISTRATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 27-50-101, **add** (17.5) as follows:

27-50-101. Definitions.

As used in this article 50, unless the context otherwise requires:

(17.5) (a) "RECOVERY RESIDENCE" MEANS A LICENSED PREMISES, PLACE, FACILITY, OR BUILDING THAT PROVIDES HOUSING ACCOMMODATION FOR INDIVIDUALS WITH A PRIMARY DIAGNOSIS OF A BEHAVIORAL HEALTH DISORDER AND THAT:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(I) DOES NOT PERMIT THE POSSESSION OR USE OF ALCOHOL OR NONPRESCRIBED OR ILLICIT DRUGS;

(II) PROMOTES INDEPENDENT LIVING AND LIFE-SKILL DEVELOPMENT;
AND

(III) PROVIDES STRUCTURED ACTIVITIES AND RECOVERY SUPPORT SERVICES THAT ARE PRIMARILY INTENDED TO PROMOTE AND SUSTAIN RECOVERY FROM BEHAVIORAL HEALTH DISORDERS.

(b) "RECOVERY RESIDENCE" DOES NOT INCLUDE:

(I) A PRIVATE RESIDENCE IN WHICH AN INDIVIDUAL RELATED TO THE OWNER OF THE RESIDENCE BY BLOOD, ADOPTION, OR MARRIAGE IS REQUIRED TO ABSTAIN FROM SUBSTANCE USE OR RECEIVE BEHAVIORAL HEALTH SERVICES FOR A BEHAVIORAL HEALTH DISORDER AS A CONDITION OF RESIDING IN THE RESIDENCE;

(II) A BEHAVIORAL HEALTH ENTITY LICENSED BY THE BHA TO PROVIDE RESIDENTIAL TREATMENT;

(III) PERMANENT SUPPORTIVE HOUSING. FOR THE PURPOSES OF THIS SUBSECTION (17.5)(b)(III), "PERMANENT SUPPORTIVE HOUSING" MEANS COMMUNITY-BASED AFFORDABLE HOUSING WHERE EXTREMELY LOW-INCOME INDIVIDUALS WITH COMPLEX BARRIERS TO HOUSING STABILITY AND HISTORIES OF HOMELESSNESS HAVE A DEDICATED RENTAL SUBSIDY THAT IS NOT CONDITIONAL ON PARTICIPATION IN SUPPORTIVE SERVICES AND INCLUDES THE SAME RIGHTS AND RESPONSIBILITIES OF TENANCY LEGALLY GUARANTEED BY A LEASE AGREEMENT AND ACCESS TO INTENSIVE COORDINATED SUPPORTIVE SERVICES DESIGNED TO SUPPORT TENANTS TO LIVE INDEPENDENTLY WITH IMPROVED HEALTH OUTCOMES AND REDUCED EMERGENCY SYSTEM UTILIZATION.

(IV) SHELTERS, EMERGENCY OVERFLOW BEDS, BEDS IN SERVICE PURSUANT TO EMERGENCY PROTOCOLS, ANY OTHER FORM OF TRANSIENT OR EXIGENT HOUSING THAT HAS AN AVERAGE STAY OF LESS THAN THREE DAYS, OR HOUSING OPTIONS THAT ARE UNDER THE PRIMARY OVERSIGHT OF THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS;

(V) A HEALTH FACILITY, AS DEFINED IN SECTION 24-33.5-1202; OR

(VI) A COMMUNITY-BASED ORGANIZATION OR PROGRAM THAT HAS A PRIMARY MISSION OF PROVIDING SUPPORTIVE SERVICES TO INDIVIDUALS RELEASED FROM JAIL OR PRISON, OR OTHERWISE INVOLVED IN THE CRIMINAL JUSTICE SYSTEM, AND THAT DOES NOT REQUIRE THE INDIVIDUAL TO HAVE A PRIMARY BEHAVIORAL HEALTH DISORDER IN ORDER TO RECEIVE SERVICES, INCLUDING HOUSING.

SECTION 2. In Colorado Revised Statutes, **add** part 10 to article 50 of title 27 as follows:

PART 10
RECOVERY RESIDENCES

27-50-1001. Regulation of recovery residences - license - violations and penalties - rules.

(1) ON AND AFTER JULY 1, 2027, IT IS UNLAWFUL FOR A PERSON TO CONDUCT OR MAINTAIN A RECOVERY RESIDENCE WITHOUT HAVING OBTAINED A LICENSE FROM THE BHA.

(2) A PERSON THAT HAS BEEN FOUND TO HAVE VIOLATED SUBSECTION (1) OF THIS SECTION BY A COURT OF COMPETENT JURISDICTION MAY BE SUBJECT TO A CIVIL PENALTY ASSESSED BY THE BHA OF NOT LESS THAN FIFTY DOLLARS BUT NOT MORE THAN ONE HUNDRED DOLLARS FOR EACH DAY THE UNLICENSED RECOVERY RESIDENCE VIOLATED SUBSECTION (1) OF THIS SECTION. THE ASSESSED PENALTY ACCRUES FROM THE DATE THE BHA FINDS THAT THE PERSON IS IN VIOLATION OF THIS SECTION. THE BHA SHALL ASSESS, ENFORCE, AND COLLECT THE PENALTY IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24 AND CREDIT THE MONEY TO THE GENERAL FUND. ENFORCEMENT AND COLLECTION OF THE PENALTY OCCURS FOLLOWING THE DECISION REACHED IN ACCORDANCE WITH PROCEDURES SET FORTH IN SECTION 24-4-105.

(3) THE BHA SHALL TAKE ACTION ON AN APPLICATION FOR LICENSURE WITHIN THIRTY DAYS AFTER THE DATE THAT THE BHA RECEIVES THE COMPLETE APPLICATION.

(4) (a) BEGINNING JULY 1, 2027, A LICENSED, REGISTERED, OR CERTIFIED HEALTH-CARE PROVIDER; A BEHAVIORAL HEALTH

ADMINISTRATIVE SERVICES ORGANIZATION; A MANAGED CARE ENTITY, AS DEFINED IN SECTION 25.5-5-802 (5); A MANAGED CARE ORGANIZATION, AS DEFINED IN SECTION 25.5-5-403 (5); A LICENSED HEALTH-CARE FACILITY; OR A GOVERNMENTAL ENTITY SHALL NOT REFER AN INDIVIDUAL TO A RECOVERY RESIDENCE OR PURCHASE OR CONTRACT FOR SERVICES FROM A RECOVERY RESIDENCE UNLESS THE RECOVERY RESIDENCE HAS OBTAINED A LICENSE FROM THE BEHAVIORAL HEALTH ADMINISTRATION.

(b) (I) A RECOVERY RESIDENCE THAT IS CERTIFIED PURSUANT TO SECTION 27-80-129 AS OF JUNE 30, 2027, SHALL GIVE NOTICE TO THE BHA PRIOR TO JULY 1, 2027, IN THE FORM AND MANNER PRESCRIBED BY THE BHA, THAT THE RECOVERY RESIDENCE:

(A) HOLDS A CERTIFICATION AS OF JUNE 30, 2027;

(B) IS IN COMPLIANCE WITH ALL APPLICABLE RULES FOR OPERATING A RECOVERY RESIDENCE ADOPTED PURSUANT TO SECTION 27-50-1002; AND

(C) INTENDS TO PURSUE A RECOVERY RESIDENCE LICENSE FROM THE BHA PURSUANT TO THIS SECTION.

