

1                   A bill to be entitled  
2           An act relating to recovery residences; amending s.  
3           394.875, F.S.; prohibiting a provider licensed for  
4           primary inpatient or outpatient mental health services  
5           from using certified recovery residences to provide  
6           housing to its patients; authorizing a service  
7           provider certified as Level IV programs to use its  
8           certified recovery residences to provide housing to  
9           persons who receive primary outpatient mental health  
10          services; requiring that such housing be segregated  
11          based upon primary diagnosis; amending s. 397.407,  
12          F.S.; authorizing the transfer of probationary and  
13          regular licenses to a new owner; revising the  
14          definition of the term "transfer"; providing  
15          applicability; requiring the Department of Children  
16          and Families to issue a regular license after the  
17          department receives a complete application from  
18          certain existing licensed service providers that are  
19          seeking to add licensed services or one or more  
20          additional levels of care at an existing licensed  
21          location or at one or more new locations within a  
22          specified timeframe, if certain requirements are met;  
23          prohibiting the imposition of additional requirements  
24          upon such service providers; amending s. 397.410,  
25          F.S.; requiring that clinical treatment room size and

26 | the number of individuals who receive clinical  
27 | services together in a group setting be determined by  
28 | the applicable building and fire codes; amending s.  
29 | 397.415, F.S.; revising the criteria that the  
30 | department may use to deny, suspend, or revoke the  
31 | license of a service provider or suspend or revoke  
32 | such license as to the operation of certain service  
33 | components or locations; amending s. 397.487, F.S.;  
34 | prohibiting a credentialing entity from requesting or  
35 | obtaining certain records, policies, and procedures  
36 | when determining whether to suspend or revoke a  
37 | licensed service provider's certificate to serve as a  
38 | recovery residence; deleting a requirement that an  
39 | officer, a director, or a chief financial officer of a  
40 | certified recovery residence be immediately removed  
41 | from that position within a specified timeframe under  
42 | certain circumstances; reenacting s. 397.411(1)(a),  
43 | F.S., relating to inspection of licensed service  
44 | providers, to incorporate the amendment made to s.  
45 | 397.410, F.S., in a reference thereto; reenacting ss.  
46 | 397.4104(2) and 397.4873(7), F.S., relating to records  
47 | of recovery residences used by service providers and  
48 | penalties for licensed recovery residences,  
49 | respectively, to incorporate the amendment made to s.  
50 | 397.415, F.S., in references thereto; providing an

51 effective date.

52  
53 Be It Enacted by the Legislature of the State of Florida:

54  
55 **Section 1. Subsection (11) of section 394.875, Florida**  
56 **Statutes, is renumbered as subsection (12), and a new subsection**  
57 **(11) is added to that section, to read:**

58 394.875 Crisis stabilization units, residential treatment  
59 facilities, and residential treatment centers for children and  
60 adolescents; authorized services; license required.—

61 (11) A provider licensed for primary inpatient or  
62 outpatient mental health services may not use a recovery  
63 residence certified pursuant to s. 397.487 to provide housing to  
64 its patients. All such housing must be licensed pursuant to this  
65 section. A service provider licensed under chapter 397 which is  
66 certified by the credentialing agency as Level IV programs  
67 pursuant to s. 397.311(5)(d) may use its certified recovery  
68 residences to provide housing to persons who receive primary  
69 outpatient mental health services pursuant to licensure obtained  
70 pursuant to this section. Such housing must be segregated based  
71 upon primary diagnosis.

72 **Section 2. Subsections (6) and (7) of section 397.407,**  
73 **Florida Statutes, are amended to read:**

74 397.407 Licensure process; fees.—

75 (6) The department may issue probationary, regular, and

76 interim licenses. The department may issue one license for all  
 77 service components operated by a service provider and defined  
 78 pursuant to s. 397.311(27). The license is valid only for the  
 79 specific service components listed for each specific location  
 80 identified on the license. The licensed service provider must  
 81 ~~shall~~ apply for the addition of any service components and  
 82 obtain approval before initiating additional services. The  
 83 licensed service provider must notify the department and provide  
 84 any required documentation at least 30 days before the  
 85 relocation of any of its service sites. Provision of service  
 86 components or delivery of services at a location not identified  
 87 on the license may be considered an unlicensed operation that  
 88 authorizes the department to seek an injunction against  
 89 operation as provided in s. 397.401, in addition to other  
 90 sanctions authorized by s. 397.415. Probationary and regular  
 91 licenses may be issued only after all required information has  
 92 been submitted. A license may ~~not~~ be transferred to a new owner  
 93 consistent with the procedures set forth in s. 408.807. As used  
 94 in this subsection, the term "transfer" means:  
 95 (a) An event in which the licensee sells or otherwise  
 96 transfers its ownership to a different individual or entity as  
 97 evidenced by a change in federal employer identification number  
 98 or taxpayer identification number; or  
 99 (b) An event in which 51 percent or more of the ownership,  
 100 shares, membership, or controlling interest of a licensee is in

