| 1  |      | AN ACT relating to recovery residences.  |  |  |  |
|----|------|--|--|--|--|
| 2  | Be i | Be it enacted by the General Assembly of the Commonwealth of Kentucky:               |  |  |  |
| 3  |      | → Section 1. KRS 222.500 is amended to read as follows:                              |  |  |  |
| 4  | As u | sed in KRS 222.500 to 222.510:   |  |  |  |
| 5  | (1)  | "Cabinet" means the Cabinet for Health and Family Services;                          |  |  |  |
| 6  | (2)  | "Certifying organization" means:   |  |  |  |
| 7  |      | (a) The Kentucky Recovery Housing Network;   |  |  |  |
| 8  |      | (b) The National Alliance for Recovery Residences or their recognized affiliates;    |  |  |  |
| 9  |      | (c) Oxford House, Inc.; and  |  |  |  |
| 0  |      | (d) Any other organization that develops and administers professional                |  |  |  |
| 1  |      | certification programs requiring minimum standards for the operation of              |  |  |  |
| 2  |      | recovery residences that has been recognized and approved by the Cabinet for         |  |  |  |
| 13 |      | Health and Family Services;  |  |  |  |
| 4  | (3)  | "Local government" means a city, county, urban-county government, consolidated       |  |  |  |
| 5  |      | local government, charter county government, or unified local government;            |  |  |  |
| 6  | (4)  | "Medication for addiction treatment" means the use of pharmacological agents         |  |  |  |
| 17 |      | approved by the United States Food and Drug Administration for the treatment of      |  |  |  |
| 8  |      | substance use disorders in combination with counseling and other behavioral health   |  |  |  |
| 9  |      | therapies to provide a whole-patient approach to the treatment of substance use      |  |  |  |
| 20 |      | disorders;   |  |  |  |
| 21 | (5)  | "Recovery residence":  |  |  |  |
| 22 |      | (a) Means any premises, place, or building that:                                     |  |  |  |
| 23 |      | $\underline{I.[(a)]}$ Holds itself out as a recovery residence, recovery home, sober |  |  |  |
| 24 |      | living residence, alcohol, illicit drug, and other intoxicating substance-           |  |  |  |
| 25 |      | free home for unrelated individuals, or any other similarly named or                 |  |  |  |
| 26 |      | identified residence that promotes substance use disorder recovery                   |  |  |  |

through abstinence from intoxicating substances;  $\underline{and}$ 

27

| 1  |            | 2.[(b)] Provides a housing arrangement for a group of unrelated                         |
|----|------------|---|
| 2  |            | individuals who are recovering from substance use disorders or to a                     |
| 3  |            | group of parents who are recovering from a substance use disorder and                   |
| 4  |            | their children, including peer-to-peer supervision models; and                          |
| 5  |            | (b)[(c)] <u>Does not include any premises, place, or building that</u> is [not]licensed |
| 6  |            | or otherwise approved by the cabinet or any other agency of state government            |
| 7  |            | to operate as a residential or inpatient substance use treatment facility; [to          |
| 8  |            | provide any medical, clinical, behavioral health, or substance use treatment            |
| 9  |            | service for which a license or other approval is required under state law; and]         |
| 10 | (6)        | "Recovery support services":  |
| 11 |            | (a) Means activities that are directed primarily toward recovery from substance         |
| 12 |            | use disorders and includes but is not limited to mutual aid self-help meetings,         |
| 13 |            | recovery coaching, spiritual coaching, group support, and assistance in                 |
| 14 |            | achieving and retaining gainful employment; and   |
| 15 |            | (b) Does not include any medical, clinical, behavioral health, or other substance       |
| 16 |            | use treatment service for which a license or other approval is required under           |
| 17 |            | state law <u>; and</u>  |
| 18 | <u>(7)</u> | "Resident-driven length of stay" means the amount of time an individual is              |
| 19 |            | allowed to stay at a recovery residence as determined by the individual resident        |
| 20 |            | based upon his or her recovery needs and not by a third-party payor.                    |
| 21 |            | → Section 2. KRS 222.502 is amended to read as follows:                                 |
| 22 | (1)        | (a) Effective July 1, 2024, no individual or entity shall, except as provided in        |
| 23 |            | paragraph (b) of this subsection and subsection (2) of this section, establish,         |
| 24 |            | operate, or maintain a recovery residence, recovery home, sober living                  |
| 25 |            | residence, alcohol, illicit drug, and other intoxicating substance-free home for        |
| 26 |            | unrelated individuals, or any other similarly named or identified residence that        |
| 27 |            | promotes substance use disorder recovery through abstinence from                        |