(II) THE CERTIFIED RECOVERY RESIDENCE MAY OPERATE IN THIS STATE AND RECEIVE REFERRALS. A CERTIFICATION IS IN LIEU OF LICENSURE UNTIL THE RECOVERY RESIDENCE IS LICENSED.

(c) (I) A CERTIFIED RECOVERY RESIDENCE SHALL SUBMIT AN APPLICATION FOR LICENSURE TO THE BHA NO LESS THAN SIXTY DAYS PRIOR TO ONE YEAR AFTER THE DATE THE RECOVERY RESIDENCE'S CERTIFICATION WAS LAST ISSUED PURSUANT TO SECTION 27-80-129. THE APPLICATION MUST BE SUBMITTED IN THE FORM AND MANNER PRESCRIBED BY THE BHA PURSUANT TO SECTION 27-50-1003.

(II) ON AND AFTER JULY 1, 2028, A RECOVERY RESIDENCE PREVIOUSLY CERTIFIED PURSUANT TO SECTION 27-80-129 SHALL NOT OPERATE WITHOUT APPLYING AND BEING APPROVED FOR A LICENSE PURSUANT TO SECTION 27-50-1003.

(d) BEGINNING JULY 1, 2027, A CERTIFIED RECOVERY RESIDENCE SHALL REPORT THE OCCURRENCES DESCRIBED IN SECTION 27-50-1006 TO THE BHA. THE REPORTING REQUIREMENTS IN SECTION 27-50-1006

CONTINUE TO APPLY AFTER THE CERTIFIED RECOVERY RESIDENCE RECEIVES A LICENSE PURSUANT TO SECTION 27-50-1003.

(e) BEGINNING JULY 1, 2027, THE BHA MAY INSPECT A RECOVERY RESIDENCE AS IT DEEMS NECESSARY TO ENSURE THE RECOVERY RESIDENTS' HEALTH, SAFETY, AND WELFARE ARE PROTECTED. THE RECOVERY RESIDENCE SHALL SUBMIT IN WRITING, IN THE FORM AND MANNER PRESCRIBED BY THE BHA, A PLAN DETAILING THE MEASURES THAT THE RECOVERY RESIDENCE WILL TAKE TO CORRECT VIOLATIONS FOUND BY THE BHA AS A RESULT OF INSPECTIONS CONDUCTED PURSUANT TO THIS SUBSECTION (4)(e). THE BHA MAY TAKE ADDITIONAL ACTIONS IN ACCORDANCE WITH SECTION 27-50-1005.

(5) (a) A RECOVERY RESIDENCE OWNER, EMPLOYEE, OR MANAGER, OR AN INDIVIDUAL RELATED TO A RECOVERY RESIDENCE OWNER, EMPLOYEE, OR MANAGER, SHALL NOT DIRECTLY OR INDIRECTLY:

(I) SOLICIT, ACCEPT, OR RECEIVE A COMMISSION, PAYMENT, TRADE, FEE, OR ANYTHING OF MONETARY OR MATERIAL VALUE FOR AN APPLICATION TO RESIDE IN THE RECOVERY RESIDENCE OR FOR ANY PROCESS TO DETERMINE WHETHER AN INDIVIDUAL WILL RESIDE IN THE RECOVERY RESIDENCE; OR

(II) SOLICIT, ACCEPT, OR RECEIVE A COMMISSION, PAYMENT, TRADE, FEE, OR ANYTHING OF MONETARY OR MATERIAL VALUE FROM A TOXICOLOGY LABORATORY THAT PROVIDES CONFIRMATION TESTING OR POINT-OF-CARE TESTING FOR RECOVERY RESIDENTS.

(b) SUBSECTION (5)(a)(I) OF THIS SECTION DOES NOT PREVENT A RECOVERY RESIDENCE FROM RECEIVING PAYMENT OR FEES:

(I) FOR AN INDIVIDUAL TO RESIDE AND RECEIVE SUPPORTS IN A RECOVERY RESIDENCE; OR

(II) FOR SUPPORTIVE SERVICES THAT ARE REQUIRED TO PLACE THE RECOVERY RESIDENT.

(6) (a) A RECOVERY RESIDENCE SHALL NOT DENY ADMISSION TO AN INDIVIDUAL BASED ON THE INDIVIDUAL'S PARTICIPATION IN PRESCRIBED MEDICATION-ASSISTED TREATMENT, AS DEFINED IN SECTION 23-21-803, FOR

A SUBSTANCE USE DISORDER, INCLUDING ANY PRESCRIBED OR DISPENSED AGONIST TREATMENT THAT IS APPROVED BY THE FEDERAL FOOD AND DRUG ADMINISTRATION. THE RECOVERY RESIDENCE SHALL NOT REQUIRE AN INDIVIDUAL TO DISCONTINUE OR TAPER USAGE OF MEDICATION-ASSISTED TREATMENT AS A CONDITION OF RESIDING IN THE RECOVERY RESIDENCE.

(b) A RECOVERY RESIDENCE SHALL NOT CATEGORICALLY PROHIBIT A RECOVERY RESIDENT'S ABILITY TO TAKE PRESCRIBED MEDICATIONS, INCLUDING CONTROLLED MEDICATIONS, IN ACCORDANCE WITH A PHYSICIAN'S ORDERS. ADMISSION TO, OR CONTINUED RESIDENCE IN, A RECOVERY RESIDENCE MUST NOT BE CONTINGENT UPON THE CESSATION OF TAKING PRESCRIBED MEDICATIONS UNLESS THE RECOVERY RESIDENCE DETERMINES, THROUGH AN INDIVIDUALIZED ASSESSMENT, THAT THE RECOVERY RESIDENT'S USE OF THE MEDICATION POSES A RISK TO THE SAFETY OF THE RECOVERY RESIDENTS, OR TO THE RECOVERY ENVIRONMENT, AND THAT THE RISK CANNOT BE MITIGATED BY REASONABLE ACCOMMODATION. IN MAKING AN INDIVIDUALIZED DETERMINATION, THE RECOVERY RESIDENCE SHALL CONSIDER INDIVIDUAL FACTORS FOR THE RECOVERY RESIDENT WHO IS PRESCRIBED THE MEDICATION THAT MAY MITIGATE OR INCREASE RISK OF MISUSE OR DIVERSION OF THE PRESCRIBED MEDICATION. THE RECOVERY RESIDENCE SHALL ESTABLISH POLICIES AND PROCEDURES TO IMPLEMENT THIS SUBSECTION (6)(b).

(c) A RECOVERY RESIDENCE MAY IMPLEMENT REQUIREMENTS RELATED TO THE STORAGE AND ADMINISTRATION OF PRESCRIBED MEDICATIONS AS A MEANS OF ENSURING SAFETY AND PREVENTING DIVERSION OF MEDICATIONS.

