

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0780.01 Shelby Ross x4510

SENATE BILL 26-113

SENATE SPONSORSHIP

Amabile and Ball,

HOUSE SPONSORSHIP

Carter and McCormick,

Senate Committees

Health & Human Services
Appropriations

House Committees

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Current law requires a recovery residence operated in Colorado to be certified by a third-party certifying body, unless the recovery residence has been operating in Colorado for 30 or more years as of May 23, 2019.

Beginning July 1, 2027, the bill requires a recovery residence to obtain a license from the behavioral health administration. The bill sets forth application procedures and rules for minimum standards of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

operating a recovery residence.

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

2 **SECTION 1.** In Colorado Revised Statutes, 27-50-101, **add**
3 (17.5) as follows:

4 **27-50-101. Definitions.**

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

6 (17.5) (a) "RECOVERY RESIDENCE" MEANS A LICENSED PREMISES,
7 PLACE, FACILITY, OR BUILDING THAT PROVIDES HOUSING
8 ACCOMMODATION FOR INDIVIDUALS WITH A PRIMARY DIAGNOSIS OF A
9 BEHAVIORAL HEALTH DISORDER AND THAT:

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

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

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

17 (b) "RECOVERY RESIDENCE" DOES NOT INCLUDE:

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

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

25 (III) PERMANENT SUPPORTIVE HOUSING. FOR THE PURPOSES OF

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

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

16 (V) A HEALTH-CARE FACILITY.

17 **SECTION 2.** In Colorado Revised Statutes, **add** part 10 to article
18 50 of title 27 as follows:

19 PART 10

20 RECOVERY RESIDENCES

21 **27-50-1001. Regulation of recovery residences - license -**
22 **violations and penalties - rules.**

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

26

27 (2) A PERSON THAT HAS BEEN FOUND TO HAVE VIOLATED

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

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

15 (4) (a) BEGINNING JULY 1, 2027, == A LICENSED, REGISTERED, OR
16 CERTIFIED HEALTH-CARE PROVIDER; A BEHAVIORAL HEALTH
17 ADMINISTRATIVE SERVICES ORGANIZATION; A MANAGED CARE ENTITY, AS
18 DEFINED IN SECTION 25.5-5-802 (5); A MANAGED CARE ORGANIZATION, AS
19 DEFINED IN SECTION 25.5-5-403 (5); A LICENSED HEALTH-CARE FACILITY;
20 OR A GOVERNMENTAL ENTITY SHALL NOT REFER AN INDIVIDUAL TO A
21 RECOVERY RESIDENCE OR PURCHASE OR CONTRACT FOR SERVICES FROM
22 A RECOVERY RESIDENCE UNLESS THE RECOVERY RESIDENCE HAS
23 OBTAINED A LICENSE FROM THE BEHAVIORAL HEALTH ADMINISTRATION.

24 (b) A RECOVERY RESIDENCE THAT HAS OPERATED WITH A
25 THIRD-PARTY CERTIFICATION PRIOR TO JULY 1, 2027, MUST SUBMIT AN
26 APPLICATION FOR LICENSURE PURSUANT TO THIS SECTION NO LATER THAN
27 MAY 1, 2027.

1 (5) (a) A RECOVERY RESIDENCE OWNER, EMPLOYEE, OR
2 ADMINISTRATOR, OR AN INDIVIDUAL RELATED TO A RECOVERY RESIDENCE
3 OWNER, EMPLOYEE, OR ADMINISTRATOR, SHALL NOT DIRECTLY OR
4 INDIRECTLY:

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

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

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

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

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

20 (6) (a) A RECOVERY RESIDENCE SHALL NOT DENY ADMISSION TO
21 AN INDIVIDUAL BASED ON THE INDIVIDUAL'S PARTICIPATION IN
22 PRESCRIBED MEDICATION-ASSISTED TREATMENT, AS DEFINED IN SECTION
23 23-21-803, FOR A SUBSTANCE USE DISORDER, INCLUDING ANY PRESCRIBED
24 OR DISPENSED AGONIST TREATMENT THAT IS APPROVED BY THE FEDERAL
25 FOOD AND DRUG ADMINISTRATION. THE RECOVERY RESIDENCE SHALL NOT
26 REQUIRE AN INDIVIDUAL TO DISCONTINUE USAGE OF
27 MEDICATION-ASSISTED TREATMENT AS A CONDITION OF RESIDING IN THE

1 RECOVERY RESIDENCE.

2 (b) A RECOVERY RESIDENCE SHALL NOT RESTRICT AN INDIVIDUAL'S
3 ABILITY TO TAKE PRESCRIBED MEDICATIONS, INCLUDING CONTROLLED
4 MEDICATIONS IN ACCORDANCE WITH A PHYSICIAN'S ORDERS, AS A
5 CONDITION FOR THE INDIVIDUAL TO RESIDE IN THE RECOVERY RESIDENCE.