 $\begin{array}{ccc} Page \ 2 \ of \ 8 \\ XXXX \ \ 2/2/2024 \ 8:36 \ AM \end{array}$  Jacketed

| 1  |     |      | into   | xicatin   | g substances or represent, promote, advertise, or otherwise claim to   |  |
|----|-----|------|--------|---|--|--|
| 2  |     |      | oper   | ate a r   | ecovery residence, recovery home, sober living residence, alcohol,     |  |
| 3  |     |      | illici | it dru  | g, and other intoxicating substance-free home for unrelated            |  |
| 4  |     |      | indi   | individuals, or any other similarly named or identified residence that promotes |  |  |
| 5  |     |      | subs   | tance   | use disorder recovery through abstinence from intoxicating             |  |
| 6  |     |      | subs   | tances  | unless that individual or entity has:                                  |  |
| 7  |     |      | 1.     | Been  | certified by a certifying organization; and                            |  |
| 8  |     |      | 2.     | Prov  | ded proof of certification by a certifying organization to the cabinet |  |
| 9  |     |      |        | in a f  | form and manner prescribed by the cabinet.                             |  |
| 10 |     | (b)  | The    | provis  | ions of this subsection shall not apply to:                            |  |
| 11 |     |      | 1.     | A re  | covery residence that is recognized as a part of the Recovery          |  |
| 12 |     |      |        | Kent  | ucky Program administered by the Kentucky Housing Corporation;         |  |
| 13 |     |      |        | or  |  |  |
| 14 |     |      | 2.     | A rec   | covery residence that is:  |  |
| 15 |     |      |        | a.  | Owned or operated by an entity that is exempt, in part or in whole,    |  |
| 16 |     |      |        |   | pursuant to 42 U.S.C. sec. 3607 or 12187 from compliance with          |  |
| 17 |     |      |        |   | the Americans with Disabilities Act, Pub. L. No. 101-336, or the       |  |
| 18 |     |      |        |   | Fair Housing Act, Pub. L. No. 100-430; and                             |  |
| 19 |     |      |        | b.  | Affiliated with a religious institution that is organized under 26     |  |
| 20 |     |      |        |   | U.S.C. sec. 501(c) for charitable religious purposes;                  |  |
| 21 |     |      |        | unles   | s the recovery residence accepts Medicare or Medicaid funds.           |  |
| 22 | (2) | Noty | withst | anding  | subsection (1) of this section:  |  |
| 23 |     | (a)  | A r    | ecovei  | ry residence operating without certification from a certifying         |  |
| 24 |     |      | orga   | nizatio   | on on June 30, 2024, shall be permitted to continue to operate until   |  |
| 25 |     |      | Dec    | ember   | 31, 2024, if, except as provided in paragraph (c) of this              |  |
| 26 |     |      | subs   | ection  | the recovery residence provides the cabinet with proof that it         |  |

27

initiated a certification process with a certifying organization prior to July 1,

| 1  |     |            | 2024; <del>[ and]</del>  |
|----|-----|------------|--|
| 2  |     | (b)        | A recovery residence that seeks to begin operating after July 1, 2024, may be    |
| 3  |     |            | permitted by the cabinet to operate for a period of not more than six (6)        |
| 4  |     |            | months if the recovery residence provides the cabinet with proof that it has     |
| 5  |     |            | initiated a certification process with a certifying organization; and            |
| 6  |     | <u>(c)</u> | Notwithstanding paragraph (a) of this subsection, a recovery residence that      |
| 7  |     |            | provides on-site clinical services or access to on-site clinical services        |
| 8  |     |            | operating without certification from a certifying organization on June 30,       |
| 9  |     |            | 2024, shall be permitted to continue operating after July 1, 2024, but shall     |
| 10 |     |            | be required to provide proof of certification by a certifying organization to    |
| 11 |     |            | the cabinet no later than December 31, 2024.                                     |
| 12 |     | <b>→</b> S | ection 3. KRS 222.504 is amended to read as follows:                             |
| 13 | (1) | The        | cabinet shall:   |
| 14 |     | (a)        | Require certified recovery residences to provide proof of certification at least |
| 15 |     |            | annually;  |
| 16 |     | (b)        | Require certified recovery residences to notify the cabinet of any change in     |
| 17 |     |            | their certification status, including but not limited to a suspension or         |
| 18 |     |            | revocation of certification by a certifying organization;                        |
| 19 |     | (c)        | Require separate proof of certification for each recovery residence owned or     |
| 20 |     |            | operated by an individual or entity in the Commonwealth;                         |
| 21 |     | (d)        | Post on its website the name, telephone number, and location by local            |
| 22 |     |            | jurisdiction of each certified recovery residence and shall update the list at   |
| 23 |     |            | least quarterly;   |
| 24 |     | (e)        | Post on its website the name of each certifying organization approved by the     |
| 25 |     |            | cabinet; and   |
| 26 |     | (f)        | Notify local governments with appropriate jurisdiction of receipt of proof of    |
| 27 |     |            | certification from a recovery residence within thirty (30) days of receipt of    |