(7) A RECOVERY RESIDENCE THAT IS LICENSED AS A BEHAVIORAL HEALTH ENTITY TO PROVIDE ONSITE OUTPATIENT SERVICES TO RECOVERY RESIDENTS MUST BE LICENSED AS A RECOVERY RESIDENCE. THE BHA SHALL ADOPT RULES TO CREATE STREAMLINED REGULATIONS FOR A RECOVERY RESIDENCE THAT IS LICENSED AS A BEHAVIORAL HEALTH ENTITY, BUT THE RULES MUST NOT DUPLICATE OVERSIGHT REGULATIONS FOR A BEHAVIORAL HEALTH ENTITY THAT IS LICENSED TO PROVIDE ONSITE OUTPATIENT SERVICES. AT A MINIMUM, THE RULES MUST INCLUDE, BUT ARE NOT LIMITED TO, RECOVERY RESIDENT RIGHTS, PHYSICAL ENVIRONMENT STANDARDS, AND INCIDENT REPORTING.

(8) THE BHA SHALL MAINTAIN A PUBLICLY AVAILABLE LIST OF

LICENSED RECOVERY RESIDENCES.

(9) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 10, A RECOVERY RESIDENCE THAT IS CHARTERED BY OXFORD HOUSE, INC., OR ITS SUCCESSOR ORGANIZATION, REFERRED TO IN THIS SUBSECTION (9) AS A "CHARTERED RECOVERY RESIDENCE", MAY OPERATE IN THIS STATE AND RECEIVE REFERRALS AND FUNDING PURSUANT TO THIS PART 10 IF THE CHARTERED RECOVERY RESIDENCE:

(I) OPERATES IN ACCORDANCE WITH THIS SUBSECTION (9);

(II) OPERATES IN ACCORDANCE WITH THE REQUIREMENTS OF HOMES ESTABLISHED PURSUANT TO 42 U.S.C. SEC. 300X-25; AND

(III) IS DEMOCRATICALLY RUN SHARED HOUSING THAT HAS NO OPERATOR, MANAGER, PAID STAFF, OR PROVISION OF PROFESSIONAL TREATMENT OR THERAPY.

(b) NO LATER THAN JULY 1, 2027, OXFORD HOUSE, INC. SHALL PROVIDE TO THE BHA, IN THE FORM AND MANNER PRESCRIBED BY THE BHA, A LIST OF ALL CHARTERED RECOVERY RESIDENCES IN THE STATE AS OF THE DATE OF THE NOTICE.

(c) BEGINNING JULY 1, 2027, OXFORD HOUSE, INC. SHALL NOTIFY THE BHA IN THE FORM AND MANNER PRESCRIBED BY THE BHA WHEN IT ISSUES A NEW CHARTER TO OXFORD HOUSE, INC. IN THE STATE.

(d) UPON NOTIFICATION THAT A RECOVERY RESIDENCE IS CHARTERED BY OXFORD HOUSE, INC. OR ITS SUCCESSOR ORGANIZATION, THE BHA SHALL ISSUE A RECOVERY RESIDENCE LICENSE TO THE CHARTERED RECOVERY RESIDENCE.

(e) ON AND AFTER JULY 1, 2027, OXFORD HOUSE, INC. SHALL NOTIFY THE BHA WITHIN TEN DAYS AFTER CLOSING OR REVOKING A RECOVERY RESIDENCE'S CHARTER.

(f) BEGINNING JULY 1, 2027, A CHARTERED RECOVERY RESIDENCE SHALL SUBMIT OCCURRENCE REPORTS TO THE BHA, IN ACCORDANCE WITH SECTION 27-50-1006 AND IN THE FORM, MANNER, AND TIME FRAME PRESCRIBED BY BHA.

(g) A CHARTERED RECOVERY RESIDENCE IS NOT SUBJECT TO AN INITIAL OR ANNUAL ONSITE LICENSURE SURVEY.

(h) BEGINNING JULY 1, 2027, THE BHA MAY INSPECT A CHARTERED RECOVERY RESIDENCE IN RESPONSE TO A COMPLAINT OR AN OCCURRENCE REPORT RECEIVED BY THE BHA AS IT DEEMS NECESSARY TO ENSURE THAT THE HEALTH, SAFETY, AND WELFARE OF RECOVERY RESIDENTS ARE PROTECTED, AND THAT THE CHARTERED RECOVERY RESIDENCE IS OPERATING IN ACCORDANCE WITH THIS SUBSECTION (9). THE BHA MAY REQUIRE THAT OXFORD HOUSE, INC. SUBMIT IN WRITING, IN A FORM PRESCRIBED BY THE BHA, A PLAN DETAILING THE MEASURES THAT OXFORD HOUSE, INC. WILL TAKE TO CORRECT VIOLATIONS FOUND BY THE BHA AS A RESULT OF INSPECTIONS UNDERTAKEN PURSUANT TO THIS SUBSECTION (9). THE BHA MAY TAKE ADDITIONAL ACTIONS IN ACCORDANCE WITH SECTION 27-50-1005.

27-50-1002. Rules for minimum standards of operation - criminal history background check for employment or contract for services.

(1) NO LATER THAN MAY 1, 2027, THE BHA SHALL ADOPT RULES THAT ESTABLISH THE MINIMUM STANDARDS FOR OPERATING A RECOVERY RESIDENCE IN THE STATE, WHICH RULES MUST INCLUDE:

(a) REQUIREMENTS THAT MUST BE MET TO ENSURE THE HEALTH, SAFETY, AND WELFARE OF ALL RECOVERY RESIDENTS, INCLUDING REQUIREMENTS RELATED TO:

(I) RECOVERY RESIDENT RIGHTS AND CONSUMER NOTICE;

(II) ADMINISTRATIVE AND OPERATIONAL STANDARDS FOR GOVERNANCE, CONSUMER RECORDS AND RECORD RETENTION, PERSONNEL, ADMISSION AND DISCHARGE CRITERIA, POLICIES AND PROCEDURES TO ENSURE COMPLIANCE WITH REGULATORY AND CONTRACT REQUIREMENTS, QUALITY MANAGEMENT, DISCHARGE AND TRANSFER POLICIES, INDIVIDUAL RELAPSE AND SAFETY PLANS, AND PROGRAM AGREEMENTS;

(III) DATA REPORTING;

(IV) PHYSICAL RESIDENCE STANDARDS, WHICH INCLUDES OBTAINING

ALL REQUIRED BUILDING AND SAFETY INSPECTIONS AND PERMITS AND COMPLIANCE WITH APPLICABLE BUILDING AND PROPERTY MAINTENANCE CODES THAT ARE ENFORCED BY A LOCAL GOVERNMENT APPLICABLE TO RESIDENTIAL DWELLINGS OF THE SAME TYPE, SIZE, AND OCCUPANCY CLASSIFICATION IN THE SAME JURISDICTION.

(V) OCCURRENCE REPORTING PURSUANT TO SECTION 27-50-1006;

(b) OWNER AND MANAGER REQUIREMENTS;

(c) PROCEDURES FOR MANDATORY BHA INSPECTIONS OF RECOVERY RESIDENCES;

(d) PROCEDURES FOR WRITTEN PLANS FOR A RECOVERY RESIDENCE TO CORRECT VIOLATIONS IDENTIFIED AS A RESULT OF AN INSPECTION;

(e) INTERMEDIATE ENFORCEMENT REMEDIES, AS DESCRIBED IN SECTION 27-50-1005 (3); AND

(f) IF A RECOVERY RESIDENCE WAS CERTIFIED TO OPERATE PRIOR TO JULY 1, 2027, TIMELINES FOR COMPLYING WITH THE RECOVERY RESIDENCE STANDARDS THAT EXCEED THE STANDARDS UNDER WHICH A RECOVERY RESIDENCE WAS PREVIOUSLY CERTIFIED.