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

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

20 (8) THE BHA SHALL MAINTAIN A PUBLICLY AVAILABLE LIST OF
21 LICENSED RECOVERY RESIDENCES.

22 **27-50-1002. Rules for minimum standards of operation -**
23 **criminal history background check for employment or contract for**
24 **services.**

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

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

4 (I) RECOVERY RESIDENT RIGHTS AND CONSUMER NOTICE;

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

11 (III) DATA REPORTING;

12 (IV) PHYSICAL RESIDENCE STANDARDS, WHICH INCLUDES
13 OBTAINING ALL REQUIRED BUILDING AND SAFETY INSPECTIONS AND
14 PERMITS AND COMPLIANCE WITH APPLICABLE BUILDING AND PROPERTY
15 MAINTENANCE CODES THAT ARE ENFORCED BY A LOCAL GOVERNMENT;

16 AND

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

18 (b) OWNER AND MANAGER REQUIREMENTS, INCLUDING CRIMINAL
19 HISTORY BACKGROUND CHECK REQUIREMENTS;

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

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

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

26 (f) FACTORS THAT A RECOVERY RESIDENCE MUST CONSIDER WHEN
27 DETERMINING WHETHER AN APPLICANT'S CONVICTION OR PLEA OF GUILTY

1 OR NOLO CONTENDERE TO AN OFFENSE DISQUALIFIES THE APPLICANT FROM
2 EMPLOYMENT WITH THE RECOVERY RESIDENCE. THE STATE BOARD SHALL
3 DETERMINE WHICH OFFENSES REQUIRE CONSIDERATION OF THESE
4 FACTORS.

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

9 (2) A RECOVERY RESIDENCE SHALL REQUIRE AN APPLICANT
10 SEEKING EMPLOYMENT WITH, OR SEEKING TO CONTRACT TO PROVIDE
11 SERVICES FOR, THE RECOVERY RESIDENCE TO SUBMIT TO A CRIMINAL
12 HISTORY BACKGROUND CHECK BEFORE EMPLOYMENT OR EXECUTION OF A
13 CONTRACT. THE RECOVERY RESIDENCE SHALL PAY THE COSTS OF THE
14 CRIMINAL HISTORY BACKGROUND CHECK, WHICH MUST BE CONDUCTED
15 NOT MORE THAN NINETY DAYS BEFORE THE APPLICANT'S EMPLOYMENT OR
16 CONTRACT BEGINS.

17 (3) THIS SECTION DOES NOT EXEMPT A RECOVERY RESIDENCE OR
18 ITS RESIDENTS OR OPERATORS FROM COMPLYING WITH ANY STATE,
19 COUNTY, OR MUNICIPAL HEALTH, SAFETY, OR FIRE CODES.

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

25 **27-50-1003. Applications - investigations - inspections -**
26 **criminal history background checks for owners and managers.**

27 (1) AN APPLICATION FOR A LICENSE TO OPERATE A RECOVERY

1 RESIDENCE MUST BE SUBMITTED ANNUALLY TO THE BHA IN THE FORM
2 AND MANNER PRESCRIBED BY THE BHA.

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

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

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

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

22 (II) THE LOCATION OF THE RECOVERY RESIDENCE; AND

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

26 (3) THE BHA SHALL KEEP ALL HEALTH-CARE INFORMATION OR
27 DOCUMENTS OBTAINED DURING AN INSPECTION OR INVESTIGATION OF A

1 RECOVERY RESIDENCE PURSUANT TO SUBSECTION (2) OF THIS SECTION
2 CONFIDENTIAL. RECORDS, INFORMATION, OR DOCUMENTS OBTAINED ARE
3 EXEMPT FROM DISCLOSURE PURSUANT TO SECTIONS 24-72-204 AND
4 27-50-510.