Page 4 of 8

XXXX 2/2/2024 8:36 AM

Jacketed

| 1  |            |  | proof of certification.  |  |  |
|----|------------|--|--|--|--|
| 2  | (2)        | The cabinet shall not disclose the address of a recovery residence except to local   |  |  |  |
| 3  |            | governments, local law enforcement, and emergency personnel.                         |  |  |  |
| 4  | (3)        | The o  | cabinet may:   |  |  |
| 5  |            | (a)  | In lieu of posting the information required by subsection (1)(d) of this section   |  |  |
| 6  |            |  | to its website, post a link to another website that aggregates information on      |  |  |
| 7  |            |  | certified recovery residences or other information providers; and                  |  |  |
| 8  |            | (b)  | Promulgate administrative regulations in accordance with KRS Chapter 13A           |  |  |
| 9  |            |  | to carry out the provisions of this section, Sections 1, 2, and 4 of this Act, and |  |  |
| 0  |            |  | KRS 222.508 and 222.510[ and KRS 222.502].   |  |  |
| 1  | (4)        | <u>If a r</u>  | recovery residence violates any provision of this section, Section 2 of this Act   |  |  |
| 2  |            | or ar  | ny administrative regulation promulgated thereunder, the cabinet and local         |  |  |
| 3  |            | governments are hereby granted the authority and legal standing necessary to         |  |  |  |
| 4  |            | impose civil fines as permitted under subsection (5) of this section and to initiate |  |  |  |
| 5  |            | appro  | opriate legal action to compel a recovery residence that is operating in violation |  |  |
| 6  |            | of Kl  | RS 222.502 to cease operating.   |  |  |
| 7  | <u>(5)</u> | (a)  | Any certified recovery residence or other person operating a recovery              |  |  |
| 8  |            |  | residence who knowingly fails to submit any report, data, or other                 |  |  |
| 9  |            |  | information as may be required by the cabinet through the promulgation of          |  |  |
| 20 |            |  | an administrative regulation or by a local government through the                  |  |  |
| 21 |            |  | enactment of a local ordinance or who submits fraudulent reports, data, or         |  |  |
| 22 |            |  | information may be subject to civil fines established by the cabinet through       |  |  |
| 23 |            |  | the promulgation of an administrative regulation or by a local government          |  |  |
| 24 |            |  | through the enactment of a local ordinance.  |  |  |
| 25 |            | <u>(b)</u>   | Any person or entity who knowingly establishes, maintains, or operates an          |  |  |
| 26 |            |  | uncertified recovery residence in violation of Section 2 of this Act may be        |  |  |
| 27 |            |  | subject to civil fines established by the cabinet through the promulgation of      |  |  |