(2) THIS SECTION DOES NOT EXEMPT A RECOVERY RESIDENCE OR ITS RESIDENTS OR OPERATORS FROM COMPLYING WITH ANY STATE, COUNTY, OR MUNICIPAL HEALTH, SAFETY, OR FIRE CODES. A RECOVERY RESIDENCE THAT OPERATES IN A SINGLE-FAMILY OR MULTI-FAMILY RESIDENTIAL STRUCTURE IS NOT REQUIRED TO COMPLY WITH COMMERCIAL, INSTITUTIONAL, OR ASSEMBLY OCCUPANCY STANDARDS SOLELY BY REASON OF ITS LICENSURE UNDER THIS PART 10, REGARDLESS OF THE JURISDICTION IN WHICH THE RECOVERY RESIDENCE OPERATES.

(3) ANY RULES OR REGULATIONS ADOPTED PURSUANT TO THIS SECTION MUST NOT PROHIBIT, OR BE CONSTRUED TO AUTHORIZE THE PROHIBITION OF, AN INDIVIDUAL FROM RESIDING IN A RECOVERY RESIDENCE SOLELY ON THE BASIS OF AN INDIVIDUAL'S PRIOR CRIMINAL JUSTICE INVOLVEMENT OR PAST CRIMINAL CONVICTIONS.

27-50-1003. Applications - investigations - inspections - criminal

history background checks for owners and managers.

(1) AN APPLICATION FOR A LICENSE TO OPERATE A RECOVERY RESIDENCE MUST BE SUBMITTED ANNUALLY TO THE BHA IN THE FORM AND MANNER PRESCRIBED BY THE BHA.

(2) (a) THE BHA SHALL INVESTIGATE AND REVIEW EACH ORIGINAL APPLICATION AND EACH RENEWAL APPLICATION FOR A LICENSE TO OPERATE A RECOVERY RESIDENCE. THE BHA SHALL DETERMINE AN APPLICANT'S COMPLIANCE WITH THIS PART 10 AND THE RULES ADOPTED PURSUANT TO SECTION 27-50-1002 BEFORE THE BHA ISSUES A LICENSE.

(b) THE BHA SHALL INSPECT THE APPLICANT'S FACILITY AS IT DEEMS NECESSARY TO ENSURE THE HEALTH, SAFETY, AND WELFARE OF THE RECOVERY RESIDENTS ARE PROTECTED. THE RECOVERY RESIDENCE SHALL SUBMIT IN WRITING, IN A FORM PRESCRIBED BY THE BHA, A PLAN DETAILING THE MEASURES THAT THE RECOVERY RESIDENCE WILL TAKE TO CORRECT VIOLATIONS FOUND BY THE BHA AS A RESULT OF INSPECTIONS UNDERTAKEN PURSUANT TO THIS SUBSECTION (2).

(c) UPON APPROVAL OF AN APPLICATION FOR A LICENSE, THE APPLICANT SHALL PROVIDE NOTICE TO THE LOCAL GOVERNMENT THAT REGULATES ZONING AND LAND USE FOR THE JURISDICTION WHERE THE RECOVERY RESIDENCE WILL BE LOCATED. THE NOTICE MUST INCLUDE:

(I) A STATEMENT OF THE APPLICANT'S INTENT TO OPERATE A RECOVERY RESIDENCE UPON ISSUANCE OF A RECOVERY RESIDENCE LICENSE BY THE BHA;

(II) THE LOCATION OF THE RECOVERY RESIDENCE; AND

(III) THE CONTACT INFORMATION FOR THE APPROPRIATE INDIVIDUAL WHO CAN BE REACHED TO ADDRESS QUESTIONS AND CONCERNS ABOUT THE RECOVERY RESIDENCE.

(3) THE BHA SHALL KEEP ALL HEALTH-CARE INFORMATION OR DOCUMENTS OBTAINED DURING AN INSPECTION OR INVESTIGATION OF A RECOVERY RESIDENCE PURSUANT TO SUBSECTION (2) OF THIS SECTION CONFIDENTIAL. RECORDS, INFORMATION, OR DOCUMENTS OBTAINED ARE EXEMPT FROM DISCLOSURE PURSUANT TO SECTIONS 24-72-204 AND

27-50-510.

(4) (a) AFTER SUBMITTING AN APPLICATION FOR A LICENSE TO OPERATE A RECOVERY RESIDENCE, OR WITHIN TEN DAYS AFTER A CHANGE IN OWNERSHIP OR MANAGEMENT OF A RECOVERY RESIDENCE, EACH APPLICANT OR OWNER AND MANAGER SHALL SUBMIT TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE APPLICANT OR OWNER AND MANAGER MUST PAY THE COSTS ASSOCIATED WITH THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK.

(b) AFTER SUBMITTING AN APPLICATION FOR A LICENSE OR WITHIN TEN DAYS AFTER A CHANGE IN OWNERSHIP OR MANAGEMENT, THE APPLICANT OR OWNER AND MANAGER SHALL HAVE THE APPLICANT'S OR OWNER'S AND MANAGER'S FINGERPRINTS TAKEN BY A LOCAL LAW ENFORCEMENT AGENCY, OR ANY THIRD PARTY APPROVED BY THE COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF OBTAINING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE APPLICANT OR OWNER AND MANAGER SHALL AUTHORIZE THE ENTITY TAKING THE APPLICANT'S OR OWNER'S AND MANAGER'S FINGERPRINTS TO SUBMIT, AND THE ENTITY SHALL SUBMIT, THE COMPLETE SET OF THE APPLICANT'S OR OWNER'S AND MANAGER'S FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK.

(c) IF AN APPROVED THIRD PARTY TAKES THE APPLICANT'S OR OWNER'S AND MANAGER'S FINGERPRINTS, THE FINGERPRINTS MAY BE ELECTRONICALLY CAPTURED USING COLORADO BUREAU OF INVESTIGATION-APPROVED LIVESCAN EQUIPMENT. THIRD-PARTY VENDORS SHALL NOT KEEP THE APPLICANT'S OR OWNER'S AND MANAGER'S INFORMATION FOR MORE THAN THIRTY DAYS.

(d) THE COLORADO BUREAU OF INVESTIGATION SHALL USE THE APPLICANT'S OR OWNER'S AND MANAGER'S FINGERPRINTS TO CONDUCT A CRIMINAL HISTORY RECORD CHECK USING THE BUREAU'S RECORDS. THE COLORADO BUREAU OF INVESTIGATION SHALL ALSO FORWARD THE FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK. THE COLORADO BUREAU OF INVESTIGATION, APPLICANT OR OWNER AND MANAGER, BHA, AND THE ENTITY TAKING FINGERPRINTS SHALL COMPLY WITH THE FEDERAL BUREAU OF INVESTIGATION'S REQUIREMENTS TO

CONDUCT A CRIMINAL HISTORY RECORD CHECK.