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

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

25 (c) IF AN APPROVED THIRD PARTY TAKES THE APPLICANT'S OR
26 OWNER'S AND MANAGER'S FINGERPRINTS, THE FINGERPRINTS MAY BE
27 ELECTRONICALLY CAPTURED USING COLORADO BUREAU OF

1 INVESTIGATION-APPROVED LIVESCAN EQUIPMENT. THIRD-PARTY VENDORS
2 SHALL NOT KEEP THE APPLICANT'S OR OWNER'S AND MANAGER'S
3 INFORMATION FOR MORE THAN THIRTY DAYS.

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

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

18 (f) THE BHA SHALL EVALUATE INFORMATION RECEIVED FROM THE
19 CRIMINAL HISTORY RECORD CHECK IN ACCORDANCE WITH SECTIONS
20 24-5-101 AND 12-20-206 AND SHALL ONLY DENY AN APPLICATION BASED
21 ON INFORMATION OBTAINED FROM THE CRIMINAL HISTORY RECORD CHECK
22 IF THE DENIAL IS WARRANTED PURSUANT TO SECTIONS 24-5-101 AND
23 12-20-206.

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

26 (5) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (6) OF THIS
27 SECTION, THE BHA SHALL ISSUE OR RENEW A LICENSE TO OPERATE A

1 RECOVERY RESIDENCE WHEN THE BHA IS SATISFIED THAT THE APPLICANT
2 OR LICENSEE IS IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN
3 THIS PART 10 AND THE RULES ADOPTED PURSUANT TO SECTION
4 27-50-1002. EXCEPT FOR PROVISIONAL LICENSES ISSUED IN ACCORDANCE
5 WITH SUBSECTION (6) OF THIS SECTION, A LICENSE ISSUED OR RENEWED
6 PURSUANT TO THIS SECTION EXPIRES ONE YEAR AFTER THE DATE OF
7 ISSUANCE OR RENEWAL.

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

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

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

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

27 **27-50-1004. Fees - rules.**

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

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

10 (2) THE BHA SHALL TRANSMIT FEES COLLECTED PURSUANT TO
11 THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY
12 TO THE BEHAVIORAL HEALTH LICENSING CASH FUND CREATED PURSUANT
13 TO SECTION 27-50-506.

14 **27-50-1005. Denial, suspension, or revocation of license -**
15 **restrictions - fines.**

16 (1) (a) WHEN THE BHA DENIES AN APPLICATION FOR AN INITIAL
17 LICENSE TO OPERATE A RECOVERY RESIDENCE PURSUANT TO SECTION
18 27-50-1003, THE BHA SHALL NOTIFY THE APPLICANT IN WRITING BY
19 MAILING A NOTICE TO THE ADDRESS SHOWN ON THE APPLICATION. AN
20 APPLICANT AGGRIEVED BY A DENIAL MAY PURSUE A REVIEW AS PROVIDED
21 IN ARTICLE 4 OF TITLE 24 AND THE BHA SHALL FOLLOW THE PROCEDURES
22 SPECIFIED IN ARTICLE 4 OF TITLE 24.

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

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

9 (b) AFTER CONDUCTING A HEARING IN ACCORDANCE WITH ARTICLE
10 4 OF TITLE 24, THE BHA MAY REVOKE OR REFUSE TO RENEW A RECOVERY
11 RESIDENCE'S LICENSE IF THE OWNER, MANAGER, OR ADMINISTRATOR OF
12 THE RECOVERY RESIDENCE HAS BEEN CONVICTED OF A FELONY OR
13 MISDEMEANOR INVOLVING CONDUCT THAT THE BHA DETERMINES COULD
14 POSE A RISK TO THE HEALTH, SAFETY, OR WELFARE OF THE RECOVERY
15 RESIDENTS.

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

19 (a) RETAINING A CONSULTANT TO ADDRESS CORRECTIVE
20 MEASURES;

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

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

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

26 (e) PAYING A CIVIL FINE IN LIEU OF SUSPENSION, REVOCATION,
27 REFUSAL, OR ANY OTHER ADVERSE LICENSING ACTION, WHICH FINE MUST

1 NOT EXCEED TWO THOUSAND DOLLARS IN A CALENDAR YEAR. THE BHA
2 SHALL TRANSMIT MONEY RECEIVED PURSUANT TO THIS SUBSECTION (3)(e)
3 TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE
4 GENERAL FUND.

