



ARIZONA HOUSE OF REPRESENTATIVES

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Senate: HHS DP 7-0-0-0 | 3rd Read 18-11-1-0

SB 1682: state hospital; bed availability

S/E: governing board; state hospital

Sponsor: Senator Gowan, LD 19

Committee on Health & Human Services

Summary of the Strike-Everything Amendment to SB 1682

Overview

Creates, effective January 1, 2026, the Arizona State Hospital Governing Board (Governing Board) and transfers the powers, duties and responsibilities of the Arizona State Hospital (ASH) from the Arizona Department of Health Services (DHS) to the ASH Governing Board and ASH Director.

History

[ASH](#), a division of DHS, is a 360-bed facility that provides long-term inpatient psychiatric treatment to individuals with mental illnesses, personality disorders or emotional conditions who are under a court order to receive treatment. ASH is divided into three separate facilities: 1) The Civil Hospital; 2) The Forensic Hospital; and 3) The Arizona Community Protection and Treatment Center (ACPTC).

Patients receiving treatment at the Civil Hospital have been court-ordered to receive involuntary treatment as a result of having been determined to be a danger to themselves or others, gravely disabled or persistently and acutely disabled. Patients receiving treatment at the Forensic Hospital are court-ordered for either pre-trial or post-trial treatment as a result of involvement with the criminal justice system due to a mental health issue. ACPTC supervises and treats persons classified as sexually violent persons ([A.R.S. Title 36, Chapter 2, Article 1](#)).

The Joint Legislative Psychiatric Hospital Review Council (Council) adopted a set of recommendations related to ASH. One of them being to consider whether ASH should be extricated from DHS and operated by an appointed board ([2022 Council Final Report](#)).

Provisions

Director of the Arizona State Hospital

1. Establishes the ASH Director. (Sec. 9, 14)
2. Removes the role of the ASH Superintendent and assigns applicable duties and responsibilities to the ASH Director. (Sec. 9, 11, 14, 16-21, 24, 29, 30, 34, 39-50, 52)
3. Requires the ASH Director to be appointed by and under the supervision of the Governing Board. (Sec. 14)
4. Declares the ASH Director as the Chief Administrative Officer of ASH. (Sec. 14)

5. Requires compensation to be paid to the ASH Director as determined by statute. (Sec. 14)
6. Applies the same qualifications as the ASH Superintendent to the ASH Director. (Sec. 14)
7. Requires the ASH Director with the Governing Board's approval to appoint a Chief Medical Officer. (Sec. 14)
8. Requires the Chief Medical Officer to report directly to the ASH Director. (Sec. 14)
9. Permits the ASH Director, after consultation with the Arizona Department of Administration, to take all necessary steps to enhance the highest and best use of ASH property, including entering into short-term lease agreements with third parties to occupy or renovate existing buildings and entering into long-term lease agreements to develop the land and buildings. (Sec. 26)
10. Directs the ASH Director to deposit any monies collected from contracts and lease agreements into the ASH Charitable Trust Fund. (Sec. 26)
11. Directs the ASH Director to provide to the Governing Board:
 - a) an estimate of the probable daily per capita costs of treating and maintaining each category of ASH patients for the next ensuing year in January of the following year;
 - b) clinical assessment of ASH programs upon request; and
 - c) ASH's maximum funded capacity and percentage allocation formula for the current fiscal year. (Sec. 16)
12. Transfers the authority to administer the ASH Fund from DHS to the ASH Director. (Sec. 35)
13. Directs the ASH Director, rather than DHS, to deposit monies in the ASH Fund to the specified accounts. (Sec. 35)

ASH Governing Board

14. Creates the Governing Board. (Sec. 9, 15)
15. Transfers the authorities, powers, duties and responsibilities of ASH from DHS to the Governing Board. (Sec. 10, 12, 17-19, 22, 23, 30, 34, 38, 40-41, 44-45, 47, 49-51, 55)
16. Allows the Governing Board to remove the ASH Director only for cause. (Sec. 14)
17. Outlines additional powers and duties of the Governing Board. (Sec. 15)
18. Requires the Board to consist of five Governor-appointed members and outlines experience qualifications. (Sec. 15)
19. Directs Governing Board members, prior to appointment by the Governor, to submit a full set of fingerprints for the purpose of obtaining a state and federal criminal records check. (Sec. 15)
20. Allows the Arizona Department of Public Safety to exchange fingerprint data with the Federal Bureau of Investigation. (Sec. 15)
21. Outlines prohibited purposes for Governing Board membership. (Sec. 15)
22. Specifies that Governing Board members serve five-year terms, expiring on the third Monday in January of the appropriate year. (Sec. 15)

23. Asserts that the Chairperson of the ASH Independent Oversight Committee will serve as a nonvoting member of the Governing Board and will not be counted for the purpose of determining quorum. (Sec. 15)
24. Requires the Governing Board to meet at least once every month. (Sec. 15)
25. Requires Governing Board Members to:
 - a) sign an agreement to comply with all confidentiality requirements of matters of the Governing Board; and
 - b) sign a conflict-of-interest statement identifying and disclosing any potential conflict of interest. (Sec. 15)
26. Allows a Governing Board member to be removed only for cause. (Sec. 15)
27. Stipulates that a Governing Board member that is removed for cause must be provided written notice and an opportunity to respond. (Sec. 15)
28. Permits the Governor to remove a Governing Board member based on written findings that specify the reason for removal. (Sec. 15)
29. Provides a list of state employees that will serve as emergency members of the Governing Board if it does not have enough members to take official action. (Sec. 15)
30. Requires the Governing Board to administer the laws of Arizona relating to ASH. (Sec. 15)
31. Specifies that Governing Board members are eligible to receive compensation not exceeding \$200 per day for each day spent in the discharge of their duties, as well as all expenses incurred in attending meetings. (Sec. 15)
32. Establishes the State Hospital Donations Fund for the benefit of ASH patients and requires the ASH Director to administer the fund, which is continuously appropriated. (Sec. 21)
33. Specifies that any donations received by the Board for the benefit of ASH patients must be deposited into the State Hospital Donations Fund. (Sec. 21)
34. Directs the Governing Board, at least 30 days before issuing a request for proposals to renovate or develop ASH property, to hold a public hearing to receive community and provider input regarding the highest and best use of the property. (Sec. 26)
35. Directs the Governing Board to report, to the Joint Committee on Capital Review (JCCR), the terms, conditions and purpose of any lease or sublease agreement entered into relating to ASH lands or buildings or the disposition of real property, as well as the associated fiscal impact on the Governing Board and any revenues generated by the agreement. (Sec. 26)
36. Instructs JCCR to review any lease or sublease agreement entered into by the Governing Board that relates to ASH lands or buildings or the disposition of real property. (Sec. 26)
37. Outlines the initial terms for Governing Board members as follows:
 - a) one term ending January 1, 2028;
 - b) two terms ending January 1, 2029; and
 - c) subsequent terms as prescribed by statute. (Sec. 54)

Miscellaneous

38. Stipulates that this legislation does not alter the effect of any action or impair the valid obligations of DHS relating to ASH that existed before January 1, 2026. (Sec. 55)
39. Asserts that DHS administrative rules and orders relating to ASH remain in effect until superseded by administrative action by the Governing Board. (Sec. 55)
40. Specifies that all administrative matters, contracts and judicial and quasi-judicial actions of DHS relating to ASH are transferred to the ASH Governing Board and retain the same status. (Sec. 55)
41. Implies that all ASH-issued certificates, licenses, registrations, permits and other indicia of qualifications and authorities relating to ASH retain their validity for the duration of their terms. (Sec. 55)
42. Transfers all ASH equipment, records, furnishings, data, investigative findings, obligations and appropriated monies that remain unexpended and unencumbered on January 1, 2026, to the Governing Board. (Sec. 55)
43. Transfers all personnel under the state personnel system and employed by DHS relating to ASH to comparable positions and pay classifications in the respective administrative units of the Governing Board on January 1, 2026. (Sec. 55)
44. Removes the following:
 - a) ASH from DHS's authority;
 - b) the role of the ASH Superintendent;
 - c) DHS as it relates to ASH;
 - d) DHS's responsibility of submitting the financial statement of affairs for ASH; and
 - e) the ASH Superintendent's authority to supervise the nurse training school in connection with ASH. (Sec. 8, 9, 13)
45. Specifies that ASH includes the Arizona Community Protection and Treatment Center. (Sec. 9)
46. Repeals statute relating to various DHS statutory references. (Sec. 5)
47. Repeals statute that allows DHS to enter into a five-year contract with a private entity to administer ASH and deliver client services. (Sec. 22)
48. Defines and modifies terms. (Sec. 2, 9, 15 and 29)
49. Contains an effective date of January 1, 2026. (Sec. 56)
50. Makes technical and conforming changes. (Sec. 1, 3-4, 6-14, 16-21, 25, 27-29, 34-39, 41-53)

<input type="checkbox"/> Prop 105 (45 votes) <input type="checkbox"/> Prop 108 (40 votes) <input type="checkbox"/> Emergency (40 votes) <input type="checkbox"/> Fiscal Note
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