(e) THE COLORADO BUREAU OF INVESTIGATION SHALL RETURN THE RESULTS OF ITS CRIMINAL HISTORY RECORD CHECK TO THE BHA, AND THE BHA IS AUTHORIZED TO RECEIVE THE RESULTS OF THE FEDERAL BUREAU OF INVESTIGATION'S CRIMINAL HISTORY RECORD CHECK.

(f) THE BHA SHALL EVALUATE INFORMATION RECEIVED FROM THE CRIMINAL HISTORY RECORD CHECK IN ACCORDANCE WITH SECTION 24-5-101 AND SUBSECTION (5) OF THIS SECTION AND SHALL ONLY DENY AN APPLICATION BASED ON INFORMATION OBTAINED FROM THE CRIMINAL HISTORY RECORD CHECK IF THE DENIAL IS WARRANTED PURSUANT TO SECTION 24-5-101 AND SUBSECTION (5) OF THIS SECTION.

(g) THE BHA SHALL KEEP ANY INFORMATION OBTAINED PURSUANT TO THIS SUBSECTION (4) CONFIDENTIAL.

(5) (a) AS USED IN THIS SUBSECTION (5), "DIRECTLY RELATED TO" MEANS THAT THE CRIMINAL OFFENSE FOR WHICH AN APPLICANT HAS BEEN CONVICTED IS STILL RELEVANT AT THE TIME OF THE APPLICATION FOR A LICENSE AND WOULD CREATE AN UNREASONABLE RISK TO PUBLIC SAFETY BECAUSE THE OFFENSE DIRECTLY RELATES TO THE DUTIES AND RESPONSIBILITIES OF THE OPERATION OF A RECOVERY RESIDENCE, AS DETERMINED BY BHA AFTER CONSIDERATION OF ALL EVIDENCE AVAILABLE TO THE BHA.

(b) IF AN APPLICANT HAS BEEN CONVICTED OF A CRIME, THE BHA MAY ONLY CONSIDER THE APPLICANT'S CONVICTION FOR A THREE-YEAR PERIOD BEGINNING ON THE DATE OF CONVICTION OR THE END OF INCARCERATION, WHICHEVER DATE IS LATER, IF THE APPLICANT HAS NOT BEEN CONVICTED OF ANY OTHER CRIMINAL OFFENSE DURING THE THREE-YEAR PERIOD. AFTER THE THREE-YEAR PERIOD, THE BHA SHALL ONLY CONSIDER THE INDIVIDUAL'S APPLICATION FOR LICENSURE IN THE SAME MANNER AS AN APPLICANT WHO DOES NOT POSSESS A PRIOR CRIMINAL HISTORY RECORD; EXCEPT THAT THE BHA MAY CONSIDER A CONVICTION FOR A CRIME THAT IS DIRECTLY RELATED TO THE OPERATION OF A RECOVERY RESIDENCE.

(c) IF THE BHA IS CONSIDERING AN APPLICANT'S CRIMINAL HISTORY RECORD DURING THE APPLICATION PROCESS FOR LICENSURE, THE BHA MAY

ONLY DENY OR REFUSE TO ISSUE OR RENEW THE LICENSE BASED ON THE INFORMATION IN THE CRIMINAL HISTORY RECORD IF THE BHA DETERMINES THAT THE APPLICANT HAS NOT BEEN REHABILITATED AND IS UNABLE TO PERFORM THE DUTIES AND RESPONSIBILITIES OF THE OWNERSHIP OR MANAGEMENT OF A RECOVERY RESIDENCE WITHOUT CREATING AN UNREASONABLE RISK TO PUBLIC SAFETY.

(d) AN APPLICANT'S CONVICTION FOR A CRIME DOES NOT, IN AND OF ITSELF, DISQUALIFY THE APPLICANT FROM BEING ISSUED A LICENSE TO OPERATE A RECOVERY RESIDENCE.

(e) (I) AN APPLICANT OR POTENTIAL APPLICANT WHOSE CONVICTION MAY AFFECT THEIR APPLICATION FOR LICENSURE MAY PETITION THE BHA AT ANY TIME, INCLUDING PRIOR TO SUBMITTING AN APPLICATION, FOR A DECISION AS TO WHETHER THE BHA IS PERMITTED TO CONSIDER THE APPLICANT'S CONVICTION WHEN REVIEWING THE APPLICATION FOR LICENSURE.

(II) IF THE BHA DETERMINES THAT THE BHA IS PERMITTED TO CONSIDER AN APPLICANT'S OR POTENTIAL APPLICANT'S CONVICTION, THE BHA SHALL ADVISE THE APPLICANT OR POTENTIAL APPLICANT OF ANY ACTIONS THE APPLICANT OR POTENTIAL APPLICANT MAY TAKE TO REMEDY THE POTENTIAL EFFECT OF THE CONVICTION. IF A REMEDIAL ACTION IS ADVISED BY THE BHA, THE APPLICANT MAY SUBMIT A REVISED PETITION ON OR BEFORE A DATE DETERMINED BY THE BHA FOR COMPLETION OF THE REMEDIAL ACTION.

(III) IF THE BHA MAKES AN INITIAL DETERMINATION FOR A POTENTIAL APPLICANT PURSUANT TO THIS SUBSECTION (5)(e), THE BHA MAY REQUIRE A NEW DETERMINATION AT THE TIME AN INDIVIDUAL FORMALLY APPLIES FOR LICENSURE.

(f) AN APPLICANT WHO PETITIONS THE BHA MUST INCLUDE IN THE PETITION ANY ADDITIONAL INFORMATION ABOUT THE APPLICANT'S CURRENT CIRCUMSTANCES, INCLUDING THE TIME SINCE THE CRIMINAL OFFENSE WAS COMMITTED AND THE SENTENCE WAS COMPLETED, THE APPLICANT'S AGE AT THE TIME THE OFFENSE WAS COMMITTED, THE PAYMENT OF ANY COURT-ORDERED RESTITUTION, EVIDENCE OF THE APPLICANT'S REHABILITATION, TESTIMONIALS, AND THE APPLICANT'S EMPLOYMENT HISTORY AND EMPLOYMENT ASPIRATIONS.

(g) (I) IN ORDER TO DENY AN APPLICATION FOR LICENSURE PURSUANT TO THIS SECTION BASED ON THE INFORMATION IN AN APPLICANT'S CRIMINAL HISTORY RECORD, THE BHA HAS THE BURDEN TO PROVE BY CLEAR AND CONVINCING EVIDENCE THAT THE DENIAL IS DIRECTLY RELATED TO INFORMATION IN THE APPLICANT'S CRIMINAL HISTORY RECORD AS IT PERTAINS TO POTENTIAL PERFORMANCE IN, AND THE POTENTIAL CREATION OF, AN UNREASONABLE RISK TO PUBLIC SAFETY THROUGH THE OPERATION OR MANAGEMENT OF A RECOVERY RESIDENCE FOR WHICH THE APPLICANT IS APPLYING FOR LICENSURE.

(II) IF AN INDIVIDUAL FILES A PETITION FOR A DETERMINATION PURSUANT TO THIS SUBSECTION (5), RECEIVES NOTICE OF AN AGENCY ADJUDICATORY HEARING, FILES AN ANSWER TO THE NOTICE PURSUANT TO SECTION 24-4-105 (2)(b), AND FAILS TO APPEAR AT THE SCHEDULED TIME AND PLACE OF THE HEARING, THE ADMINISTRATIVE LAW JUDGE SHALL ENTER A DEFAULT JUDGMENT IN FAVOR OF THE BHA.

