

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

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 26-0780.01 Shelby Ross x4510

SENATE BILL 26-113

SENATE SPONSORSHIP

Amabile and Ball, Benavidez, Coleman, Cutter, Exum, Gonzales J., Jodeh, Kipp, Kolker, Lindstedt, Marchman, Mullica, Snyder, Wallace, Weissman

HOUSE SPONSORSHIP

Carter and McCormick,

Senate Committees

Health & Human Services
Appropriations

House Committees

Health & Human Services
Finance
Appropriations

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.

HOUSE
Amended 2nd Reading
May 5, 2026

SENATE
3rd Reading Unamended
March 25, 2026

SENATE
Amended 2nd Reading
March 24, 2026

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; ---

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

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

23 **SECTION 2.** In Colorado Revised Statutes, **add** part 10 to article
24 50 of title 27 as follows:

25 PART 10

26 RECOVERY RESIDENCES

27 **27-50-1001. Regulation of recovery residences - license -**

1 **violations and penalties - rules.**

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

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

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

21 (4) (a) BEGINNING JULY 1, 2027, == A LICENSED, REGISTERED, OR
22 CERTIFIED HEALTH-CARE PROVIDER; A BEHAVIORAL HEALTH
23 ADMINISTRATIVE SERVICES ORGANIZATION; A MANAGED CARE ENTITY, AS
24 DEFINED IN SECTION 25.5-5-802 (5); A MANAGED CARE ORGANIZATION, AS
25 DEFINED IN SECTION 25.5-5-403 (5); A LICENSED HEALTH-CARE FACILITY;
26 OR A GOVERNMENTAL ENTITY SHALL NOT REFER AN INDIVIDUAL TO A
27 RECOVERY RESIDENCE OR PURCHASE OR CONTRACT FOR SERVICES FROM

1 A RECOVERY RESIDENCE UNLESS THE RECOVERY RESIDENCE HAS
2 OBTAINED A LICENSE FROM THE BEHAVIORAL HEALTH ADMINISTRATION.

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

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

8 (B) IS IN COMPLIANCE WITH ALL APPLICABLE RULES FOR
9 OPERATING A RECOVERY RESIDENCE ADOPTED PURSUANT TO SECTION
10 27-50-1002; AND

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

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

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

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

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

1 THE BHA. THE REPORTING REQUIREMENTS IN SECTION 27-50-1006
2 CONTINUE TO APPLY AFTER THE CERTIFIED RECOVERY RESIDENCE
3 RECEIVES A LICENSE PURSUANT TO SECTION 27-50-1003.

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

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

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

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

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

27 (I) FOR AN INDIVIDUAL TO RESIDE AND RECEIVE SUPPORTS IN A

1 RECOVERY RESIDENCE; OR

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

4 (6) (a) A RECOVERY RESIDENCE SHALL NOT DENY ADMISSION TO
5 AN INDIVIDUAL BASED ON THE INDIVIDUAL'S PARTICIPATION IN
6 PRESCRIBED MEDICATION-ASSISTED TREATMENT, AS DEFINED IN SECTION
7 23-21-803, FOR A SUBSTANCE USE DISORDER, INCLUDING ANY PRESCRIBED
8 OR DISPENSED AGONIST TREATMENT THAT IS APPROVED BY THE FEDERAL
9 FOOD AND DRUG ADMINISTRATION. THE RECOVERY RESIDENCE SHALL NOT
10 REQUIRE AN INDIVIDUAL TO DISCONTINUE OR TAPER USAGE OF
11 MEDICATION-ASSISTED TREATMENT AS A CONDITION OF RESIDING IN THE
12 RECOVERY RESIDENCE.