| 1  |            |   | an administrative regulation or by a local government through the                |  |  |
|----|------------|---|--|--|--|
| 2  |            |   | enactment of a local ordinance.  |  |  |
| 3  | <u>(6)</u> | Not   | withstanding any law to the contrary, a recovery residence that furnishes        |  |  |
| 4  |            | prod  | of of current certification from a certifying organization to a local government |  |  |
| 5  |            | shal  | l be presumed by the local government to be in compliance with this section,     |  |  |
| 6  |            | Sect  | tions 1, 2, and 4 of this Act, and KRS 222.508 and 222.510.                      |  |  |
| 7  |            | → Section 4. KRS 222.506 is amended to read as follows: |  |  |  |
| 8  | (1)        | A re  | covery residence shall:  |  |  |
| 9  |            | (a)   | Clearly disclose the following by inclusion in any advertising and by posting    |  |  |
| 10 |            |   | such a notice in a conspicuous location inside the residence:                    |  |  |
| 11 |            |   | 1. Notice that the recovery residence is not a treatment facility;               |  |  |
| 12 |            |   | 2. A list of services offered by the recovery residence; and                     |  |  |
| 13 |            |   | 3. If the recovery residence is exempt from certification pursuant to KRS        |  |  |
| 14 |            |   | 222.502(1)(b), notice that the recovery residence is exempt from                 |  |  |
| 15 |            |   | certification requirements;  |  |  |
| 16 |            | (b)   | Require residents to abstain from the use of alcohol, illicit drugs, and other   |  |  |
| 17 |            |   | intoxicating substances;   |  |  |
| 18 |            | (c)   | Require residents to participate in recovery support services including through  |  |  |
| 19 |            |   | a peer-to-peer supervision model; and  |  |  |
| 20 |            | (d)   | Allow individuals who are receiving medication for addiction treatment to        |  |  |
| 21 |            |   | continue to receive such treatment while residing in the recovery residence as   |  |  |
| 22 |            |   | directed by a licensed prescriber.   |  |  |
| 23 | (2)        | A r   | ecovery residence shall not, except as permitted under [paragraph (b) of         |  |  |
| 24 |            | <del>]</del> sub  | section (3) of this section, directly provide any medical or clinical services   |  |  |
| 25 |            | incl  | uding on-site medication administration.   |  |  |
| 26 | (3)        | (a)   | The requirement that residents abstain from the use of intoxicating substances   |  |  |
| 27 |            |   | established in subsection (1)(b) of this section shall not apply to any legally  |  |  |

Page 6 of 8

XXXX 2/2/2024 8:36 AM

Jacketed

prescribed medication when used by a resident as directed by a licensed

1

| prescriber.  |
|--|
| Subsection (1)(d) of this section shall not apply to any recovery residence    |
| owned or operated by an entity that is exempted, in part or in whole, pursuant |
| to 42 U.S.C. sec. 3607 or 12187 from compliance with the Americans with        |
| Disabilities Act, Pub. L. No. 101-336, or the Fair Housing Act, Pub. L. No.    |
| 100-430.   |
| The prohibition on the provision of on-site medical and clinical services      |
| established in subsection (2) of this section shall not apply to:              |
| 1. The self-administration of prescribed medications by a resident as          |
| directed by a licensed prescriber within his or her scope of practice;         |
| 2. Verification of abstinence from the use of alcohol, illicit drugs, and      |
| other intoxicating substances; or  |
| 3. The provision of <u>on-site</u> medical and clinical services, including    |
| telehealth services and other in-residence services, to an individual          |
| residing in a recovery residence by a licensed medical or behavioral           |
| health provider provided that:   |
| a. The licensed provider is not employed or contracted by the                  |
| recovery residence unless at least one (1) of the following criteria           |
| is met:  |
| i. The recovery residence does not receive payment from the                    |
| licensed provider;   |
| ii. The recovery residence makes on-site clinical services                     |
| available from an outside service provider, but each                           |
| resident may utilize the clinical service provider of his or                   |
| her choosing; or   |
| iii. The recovery residence is operated by or is a direct                      |
|  |

| 1  |    | subsidiary of the licensed provider and the services are           |
|----|----|--|
| 2  |    | provided as part of a continuum of care that can be shown          |
| 3  |    | by the recovery residence operator to include step-down            |
| 4  |    | facilities with resident-driven length of stay or referral         |
| 5  |    | <u>thereof;</u>  |
| 6  | b. | The recovery residence has not required or otherwise induced a     |
| 7  |    | resident to receive services from a specific provider unless the   |
| 8  |    | recovery residence is operated by or is a direct subsidiary of the |
| 9  |    | of the provider and the services are provided as part of a         |
| 10 |    | continuum of care that can be shown by the recovery residence      |
| 11 |    | operator to include step-down facilities with resident-driven      |
| 12 |    | <i>length of stay or referral thereof</i> ; and                    |
| 13 | c. | The licensed provider and the recovery residence shall each, as    |
| 14 |    | applicable, comply with 18 U.S.C. sec. 220, 42 U.S.C. sec. 1320a-  |
| 15 |    | 7b(b), and 42 U.S.C. sec. 1395nn and any amendments thereto.       |