(h) THIS SUBSECTION (5) DOES NOT:

(I) NEGATE ANY PROVISION FOR LICENSURE IN THIS TITLE 27 THAT REQUIRES AN APPLICANT TO SUBMIT INFORMATION REGARDING THE APPLICANT'S CRIMINAL HISTORY RECORD TO THE BHA WITH AN APPLICATION;

(II) NEGATE ANY OTHER REASON SPECIFIED IN THIS TITLE 27 FOR WHICH THE BHA MAY DENY AN APPLICANT LICENSURE;

(III) NEGATE ANY REQUIREMENT UNDER FEDERAL LAW THAT REQUIRES AN INDIVIDUAL TO OBTAIN OR MAINTAIN A LICENSE; OR

(IV) NEGATE THE LIST OF DETERMINING FACTORS THAT MUST NOT BE CONSIDERED REGARDING AN APPLICANT'S CRIMINAL HISTORY RECORD PURSUANT TO SECTION 24-5-101 (2)(b).

(6) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (7) OF THIS SECTION, THE BHA SHALL ISSUE OR RENEW A LICENSE TO OPERATE A RECOVERY RESIDENCE WHEN THE BHA IS SATISFIED THAT THE APPLICANT OR LICENSEE IS IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN THIS PART 10 AND THE RULES ADOPTED PURSUANT TO SECTION 27-50-1002. EXCEPT FOR PROVISIONAL LICENSES ISSUED IN ACCORDANCE WITH

SUBSECTION (7) OF THIS SECTION, A LICENSE ISSUED OR RENEWED PURSUANT TO THIS SECTION EXPIRES ONE YEAR AFTER THE DATE OF ISSUANCE OR RENEWAL.

(7) (a) THE BHA MAY ISSUE A PROVISIONAL LICENSE TO OPERATE A RECOVERY RESIDENCE TO AN APPLICANT FOR THE PURPOSE OF OPERATING A RECOVERY RESIDENCE FOR A PERIOD OF NINETY DAYS IF THE APPLICANT IS TEMPORARILY UNABLE TO CONFORM TO ALL OF THE MINIMUM STANDARDS REQUIRED, AND THE RULES ADOPTED, PURSUANT TO THIS PART 10; EXCEPT THAT THE BHA SHALL NOT ISSUE A PROVISIONAL LICENSE TO AN APPLICANT IF THE OPERATION OF THE RECOVERY RESIDENCE WILL ADVERSELY AFFECT THE HEALTH, SAFETY, OR WELFARE OF THE RECOVERY RESIDENTS.

(b) AS A CONDITION OF OBTAINING A PROVISIONAL LICENSE, THE APPLICANT SHALL PROVIDE EVIDENCE TO THE BHA THAT ATTEMPTS ARE BEING MADE TO CONFORM AND COMPLY WITH THE APPLICABLE STANDARDS REQUIRED, AND RULES ADOPTED, PURSUANT TO THIS PART 10.

(c) THE BHA SHALL NOT ISSUE A PROVISIONAL LICENSE PRIOR TO THE COMPLETION OF A CRIMINAL HISTORY RECORD CHECK IN ACCORDANCE WITH SUBSECTION (4) OF THIS SECTION.

(d) THE BHA MAY ISSUE A SECOND PROVISIONAL LICENSE TO EFFECT COMPLIANCE. THE BHA SHALL NOT ISSUE A THIRD OR SUBSEQUENT PROVISIONAL LICENSE TO AN APPLICANT IN A YEAR.

27-50-1004. Fees - rules.

(1) (a) NO LATER THAN MAY 1, 2027, THE BHA SHALL ADOPT RULES ESTABLISHING A SCHEDULE OF LICENSE APPLICATION FEES, INCLUDING RENEWAL APPLICATION FEES, SUFFICIENT TO MEET THE DIRECT AND INDIRECT COSTS OF ADMINISTRATION AND ENFORCEMENT OF THIS PART 10.

(b) THE BHA SHALL ASSESS AND COLLECT, FROM RECOVERY RESIDENCES SUBJECT TO LICENSURE PURSUANT TO SECTION 27-50-1001, FEES IN ACCORDANCE WITH THE FEE SCHEDULE ESTABLISHED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION.

(2) THE BHA SHALL TRANSMIT FEES COLLECTED PURSUANT TO THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE

BEHAVIORAL HEALTH LICENSING CASH FUND CREATED PURSUANT TO SECTION 27-50-506.

(3) BEHAVIORAL HEALTH ADMINISTRATION FUNCTIONS RELATED TO THE LICENSING OF RECOVERY RESIDENCES PURSUANT TO THIS PART 10 MUST BE ENTIRELY FUNDED WITH THE FEES COLLECTED PURSUANT TO SUBSECTION (1) OF THIS SECTION.

27-50-1005. Denial, suspension, or revocation of license - restrictions - fines.

(1) (a) WHEN THE BHA DENIES AN APPLICATION FOR AN INITIAL LICENSE TO OPERATE A RECOVERY RESIDENCE PURSUANT TO SECTION 27-50-1003, THE BHA SHALL NOTIFY THE APPLICANT IN WRITING BY MAILING A NOTICE TO THE ADDRESS SHOWN ON THE APPLICATION. AN APPLICANT AGGRIEVED BY A DENIAL MAY PURSUE A REVIEW AS PROVIDED IN ARTICLE 4 OF TITLE 24 AND THE BHA SHALL FOLLOW THE PROCEDURES SPECIFIED IN ARTICLE 4 OF TITLE 24.

(b) THE BHA MAY DENY AN APPLICATION IF THE APPLICANT, AN AFFILIATE OF THE APPLICANT, A PERSON EMPLOYED BY THE APPLICANT, OR A PERSON WHO RESIDES WITH THE APPLICANT IS THE SUBJECT OF, OR HAS PREVIOUSLY BEEN THE SUBJECT OF, A NEGATIVE LICENSING ACTION OR CERTIFICATION WITHDRAWAL OR TERMINATION.

(2) (a) THE BHA MAY SUSPEND, REVOKE, OR REFUSE TO RENEW THE LICENSE OF A RECOVERY RESIDENCE THAT IS OUT OF COMPLIANCE WITH THE REQUIREMENTS OF, OR RULES ADOPTED PURSUANT TO, THIS PART 10. SUSPENSION, REVOCATION, OR REFUSAL MUST NOT OCCUR UNTIL AFTER A HEARING AND IN COMPLIANCE WITH THE PROVISIONS AND PROCEDURES SPECIFIED IN ARTICLE 4 OF TITLE 24; EXCEPT THAT THE BHA MAY SUMMARILY SUSPEND A RECOVERY RESIDENCE'S LICENSE BEFORE A HEARING IN ACCORDANCE WITH SECTION 24-4-104 (4)(a).

(b) AFTER CONDUCTING A HEARING IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, THE BHA MAY REVOKE OR REFUSE TO RENEW A RECOVERY RESIDENCE'S LICENSE IF THE OWNER OR ADMINISTRATOR OF THE RECOVERY RESIDENCE HAS BEEN CONVICTED OF A FELONY OR MISDEMEANOR INVOLVING CONDUCT THAT THE BHA DETERMINES COULD POSE A RISK TO THE HEALTH, SAFETY, OR WELFARE OF THE RECOVERY RESIDENTS.