5 **27-50-1006. Report of occurrences - investigations - rules -**
6 **definition.**

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

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

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

15 (I) BRAIN OR SPINAL CORD INJURIES; OR

16 ==

17 (II) SECOND- OR THIRD-DEGREE BURNS INVOLVING TWENTY
18 PERCENT OR MORE OF THE BODY SURFACE AREA OF AN ADULT RECOVERY
19 RESIDENT OR FIFTEEN PERCENT OR MORE OF THE BODY SURFACE AREA OF
20 A CHILD RESIDING IN THE RECOVERY RESIDENCE;

21 (c) ANY OCCURRENCE INVOLVING PHYSICAL, SEXUAL, OR VERBAL
22 ABUSE OF A RECOVERY RESIDENT BY ANOTHER RESIDENT, AN EMPLOYEE
23 OF THE RECOVERY RESIDENCE, OR A VISITOR, AS DESCRIBED IN SECTION
24 18-3-202, 18-3-203, 18-3-204, 18-3-206, 18-3-402, 18-3-404, OR
25 18-3-405;

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

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

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

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

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

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

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

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

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

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

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

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

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

27 (7) IN ADDITION TO THE REPORT TO THE BHA FOR AN OCCURRENCE

1 DESCRIBED IN SUBSECTION (1)(c) OF THIS SECTION, THE OCCURRENCE
2 MUST BE REPORTED TO A LAW ENFORCEMENT AGENCY.

3 **27-50-1007. Repeal of part - sunset review.**

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

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

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

10 **24-34-104. General assembly review of regulatory agencies**
11 **and functions for repeal, continuation, or reestablishment - legislative**
12 **declaration - repeal.**

13 (34) (a) The following agencies, functions, or both, are scheduled
14 for repeal on September 1, 2033:

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

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

19 **27-50-506. Behavioral health licensing cash fund - creation.**

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

1 any other fund.

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

4 **27-80-129. Regulation of recovery residences - rules -**
5 **definitions - repeal.**

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

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

9 **27-50-105. Administration of behavioral health programs -**
10 **state plan - sole mental health authority - gifts, grants, or donations.**

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

13 (a) The regulation of recovery residences pursuant to ~~section~~
14 ~~27-80-129~~ PART 10 OF THIS ARTICLE 50;

15 (ff) ~~The recovery residence certifying body pursuant to section~~
16 ~~27-80-122;~~

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

19 **27-80-122. Recovery residence certifying body - competitive**
20 **selection process - appropriation - repeal.**

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

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

24 **27-80-125. Housing assistance for individuals with a substance**
25 **use disorder - report - rules - appropriation.**

26 (3) In awarding temporary financial housing assistance in
27 accordance with this section, the BHA shall consider funding for

1 individuals entering into a recovery residence, as defined in ~~section~~
2 ~~27-80-129~~ SECTION 27-50-101.

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

5 **30-28-115. Public welfare to be promoted - legislative**
6 **declaration - construction - definitions.**

7 (2) (b.7) The general assembly finds and declares that it is the
8 policy of the state to encourage, promote, and assist persons who are in
9 recovery from substance use disorders to live in residential
10 neighborhoods. Further, the general assembly declares that the use of
11 recovery residences, as defined in ~~section 27-80-129 (1)(b)~~ SECTION
12 27-50-101, by persons in recovery from substance use disorders is a
13 matter of statewide concern and that recovery residences are a residential
14 use of property for zoning purposes and subject only to the regulations of
15 like dwellings in the same zone.

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

18 **31-23-303. Legislative declaration.**

19 (2) (b.7) The general assembly finds and declares that it is the
20 policy of the state to encourage, promote, and assist persons who are in
21 recovery from substance use disorders to live in residential
22 neighborhoods. Further, the general assembly declares that the use of
23 recovery residences, as defined in ~~section 27-80-129 (1)(b)~~ SECTION
24 27-50-101, by persons in recovery from substance use disorders is a
25 matter of statewide concern and that recovery residences are a residential
26 use of property for zoning purposes and subject only to the regulations of
27 like dwellings in the same zone.

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

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

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

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

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

11 **SECTION 13**. **Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly (August
14 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
15 referendum petition is filed pursuant to section 1 (3) of article V of the
16 state constitution against this act or an item, section, or part of this act
17 within such period, then the act, item, section, or part will not take effect
18 unless approved by the people at the general election to be held in
19 November 2026 and, in such case, will take effect on the date of the
20 official declaration of the vote thereon by the governor.