13 (b) A RECOVERY RESIDENCE SHALL NOT CATEGORICALLY PROHIBIT
14 A RECOVERY RESIDENT'S ABILITY TO TAKE PRESCRIBED MEDICATIONS,
15 INCLUDING CONTROLLED MEDICATIONS, IN ACCORDANCE WITH A
16 PHYSICIAN'S ORDERS. ADMISSION TO, OR CONTINUED RESIDENCE IN, A
17 RECOVERY RESIDENCE MUST NOT BE CONTINGENT UPON THE CESSATION OF
18 TAKING PRESCRIBED MEDICATIONS UNLESS THE RECOVERY RESIDENCE
19 DETERMINES, THROUGH AN INDIVIDUALIZED ASSESSMENT, THAT THE
20 RECOVERY RESIDENT'S USE OF THE MEDICATION POSES A RISK TO THE
21 SAFETY OF THE RECOVERY RESIDENTS, OR TO THE RECOVERY
22 ENVIRONMENT, AND THAT THE RISK CANNOT BE MITIGATED BY
23 REASONABLE ACCOMMODATION. IN MAKING AN INDIVIDUALIZED
24 DETERMINATION, THE RECOVERY RESIDENCE SHALL CONSIDER INDIVIDUAL
25 FACTORS FOR THE RECOVERY RESIDENT WHO IS PRESCRIBED THE
26 MEDICATION THAT MAY MITIGATE OR INCREASE RISK OF MISUSE OR
27 DIVERSION OF THE PRESCRIBED MEDICATION. THE RECOVERY RESIDENCE

1 SHALL ESTABLISH POLICIES AND PROCEDURES TO IMPLEMENT THIS
2 SUBSECTION (6)(b).

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

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

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

19 (9) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART
20 10, A RECOVERY RESIDENCE THAT IS CHARTERED BY OXFORD HOUSE, INC.,
21 OR ITS SUCCESSOR ORGANIZATION, REFERRED TO IN THIS SUBSECTION (9)
22 AS A "CHARTERED RECOVERY RESIDENCE", MAY OPERATE IN THIS STATE
23 AND RECEIVE REFERRALS AND FUNDING PURSUANT TO THIS PART 10 IF THE
24 CHARTERED RECOVERY RESIDENCE:

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

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

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

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

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

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

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

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

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

24 (h) BEGINNING JULY 1, 2027, THE BHA MAY INSPECT A
25 CHARTERED RECOVERY RESIDENCE IN RESPONSE TO A COMPLAINT OR AN
26 OCCURRENCE REPORT RECEIVED BY THE BHA AS IT DEEMS NECESSARY TO
27 ENSURE THAT THE HEALTH, SAFETY, AND WELFARE OF RECOVERY

1 RESIDENTS ARE PROTECTED, AND THAT THE CHARTERED RECOVERY
2 RESIDENCE IS OPERATING IN ACCORDANCE WITH THIS SUBSECTION (9). THE
3 BHA MAY REQUIRE THAT OXFORD HOUSE, INC. SUBMIT IN WRITING, IN A
4 FORM PRESCRIBED BY THE BHA, A PLAN DETAILING THE MEASURES THAT
5 OXFORD HOUSE, INC. WILL TAKE TO CORRECT VIOLATIONS FOUND BY THE
6 BHA AS A RESULT OF INSPECTIONS UNDERTAKEN PURSUANT TO THIS
7 SUBSECTION (9). THE BHA MAY TAKE ADDITIONAL ACTIONS IN
8 ACCORDANCE WITH SECTION 27-50-1005.

9 **27-50-1002. Rules for minimum standards of operation -**
10 **criminal history background check for employment or contract for**
11 **services.**

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

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

18 (I) RECOVERY RESIDENT RIGHTS AND CONSUMER NOTICE;

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

25 (III) DATA REPORTING;

26 (IV) PHYSICAL RESIDENCE STANDARDS, WHICH INCLUDES
27 OBTAINING ALL REQUIRED BUILDING AND SAFETY INSPECTIONS AND

1 PERMITS AND COMPLIANCE WITH APPLICABLE BUILDING AND PROPERTY
2 MAINTENANCE CODES THAT ARE ENFORCED BY A LOCAL GOVERNMENT
3 APPLICABLE TO RESIDENTIAL DWELLINGS OF THE SAME TYPE, SIZE, AND
4 OCCUPANCY CLASSIFICATION IN THE SAME JURISDICTION.

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

6 (b) OWNER AND MANAGER REQUIREMENTS;

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

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

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

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

17

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

26 (3) ANY RULES OR REGULATIONS ADOPTED PURSUANT TO THIS
27 SECTION MUST NOT PROHIBIT, OR BE CONSTRUED TO AUTHORIZE THE

1 PROHIBITION OF, AN INDIVIDUAL FROM RESIDING IN A RECOVERY
2 RESIDENCE SOLELY ON THE BASIS OF AN INDIVIDUAL'S PRIOR CRIMINAL
3 JUSTICE INVOLVEMENT OR PAST CRIMINAL CONVICTIONS.

4 **27-50-1003. Applications - investigations - inspections -**
5 **criminal history background checks for owners and managers.**

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

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

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

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

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

- 1 (II) THE LOCATION OF THE RECOVERY RESIDENCE; AND
2 (III) THE CONTACT INFORMATION FOR THE APPROPRIATE
3 INDIVIDUAL WHO CAN BE REACHED TO ADDRESS QUESTIONS AND
4 CONCERNS ABOUT THE RECOVERY RESIDENCE.

5 (3) THE BHA SHALL KEEP ALL HEALTH-CARE INFORMATION OR
6 DOCUMENTS OBTAINED DURING AN INSPECTION OR INVESTIGATION OF A
7 RECOVERY RESIDENCE PURSUANT TO SUBSECTION (2) OF THIS SECTION
8 CONFIDENTIAL. RECORDS, INFORMATION, OR DOCUMENTS OBTAINED ARE
9 EXEMPT FROM DISCLOSURE PURSUANT TO SECTIONS 24-72-204 AND
10 27-50-510.

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

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

1 OWNER'S AND MANAGER'S FINGERPRINTS TO THE COLORADO BUREAU OF
2 INVESTIGATION FOR THE PURPOSE OF CONDUCTING A FINGERPRINT-BASED
3 CRIMINAL HISTORY RECORD CHECK.

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

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

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

24 (f) THE BHA SHALL EVALUATE INFORMATION RECEIVED FROM THE
25 CRIMINAL HISTORY RECORD CHECK IN ACCORDANCE WITH SECTION
26 24-5-101 AND SUBSECTION (5) OF THIS SECTION AND SHALL ONLY DENY AN
27 APPLICATION BASED ON INFORMATION OBTAINED FROM THE CRIMINAL

1 HISTORY RECORD CHECK IF THE DENIAL IS WARRANTED PURSUANT TO
2 SECTION 24-5-101 AND SUBSECTION (5) OF THIS SECTION.

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

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

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

24 (c) IF THE BHA IS CONSIDERING AN APPLICANT'S CRIMINAL
25 HISTORY RECORD DURING THE APPLICATION PROCESS FOR LICENSURE, THE
26 BHA MAY ONLY DENY OR REFUSE TO ISSUE OR RENEW THE LICENSE BASED
27 ON THE INFORMATION IN THE CRIMINAL HISTORY RECORD IF THE BHA

1 DETERMINES THAT THE APPLICANT HAS NOT BEEN REHABILITATED AND IS
2 UNABLE TO PERFORM THE DUTIES AND RESPONSIBILITIES OF THE
3 OWNERSHIP OR MANAGEMENT OF A RECOVERY RESIDENCE WITHOUT
4 CREATING AN UNREASONABLE RISK TO PUBLIC SAFETY.

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

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

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

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

26 (f) AN APPLICANT WHO PETITIONS THE BHA MUST INCLUDE IN THE
27 PETITION ANY ADDITIONAL INFORMATION ABOUT THE APPLICANT'S

1 CURRENT CIRCUMSTANCES, INCLUDING THE TIME SINCE THE CRIMINAL
2 OFFENSE WAS COMMITTED AND THE SENTENCE WAS COMPLETED, THE
3 APPLICANT'S AGE AT THE TIME THE OFFENSE WAS COMMITTED, THE
4 PAYMENT OF ANY COURT-ORDERED RESTITUTION, EVIDENCE OF THE
5 APPLICANT'S REHABILITATION, TESTIMONIALS, AND THE APPLICANT'S
6 EMPLOYMENT HISTORY AND EMPLOYMENT ASPIRATIONS.

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

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

22 (h) THIS SUBSECTION (5) DOES NOT:

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

27 (II) NEGATE ANY OTHER REASON SPECIFIED IN THIS TITLE 27 FOR

1 WHICH THE BHA MAY DENY AN APPLICANT LICENSURE;

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

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

7 (6) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (7) OF THIS
8 SECTION, THE BHA SHALL ISSUE OR RENEW A LICENSE TO OPERATE A
9 RECOVERY RESIDENCE WHEN THE BHA IS SATISFIED THAT THE APPLICANT
10 OR LICENSEE IS IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN
11 THIS PART 10 AND THE RULES ADOPTED PURSUANT TO SECTION
12 27-50-1002. EXCEPT FOR PROVISIONAL LICENSES ISSUED IN ACCORDANCE
13 WITH SUBSECTION (7) OF THIS SECTION, A LICENSE ISSUED OR RENEWED
14 PURSUANT TO THIS SECTION EXPIRES ONE YEAR AFTER THE DATE OF
15 ISSUANCE OR RENEWAL.

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

25 (b) AS A CONDITION OF OBTAINING A PROVISIONAL LICENSE, THE
26 APPLICANT SHALL PROVIDE EVIDENCE TO THE BHA THAT ATTEMPTS ARE
27 BEING MADE TO CONFORM AND COMPLY WITH THE APPLICABLE

1 STANDARDS REQUIRED, AND RULES ADOPTED, PURSUANT TO THIS PART 10.

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

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

8 **27-50-1004. Fees - rules.**

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

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

18 (2) THE BHA SHALL TRANSMIT FEES COLLECTED PURSUANT TO
19 THIS SECTION TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY
20 TO THE BEHAVIORAL HEALTH LICENSING CASH FUND CREATED PURSUANT
21 TO SECTION 27-50-506.

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

26 **27-50-1005. Denial, suspension, or revocation of license -**
27 **restrictions - fines.**

1 (1) (a) WHEN THE BHA DENIES AN APPLICATION FOR AN INITIAL
2 LICENSE TO OPERATE A RECOVERY RESIDENCE PURSUANT TO SECTION
3 27-50-1003, THE BHA SHALL NOTIFY THE APPLICANT IN WRITING BY
4 MAILING A NOTICE TO THE ADDRESS SHOWN ON THE APPLICATION. AN
5 APPLICANT AGGRIEVED BY A DENIAL MAY PURSUE A REVIEW AS PROVIDED
6 IN ARTICLE 4 OF TITLE 24 AND THE BHA SHALL FOLLOW THE PROCEDURES
7 SPECIFIED IN ARTICLE 4 OF TITLE 24.

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

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

21 (b) AFTER CONDUCTING A HEARING IN ACCORDANCE WITH ARTICLE
22 4 OF TITLE 24, THE BHA MAY REVOKE OR REFUSE TO RENEW A RECOVERY
23 RESIDENCE'S LICENSE IF THE OWNER OR ADMINISTRATOR OF THE
24 RECOVERY RESIDENCE HAS BEEN CONVICTED OF A FELONY OR
25 MISDEMEANOR INVOLVING CONDUCT THAT THE BHA DETERMINES COULD
26 POSE A RISK TO THE HEALTH, SAFETY, OR WELFARE OF THE RECOVERY
27 RESIDENTS.

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

4 (a) RETAINING A CONSULTANT TO ADDRESS CORRECTIVE
5 MEASURES;

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

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

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

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

17 **27-50-1006. Report of occurrences - investigations - rules -**
18 **definition.**

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

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

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

27 (I) BRAIN OR SPINAL CORD INJURIES; OR

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(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

1 HAVING JURISDICTION FOR DISCIPLINARY OR LICENSE SANCTIONS. THE
2 INFORMATION IN THE REPORTS MUST NOT BE MADE PUBLIC UPON
3 SUBPOENA, SEARCH WARRANT, DISCOVERY PROCEEDINGS, OR OTHERWISE,
4 EXCEPT AS PROVIDED IN SUBSECTION (5) OF THIS SECTION, AND IS EXEMPT
5 FROM DISCLOSURE PURSUANT TO SECTION 24-72-204.

6 (4) THE BHA SHALL INVESTIGATE EACH REPORT SUBMITTED
7 PURSUANT TO SUBSECTION (1) OF THIS SECTION THAT THE BHA
8 DETERMINES WAS APPROPRIATELY SUBMITTED. FOR EACH REPORT
9 INVESTIGATED, THE BHA SHALL PREPARE A SUMMARY OF ITS FINDINGS,
10 INCLUDING THE BHA'S CONCLUSIONS AND WHETHER THERE WAS A
11 VIOLATION OF LICENSING STANDARDS OR A DEFICIENCY AND WHETHER THE
12 RECOVERY RESIDENCE ACTED APPROPRIATELY IN RESPONSE TO THE
13 OCCURRENCE. IF THE INVESTIGATION IS NOT CONDUCTED ON SITE, THE
14 BHA SHALL SPECIFY IN THE SUMMARY HOW THE INVESTIGATION WAS
15 CONDUCTED. AN INVESTIGATION CONDUCTED PURSUANT TO THIS
16 SUBSECTION (4) IS IN ADDITION TO AND NOT IN LIEU OF AN INSPECTION
17 REQUIRED TO BE CONDUCTED PURSUANT TO SECTION 27-50-503 (2) WITH
18 REGARD TO LICENSING.

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

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

23 (II) COMPLAINTS AGAINST A RECOVERY RESIDENCE THAT HAVE
24 BEEN FILED WITH THE BHA AND THAT THE BHA HAS INVESTIGATED,
25 INCLUDING THE CONCLUSIONS REACHED BY THE BHA AND WHETHER
26 THERE WAS A VIOLATION OF LICENSING OR APPROVAL STANDARDS OR A
27 DEFICIENCY AND WHETHER THE RECOVERY RESIDENCE ACTED

1 APPROPRIATELY IN RESPONSE TO THE SUBJECT OF THE COMPLAINT; AND

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

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

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

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

15 **27-50-1007. Probation placement referrals - judicial updates**
16 **to identify eligible entities - legislative declaration - repeal.**

17 (1) THE GENERAL ASSEMBLY FINDS THAT IMPLEMENTING
18 LICENSING REQUIREMENTS PURSUANT TO THIS PART 10 NECESSITATES
19 THAT THE JUDICIAL DEPARTMENT UPDATE ITS CRITERIA FOR ENTITIES
20 SEEKING PLACEMENT ON ANY APPROVED LIST USED FOR PROBATION
21 PLACEMENT REFERRALS.

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

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

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

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

11 **27-50-1008. Repeal of part - sunset review.**

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

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

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

18 **24-34-104. General assembly review of regulatory agencies**
19 **and functions for repeal, continuation, or reestablishment - legislative**
20 **declaration - repeal.**

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

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

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

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

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

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

12 **27-80-129. Regulation of recovery residences - rules -**
13 **definitions - repeal.**

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

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

17 **27-50-105. Administration of behavioral health programs -**
18 **state plan - sole mental health authority - gifts, grants, or donations.**

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

21 (a) The regulation of recovery residences pursuant to ~~section~~
22 ~~27-80-129~~ PART 10 OF THIS ARTICLE 50;

23 (ff) ~~The recovery residence certifying body pursuant to section~~
24 ~~27-80-122;~~

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

27 **27-80-122. Recovery residence certifying body - competitive**

1 **selection process - appropriation - repeal.**

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

3 **SECTION 8.** In Colorado Revised Statutes, 27-80-125, **amend**

4 (3) as follows:

5 **27-80-125. Housing assistance for individuals with a substance**
6 **use disorder - report - rules - appropriation.**

7 (3) In awarding temporary financial housing assistance in
8 accordance with this section, the BHA shall consider funding for
9 individuals entering into a recovery residence, as defined in ~~section~~
10 ~~27-80-129~~ SECTION 27-50-101.

11 **SECTION 9.** In Colorado Revised Statutes, 30-28-115, **amend**

12 (2)(b.7) as follows:

13 **30-28-115. Public welfare to be promoted - legislative**
14 **declaration - construction - definitions.**

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

24 **SECTION 10.** In Colorado Revised Statutes, 31-23-303, **amend**

25 (2)(b.7) as follows:

26 **31-23-303. Legislative declaration.**

27 (2) (b.7) The general assembly finds and declares that it is the

1 policy of the state to encourage, promote, and assist persons who are in
2 recovery from substance use disorders to live in residential
3 neighborhoods. Further, the general assembly declares that the use of
4 recovery residences, as defined in ~~section 27-80-129 (1)(b)~~ SECTION
5 27-50-101, by persons in recovery from substance use disorders is a
6 matter of statewide concern and that recovery residences are a residential
7 use of property for zoning purposes and subject only to the regulations of
8 like dwellings in the same zone.

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

11 **44-3-108. Substance use disorders - recovery - retail liquor**
12 **sales - stakeholder group - rules - repeal.**

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

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

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

19 **SECTION 13. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2026 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.