(3) THE BHA MAY IMPOSE INTERMEDIATE RESTRICTIONS OR CONDITIONS ON A RECOVERY RESIDENCE THAT MAY INCLUDE AT LEAST ONE OF THE FOLLOWING:

(a) RETAINING A CONSULTANT TO ADDRESS CORRECTIVE MEASURES;

(b) MONITORING BY THE BHA FOR A SPECIFIC PERIOD;

(c) PROVIDING ADDITIONAL TRAINING TO EMPLOYEES, OWNERS, OR OPERATORS OF THE RECOVERY RESIDENCE;

(d) COMPLYING WITH A DIRECTED WRITTEN PLAN TO CORRECT THE VIOLATION; OR

(e) PAYING A CIVIL FINE IN LIEU OF SUSPENSION, REVOCATION, REFUSAL, OR ANY OTHER ADVERSE LICENSING ACTION, WHICH FINE MUST NOT EXCEED TWO THOUSAND DOLLARS IN A CALENDAR YEAR. THE BHA SHALL TRANSMIT MONEY RECEIVED PURSUANT TO THIS SUBSECTION (3)(e) TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE GENERAL FUND.

27-50-1006. Report of occurrences - investigations - rules - definition.

(1) EACH RECOVERY RESIDENCE SHALL REPORT TO THE BHA ALL OF THE FOLLOWING OCCURRENCES:

(a) ANY OCCURRENCE THAT RESULTS IN THE DEATH OF A RECOVERY RESIDENT OF A RECOVERY RESIDENCE AND IS REQUIRED TO BE REPORTED TO THE CORONER PURSUANT TO SECTION 30-10-606 AS ARISING FROM AN UNEXPLAINED CAUSE OR UNDER SUSPICIOUS CIRCUMSTANCES;

(b) ANY OCCURRENCE THAT RESULTS IN ANY OF THE FOLLOWING SERIOUS INJURIES TO A RECOVERY RESIDENT:

(I) BRAIN OR SPINAL CORD INJURIES; OR

(II) SECOND- OR THIRD-DEGREE BURNS INVOLVING TWENTY PERCENT OR MORE OF THE BODY SURFACE AREA OF AN ADULT RECOVERY RESIDENT OR FIFTEEN PERCENT OR MORE OF THE BODY SURFACE AREA OF A CHILD

RESIDING IN THE RECOVERY RESIDENCE;

(c) ANY OCCURRENCE INVOLVING PHYSICAL, SEXUAL, OR VERBAL ABUSE OF A RECOVERY RESIDENT BY ANOTHER RESIDENT, AN EMPLOYEE OF THE RECOVERY RESIDENCE, OR A VISITOR, AS DESCRIBED IN SECTION 18-3-202, 18-3-203, 18-3-204, 18-3-206, 18-3-402, 18-3-404, OR 18-3-405;

(d) ANY OCCURRENCE INVOLVING CARETAKER NEGLECT OF A RECOVERY RESIDENT, AS DEFINED IN SECTION 26-3.1-101 (2.3);

(e) ANY OCCURRENCE INVOLVING MISAPPROPRIATION OF A RECOVERY RESIDENT'S PROPERTY. AS USED IN THIS SUBSECTION (1)(e), "MISAPPROPRIATION OF A RECOVERY RESIDENT'S PROPERTY" MEANS A PATTERN OF OR DELIBERATELY MISPLACING, EXPLOITING, OR WRONGFULLY USING, EITHER TEMPORARILY OR PERMANENTLY, A RECOVERY RESIDENT'S BELONGINGS OR MONEY WITHOUT THE RECOVERY RESIDENT'S CONSENT.

(f) ANY OCCURRENCE IN WHICH DRUGS INTENDED FOR USE BY A RECOVERY RESIDENT ARE DIVERTED FOR USE BY ANOTHER PERSON.

(2) THE STATE BOARD SHALL ADOPT RULES SPECIFYING THE MANNER, TIME PERIOD, AND FORM IN WHICH THE REPORTS REQUIRED PURSUANT TO THIS SECTION MUST BE MADE.

(3) A REPORT SUBMITTED PURSUANT TO SUBSECTION (1) OF THIS SECTION IS STRICTLY CONFIDENTIAL; EXCEPT THAT INFORMATION IN A REPORT MAY BE TRANSMITTED TO AN APPROPRIATE REGULATORY AGENCY HAVING JURISDICTION FOR DISCIPLINARY OR LICENSE SANCTIONS. THE INFORMATION IN THE REPORTS MUST NOT BE MADE PUBLIC UPON SUBPOENA, SEARCH WARRANT, DISCOVERY PROCEEDINGS, OR OTHERWISE, EXCEPT AS PROVIDED IN SUBSECTION (5) OF THIS SECTION, AND IS EXEMPT FROM DISCLOSURE PURSUANT TO SECTION 24-72-204.

(4) THE BHA SHALL INVESTIGATE EACH REPORT SUBMITTED PURSUANT TO SUBSECTION (1) OF THIS SECTION THAT THE BHA DETERMINES WAS APPROPRIATELY SUBMITTED. FOR EACH REPORT INVESTIGATED, THE BHA SHALL PREPARE A SUMMARY OF ITS FINDINGS, INCLUDING THE BHA'S CONCLUSIONS AND WHETHER THERE WAS A VIOLATION OF LICENSING STANDARDS OR A DEFICIENCY AND WHETHER THE RECOVERY RESIDENCE ACTED APPROPRIATELY IN RESPONSE TO THE OCCURRENCE. IF THE

INVESTIGATION IS NOT CONDUCTED ON SITE, THE BHA SHALL SPECIFY IN THE SUMMARY HOW THE INVESTIGATION WAS CONDUCTED. AN INVESTIGATION CONDUCTED PURSUANT TO THIS SUBSECTION (4) IS IN ADDITION TO AND NOT IN LIEU OF AN INSPECTION REQUIRED TO BE CONDUCTED PURSUANT TO SECTION 27-50-503 (2) WITH REGARD TO LICENSING.

(5) (a) THE BHA SHALL MAKE THE FOLLOWING INFORMATION AVAILABLE TO THE PUBLIC:

(I) INVESTIGATION SUMMARIES PREPARED PURSUANT TO SUBSECTION (4) OF THIS SECTION;

(II) COMPLAINTS AGAINST A RECOVERY RESIDENCE THAT HAVE BEEN FILED WITH THE BHA AND THAT THE BHA HAS INVESTIGATED, INCLUDING THE CONCLUSIONS REACHED BY THE BHA AND WHETHER THERE WAS A VIOLATION OF LICENSING OR APPROVAL STANDARDS OR A DEFICIENCY AND WHETHER THE RECOVERY RESIDENCE ACTED APPROPRIATELY IN RESPONSE TO THE SUBJECT OF THE COMPLAINT; AND

(III) A LISTING OF DEFICIENCY CITATIONS ISSUED AGAINST EACH RECOVERY RESIDENCE.