101 any manner transferred or otherwise assigned. This paragraph  
102 does not apply to a licensee that is publicly traded on a  
103 recognized stock exchange. A change solely in the management  
104 company or board of directors is not a change of ownership  
105 ~~includes, but is not limited to, the transfer of a majority of~~  
106 ~~the ownership interest in the licensed entity or transfer of~~  
107 ~~responsibilities under the license to another entity by~~  
108 ~~contractual arrangement.~~

109 (7) Upon receipt of a complete application, payment of  
110 applicable fees, and a demonstration of substantial compliance  
111 with all applicable statutory and regulatory requirements, the  
112 department may issue a probationary license to a new service  
113 provider applicant with services that are not yet fully  
114 operational. The department shall issue a regular license within  
115 30 calendar days after receipt of a complete application from an  
116 existing licensed service provider that is in compliance with  
117 all renewal requirements and that is seeking to add licensed  
118 services or one or more additional levels of care at an existing  
119 licensed location or at one or more new locations when:

120 (a) The application is from a provider with the same  
121 federal tax identification number as the existing provider; and

122 (b) A complete application is provided consistent with  
123 this chapter.

124  
125 No other additional requirements may be imposed upon an existing

126 service provider seeking to add new levels of care or new  
 127 locations ~~The department may not issue a probationary license~~  
 128 ~~when doing so would place the health, safety, or welfare of~~  
 129 ~~individuals at risk. A probationary license expires 90 days~~  
 130 ~~after issuance and may not be reissued. During the probationary~~  
 131 ~~period the department shall monitor the delivery of services.~~  
 132 ~~Notwithstanding s. 120.60(5), the department may order a~~  
 133 ~~probationary licensee to cease and desist operations at any time~~  
 134 ~~it is found to be substantially out of compliance with licensure~~  
 135 ~~standards. This cease and desist order is exempt from the~~  
 136 ~~requirements of s. 120.60(6).~~

137 **Section 3. Paragraph (c) of subsection (1) of section**  
 138 **397.410, Florida Statutes, is amended to read:**

139 397.410 Licensure requirements; minimum standards; rules.—

140 (1) The department shall establish minimum requirements  
 141 for licensure of each service component, as defined in s.  
 142 397.311(27), including, but not limited to:

143 (c) The number and qualifications of all personnel,  
 144 including, but not limited to, management, nursing, and  
 145 qualified professionals, having responsibility for any part of  
 146 an individual's clinical treatment. These requirements must  
 147 include, but are not limited to:

148 1. Education; credentials, such as licensure or  
 149 certification, if appropriate; training; and supervision of  
 150 personnel providing direct clinical treatment.

151 2. Minimum staffing ratios to provide adequate safety,  
152 care, and treatment.

153 3. Hours of staff coverage.

154 4. The maximum number of individuals who may receive  
155 clinical services together in a group setting; however, group  
156 room size and the maximum number of individuals who receive  
157 clinical services within such a space must be determined by the  
158 applicable building and fire codes.

159 5. The maximum number of licensed service providers for  
160 which a physician may serve as medical director and the total  
161 number of individuals he or she may treat in that capacity.

162 **Section 4. Paragraph (d) of subsection (1) of section**  
163 **397.415, Florida Statutes, is amended to read:**

164 397.415 Denial, suspension, and revocation; other  
165 remedies.—

166 (1) If the department determines that an applicant or  
167 licensed service provider or licensed service component thereof  
168 is not in compliance with all statutory and regulatory  
169 requirements, the department may deny, suspend, revoke, or  
170 impose reasonable restrictions or penalties on the license or  
171 any portion of the license. In such case:

172 (d) The department may deny, suspend, or revoke the  
173 license of a service provider or may suspend or revoke the  
174 license as to the operation of any service component or location  
175 identified on the license for:

176 1. False representation of a material fact in the license  
 177 application or omission of any material fact from the  
 178 application.

179 2. An intentional or negligent act materially affecting  
 180 the health or safety of an individual receiving services from  
 181 the provider.

182 3. A violation of this chapter or applicable rules.

183 4. A demonstrated pattern of deficient performance.

184 5. Failure to timely notify the department of ~~immediately~~  
 185 ~~remove~~ service provider personnel subject to background  
 186 screening pursuant to s. 397.4073 who are arrested and awaiting  
 187 disposition for or found guilty of, ~~regardless of adjudication,~~  
 188 or have entered a plea of guilty or nolo contendere ~~or guilty~~ to  
 189 any offense prohibited under the screening standard ~~and notify~~  
 190 ~~the department~~ within 2 days after such event removal, excluding  
 191 weekends and holidays. Revocation of a license may not occur  
 192 until adjudication is final and unappealable. During such time,  
 193 the service provider may not have contact with patients.

194 **Section 5. Paragraphs (a) and (d) of subsection (8) of**  
 195 **section 397.487, Florida Statutes, are amended to read:**

196 397.487 Voluntary certification of recovery residences.—

197 (8) Onsite followup monitoring of a certified recovery  
 198 residence may be conducted by the credentialing entity to  
 199 determine continuing compliance with certification requirements.  
 200 The credentialing entity shall inspect each certified recovery



201 residence at least annually to ensure compliance.

202 (a) A credentialing entity may suspend or revoke a  
203 certification if the recovery residence is not in compliance  
204 with ~~any provision of~~ this section or has failed to remedy any  
205 deficiency identified by the credentialing entity within the  
206 time period specified. For purposes of this paragraph, the  
207 credentialing entity may not request or obtain clinical or  
208 medical records of a resident, or the department-approved  
209 policies and procedures of a licensed service provider, when  
210 determining whether to suspend or revoke a certificate,  
211 consistent with the privacy protections afforded pursuant to s.  
212 397.501(7) and 42 C.F.R. part 2.

213 (d) If any owner, director, or chief financial officer of  
214 a certified recovery residence is arrested and awaiting  
215 disposition for or found guilty of, or enters a plea of guilty  
216 or nolo contendere to, regardless of whether adjudication is  
217 withheld, any offense listed in s. 435.04(2) while acting in  
218 that capacity, the certified recovery residence must ~~immediately~~  
219 ~~remove the person from that position and~~ notify the  
220 credentialing entity within 3 business days after such event  
221 ~~removal~~. The credentialing entity must revoke the certificate of  
222 compliance of a certified recovery residence that fails to meet  
223 these requirements.

224 **Section 6. For the purpose of incorporating the amendment**  
225 **made by this act to section 397.410, Florida Statutes, in a**

226 **reference thereto, paragraph (a) of subsection (1) of section**  
 227 **397.411, Florida Statutes, is reenacted to read:**

228 397.411 Inspection; right of entry; classification of  
 229 violations; records.—

230 (1)(a) An authorized agent of the department may conduct  
 231 announced or unannounced inspections, at any time, of a licensed  
 232 service provider to determine whether it is in compliance with  
 233 statutory and regulatory requirements, including, but not  
 234 limited to, the minimum requirements for licensure in s.  
 235 397.410.

236 **Section 7. For the purpose of incorporating the amendment**  
 237 **made by this act to section 397.415, Florida Statutes, in a**  
 238 **reference thereto, subsection (2) of section 397.4104, Florida**  
 239 **Statutes, is reenacted to read:**

240 397.4104 Record of recovery residences used by service  
 241 providers.—

242 (2) Beginning July 1, 2022, a licensed service provider  
 243 that violates this section is subject to an administrative fine  
 244 of \$1,000 per occurrence. The department may suspend or revoke a  
 245 service provider's license pursuant to s. 397.415 for repeat  
 246 violations of this section.

247 **Section 8. For the purpose of incorporating the amendment**  
 248 **made by this act to section 397.415, Florida Statutes, in a**  
 249 **reference thereto, subsection (7) of section 397.4873, Florida**  
 250 **Statutes, is reenacted to read:**

251 397.4873 Referrals to or from recovery residences;  
252 prohibitions; penalties.—

253 (7) A licensed service provider that violates this section  
254 is subject to an administrative fine of \$1,000 per occurrence.  
255 If such fine is imposed by final order of the department and is  
256 not subject to further appeal, the service provider shall pay  
257 the fine plus interest at the rate specified in s. 55.03 for  
258 each day beyond the date set by the department for payment of  
259 the fine. If the service provider does not pay the fine plus any  
260 applicable interest within 60 days after the date set by the  
261 department, the department shall immediately suspend the service  
262 provider's license. Repeat violations of this section may  
263 subject a provider to license suspension or revocation pursuant  
264 to s. 397.415. The department shall establish a mechanism no  
265 later than January 1, 2024, for the imposition and collection of  
266 fines for violations under this section.

267 **Section 9.** This act shall take effect July 1, 2026.