(b) THE INFORMATION RELEASED PURSUANT TO THIS SUBSECTION (5) MUST NOT IDENTIFY THE RECOVERY RESIDENT OR THE HEALTH-CARE PROFESSIONAL INVOLVED IN THE REPORT.

(6) PRIOR TO THE COMPLETION OF AN INVESTIGATION PURSUANT TO THIS SECTION, THE BHA MAY RESPOND TO AN INQUIRY REGARDING A REPORT RECEIVED PURSUANT TO SUBSECTION (1) OF THIS SECTION BY CONFIRMING THAT THE BHA HAS RECEIVED THE REPORT AND THAT AN INVESTIGATION IS PENDING.

(7) IN ADDITION TO THE REPORT TO THE BHA FOR AN OCCURRENCE DESCRIBED IN SUBSECTION (1)(c) OF THIS SECTION, THE OCCURRENCE MUST BE REPORTED TO A LAW ENFORCEMENT AGENCY.

27-50-1007. Probation placement referrals - judicial updates to identify eligible entities - legislative declaration - repeal.

(1) THE GENERAL ASSEMBLY FINDS THAT IMPLEMENTING LICENSING

REQUIREMENTS PURSUANT TO THIS PART 10 NECESSITATES THAT THE JUDICIAL DEPARTMENT UPDATE ITS CRITERIA FOR ENTITIES SEEKING PLACEMENT ON ANY APPROVED LIST USED FOR PROBATION PLACEMENT REFERRALS.

(2) NO LATER THAN AUGUST 1, 2027, THE JUDICIAL DEPARTMENT SHALL UPDATE ANY EXISTING REQUEST FOR PROPOSALS, APPROVED VENDOR LIST, OR SIMILAR PROCUREMENT OR APPROVAL PROCESS USED TO IDENTIFY ENTITIES ELIGIBLE TO RECEIVE PROBATION PLACEMENT REFERRALS TO REFLECT THE LICENSURE REQUIREMENTS ESTABLISHED BY THE BHA PURSUANT TO THIS PART 10.

(3) ONCE THE UPDATES REQUIRED PURSUANT TO SUBSECTION (2) OF THIS SECTION ARE COMPLETE, THE JUDICIAL DEPARTMENT SHALL ACCEPT APPLICATIONS FROM RECOVERY RESIDENCES LICENSED BY THE BHA THAT PROVIDE HOUSING AND RECOVERY SUPPORT SERVICES. AN ELIGIBLE RECOVERY RESIDENCE MAY APPLY FOR INCLUSION ON THE APPROVED LIST.

(4) A RECOVERY RESIDENCE ADDED TO THE APPROVED LIST MUST REMAIN ON THE LIST SO LONG AS THE RECOVERY RESIDENCE MEETS THE UPDATED CRITERIA DESCRIBED IN SUBSECTION (2) OF THIS SECTION.

(5) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2028.

27-50-1008. Repeal of part - sunset review.

(1) (a) THIS PART 10 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2033.

(b) BEFORE ITS REPEAL, THE DEPARTMENT OF REGULATORY AGENCIES SHALL REVIEW THE REGULATION OF RECOVERY RESIDENCES IN ACCORDANCE WITH SECTION 24-34-104.

SECTION 3. In Colorado Revised Statutes, 24-34-104, **add** (34)(a)(XV) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal.

(34) (a) The following agencies, functions, or both, are scheduled

for repeal on September 1, 2033:

(XV) THE REGULATION OF RECOVERY RESIDENCES PURSUANT TO PART 10 OF ARTICLE 50 OF TITLE 27.

SECTION 4. In Colorado Revised Statutes, **amend** 27-50-506 as follows:

27-50-506. Behavioral health licensing cash fund - creation.

The behavioral health licensing cash fund, referred to in this section as the "fund", is created in the state treasury. The fund consists of money credited to the fund pursuant to section 27-50-504 (2). The money in the fund is subject to annual appropriation by the general assembly for the direct and indirect costs of the BHA in performing its duties pursuant to this part 5 AND PART 10 OF THIS ARTICLE 50. At the end of any state fiscal year, all unexpended and unencumbered money in the fund remains in the fund and must not be credited or transferred to the general fund or any other fund.

SECTION 5. In Colorado Revised Statutes, 27-80-129, **add** (13) as follows:

27-80-129. Regulation of recovery residences - rules - definitions - repeal.

(13) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

SECTION 6. In Colorado Revised Statutes, 27-50-105, **amend** (1)(a); and **repeal** (1)(ff) as follows:

27-50-105. Administration of behavioral health programs - state plan - sole mental health authority - gifts, grants, or donations.

(1) The BHA shall administer and provide the following behavioral health programs and services:

(a) The regulation of recovery residences pursuant to ~~section 27-80-129~~ PART 10 OF THIS ARTICLE 50;

(ff) ~~The recovery residence certifying body pursuant to section 27-80-122;~~

SECTION 7. In Colorado Revised Statutes, 27-80-122, **add** (3) as follows:

27-80-122. Recovery residence certifying body - competitive selection process - appropriation - repeal.

(3) THIS SECTION IS REPEALED, EFFECTIVE JUNE 30, 2027.

SECTION 8. In Colorado Revised Statutes, 27-80-125, **amend** (3) as follows:

27-80-125. Housing assistance for individuals with a substance use disorder - report - rules - appropriation.

(3) In awarding temporary financial housing assistance in accordance with this section, the BHA shall consider funding for individuals entering into a recovery residence, as defined in ~~section 27-80-129~~ SECTION 27-50-101.

SECTION 9. In Colorado Revised Statutes, 30-28-115, **amend** (2)(b.7) as follows:

30-28-115. Public welfare to be promoted - legislative declaration - construction - definitions.

(2)(b.7) The general assembly finds and declares that it is the policy of the state to encourage, promote, and assist persons who are in recovery from substance use disorders to live in residential neighborhoods. Further, the general assembly declares that the use of recovery residences, as defined in ~~section 27-80-129(1)(b)~~ SECTION 27-50-101, by persons in recovery from substance use disorders is a matter of statewide concern and that recovery residences are a residential use of property for zoning purposes and subject only to the regulations of like dwellings in the same zone.

SECTION 10. In Colorado Revised Statutes, 31-23-303, **amend** (2)(b.7) as follows:

31-23-303. Legislative declaration.

(2) (b.7) The general assembly finds and declares that it is the policy of the state to encourage, promote, and assist persons who are in recovery from substance use disorders to live in residential neighborhoods. Further, the general assembly declares that the use of recovery residences, as defined in ~~section 27-80-129 (1)(b)~~ SECTION 27-50-101, by persons in recovery from substance use disorders is a matter of statewide concern and that recovery residences are a residential use of property for zoning purposes and subject only to the regulations of like dwellings in the same zone.

SECTION 11. In Colorado Revised Statutes, 44-3-108, **amend** (2)(b) as follows:

44-3-108. Substance use disorders - recovery - retail liquor sales - stakeholder group - rules - repeal.

(2) The liquor enforcement division shall convene a stakeholder group of the following members to develop the rules required in subsection (1) of this section:

(b) Two individuals representing a recovery residence, as defined in ~~section 27-80-129 (1)(b)~~ SECTION 27-50-101;

SECTION 12. In Colorado Revised Statutes, **repeal** 27-80-107.7.

SECTION 13. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless

approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO