

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31

HOUSE BILL NO. 931  
AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the House Committee on Health and Human Services  
on \_\_\_\_\_)  
(Patron Prior to Substitute—Delegate Simon)

*A BILL to amend and reenact § 37.2-431.1 of the Code of Virginia and to amend and reenact the second enactment of Chapter 608 of the Acts of Assembly of 2025, relating to recovery residences; regulations.*

**Be it enacted by the General Assembly of Virginia:**

**1. That § 37.2-431.1 of the Code of Virginia is amended and reenacted as follows:**

**§ 37.2-431.1. Recovery residences; penalty.**

A. As used in this section:

"Credentialing entity" means a nonprofit organization that develops and administers professional certification programs according to standards of the National Alliance for Recovery Residences or standards endorsed by Oxford House, Inc.

"Level of support" means the level of support and structure that a recovery residence provides to residents, as specified in the standards of the National Alliance for Recovery Residences.

"Recovery residence" means a housing facility that provides alcohol-free and illicit-drug-free housing to individuals with substance ~~abuse~~ use disorders and individuals with co-occurring mental illnesses and substance ~~abuse~~ use disorders that does not include clinical treatment services.

B. Every recovery residence shall disclose to each prospective resident its credentialing entity. If the credentialing entity is the National Alliance for Recovery Residences, the recovery residence shall disclose the level of support provided by the recovery residence. If the credentialing entity is Oxford House, Inc., the recovery residence shall disclose that the recovery residence is self-governed and unstaffed.

C. No person shall operate a recovery residence or advertise, represent, or otherwise imply to the public that a recovery residence or other housing facility is certified by the Department unless such recovery residence or other housing facility has been certified by the Department in accordance with regulations adopted by the Board. Such regulations (i) may require accreditation by or membership in a credentialing ~~agency~~ entity as a condition of certification; (ii) shall require the recovery residence, as a condition of certification, to comply with any minimum square footage requirements related to beds and sleeping rooms established by the credentialing entity or the square footage requirements set forth in § 36-105.4, whichever is greater; ~~and~~ (iii) shall require recovery residences to report to the Department any death or serious injury

32 that occurs in the recovery residence; and (iv) shall require that no recovery residence, or operator,  
33 employee, or agent of a recovery residence, require a resident to participate in medical or psychological  
34 services, including clinical substance use treatment, that such recovery residence receives financial benefit  
35 from, either directly or indirectly, as a condition of entering or continuing residence at such recovery  
36 residence. The Department may issue a conditional certification to any recovery residence that has indicated  
37 an intent to receive accreditation by or membership in a credentialing ~~agency~~ entity when such accreditation  
38 or membership is a condition of certification. The maximum term of a conditional certification shall be six  
39 months. At the discretion of the Department, a conditional certification may be renewed for a period not to  
40 exceed three months if the provider is not able to demonstrate compliance with all certification regulations  
41 but demonstrates progress toward compliance. However, in no case shall the total period of conditional  
42 certification exceed nine successive months. Conditional certifications may be revoked for serious health and  
43 safety concerns. Violation of this subsection is a Class 1 misdemeanor.

44 D. The Department shall maintain a list of conditionally certified and a list of certified recovery  
45 residences on its website and shall provide (i) for each recovery residence included on such list, the  
46 credentialing entity; (ii) for recovery residences for which the National Alliance of Recovery Residences is  
47 the credentialing entity, the level of support provided by the recovery residence; and (iii) for recovery  
48 residences for which Oxford House, Inc., is the credentialing entity, a disclosure that the recovery residence is  
49 self-governed and unstaffed.

50 E. The Department shall monitor any credentialing entity providing credentials to recovery residences in  
51 the Commonwealth to ensure that any criteria of such credentialing entity related to Department certification  
52 complies with Department regulations.

53 F. Referrals to recovery residences made by the Department or any agency of the Commonwealth shall  
54 only be made to recovery residences that are certified by the Department. No court may refer or release a  
55 person to a recovery residence that is not certified by the Department.

56 G. No such credentialing entity shall provide credentials to a recovery residence that is owned or  
57 operated by an individual who is employed by or in a position of authority at such credentialing entity, or an  
58 immediate family member, as that term is defined in § 2.2-3101, of any such individual. The Department may  
59 require the recovery residence to seek accreditation by or membership in another credentialing entity  
60 specified by the Department as a condition of certification.

61 H. The Board shall, in accordance with the Administrative Process Act (§ 2.2-4000 et seq.), promulgate  
62 such regulations as the Board deems necessary to establish minimum certification standards for recovery

63 *residences. Such regulations shall include:*

64 *1. Department protocols for recovery residences, including:*

65 *a. Denial of applications for certification or conditional certification; and*

66 *b. Corrective actions plans, which may include warning notices, probationary status, suspension of*  
67 *indigent bed funding, temporary suspension of admission to residences, revocation of conditional*  
68 *certification, and decertification.*

69 *2. Requirements for renewal of certification, which shall occur every two years. Such renewal shall be*  
70 *submitted 90 days prior to the expiration date of a recovery residence's certification.*

71 *3. A process for submission and investigation of complaints regarding recovery residences, including:*

72 *a. A process for residents of recovery residences to report certain complaints directly to the Department,*  
73 *including a timeframe for the Department to respond to such complaints.*

74 *b. A process and timeframe for credentialing agencies to report sanctions of recovery residences to the*  
75 *Department.*

76 *c. A standardized internal grievance escalation protocol for complaints submitted to the operator of*  
77 *recovery residences and credentialing agencies, including criteria for mandatory referral of certain*  
78 *complaints to the appropriate authority.*

79 *4. A prohibition on the use of non-disclosure agreements that conflict with submission and investigation*  
80 *of complaints regarding recovery residences as permitted pursuant to 42 C.F.R. Part 2.*

81 *5. Protocols for prohibiting the consumption or possession of any marijuana or marijuana products by*  
82 *residents of recovery residences.*

83 *Such regulations shall align with national best practice standards appropriate for the level of support*  
84 *provided by recovery residences.*

85 *1. The Department shall, in accordance with the Administrative Process Act (§ 2.2-4000 et seq.),*  
86 *promulgate regulations to establish a process for operators of recovery residences to apply for certification*  
87 *independently or in conjunction with a credentialing entity. Such process shall include provisions for*  
88 *credentialing agencies to share information required for certification and certification renewal with the*  
89 *Department on behalf of the recovery residence that is applying for certification with such entity, including*  
90 *application forms, policies and procedures, and inspection reports.*

91 **2. That the Department of Behavioral Health and Developmental Services (the Department) and the**  
92 **Virginia Housing Commission (the Commission) shall work collaboratively to study and make**  
93 **recommendations for establishing regulations for licensed providers of clinical substance use treatment**

94 services that offer housing as a benefit for individuals participating in treatment services but are not  
95 licensed or certified as a recovery residence. The Department and Commission shall report such  
96 recommendations to the Chairs of the House Committee on Health and Human Services and the Senate  
97 Committees on Rehabilitation and Social Services and Education and Health by November 1, 2026.

98 3. That the State Board of Behavioral Health and Developmental Services shall, in accordance with the  
99 Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia), promulgate regulations to  
100 authorize the Department of Behavioral Health and Developmental Services (the Department) to  
101 expand data reporting requirements for certified and conditionally certified recovery residences. Such  
102 reporting requirements shall (i) include a process for mapping data elements currently collected by  
103 credentialing agencies to inform new requirements; (ii) identify metrics that align with national best  
104 practices for evaluating efficacy of recovery residences; (iii) conduct a landscape survey with certified  
105 recovery residence operators to assess current capabilities of data collection and map data points  
106 collected to inform data reporting requirements; and (iv) define a process for operators of recovery  
107 residences and credentialing agencies submitting on behalf of recovery residences to submit data to the  
108 Department.

109 4. That the Department of Behavioral Health and Developmental Services (the Department) shall, in  
110 accordance with the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia),  
111 promulgate regulations regarding sharing of data related to recovery residences with the public. Such  
112 shared data may include a recovery residence's (i) certification status; (ii) credentialing agencies; (iii)  
113 recovery model; (iv) date of last inspection and the outcome of such inspection; (v) incidents reported  
114 in the past year, including the number and type of incidents; (vi) summary of findings from audits or  
115 investigations; (vii) demographics and number of residents served; and (viii) indigent bed usage.

116 5. That the second enactment of Chapter 608 of the Acts of Assembly of 2025 is amended and reenacted  
117 as follows:

118 2. That the Secretary of Health and Human Resources shall convene a work group to (i) analyze  
119 and make recommendations regarding the creation of a process through which the Department of  
120 Behavioral Health and Developmental Services (the Department) can provide oversight of all recovery  
121 residences in the Commonwealth and (ii) make recommendations to ensure transparency with the  
122 public and residents or potential residents of recovery residences regarding the certification of each  
123 recovery residence, including certification requirements, results, and inspections. Such work group  
124 shall develop credentialing guidelines to be implemented by the Department, including (a) a uniform

125 set of certification criteria for all recovery residences; (b) protocols for the Department to define  
126 qualifications for indigent bed fees and payment and reimbursement to recovery residences for  
127 indigent bed fees; (c) protocols to ensure resident and patient choice in receiving treatment and that  
128 the recovery residence operator, the house manager, or anyone in leadership with the recovery  
129 residence is not determining the treatment received; (d) training and standards that recovery residence  
130 operators and house managers shall meet before becoming a certified recovery residence operator or a  
131 certified recovery house manager, including a verified period of participation in recovery; (e) a  
132 Residents' Bill of Rights, including a mandatory compliance requirement with such Residents' Bill of  
133 Rights by certified recovery residence operators and certified recovery house managers; (f) protocols  
134 for termination of residency; (g) uniform data collection for recovery residences with a transparent  
135 data platform, *including a definition for required data elements*; (h) establishment of a hotline for  
136 complaints involving or against recovery residences to facilitate investigations; (i) a process for  
137 investigation of complaints involving or against recovery residences to be conducted by the Department  
138 or the Department in coordination with the locality where the recovery residence is located and not the  
139 credentialing entity; (j) protocols for sanctions on recovery residences, including decertification when  
140 appropriate; (k) methods for localities to conduct fire, building, safety, and health inspections of  
141 recovery residences; and (l) other issues related to recovery residences and their operators as the work  
142 group shall deem appropriate. Such work group shall include representatives of ~~the Department's~~  
143 ~~Office of Recovery Services~~, Oxford House, Inc., the Virginia Association of Addiction Professionals,  
144 the Virginia Association of Recovery Residences, representatives selected by the Virginia Association of  
145 Counties and the Virginia Municipal League, members of the community where the recovery  
146 residences are located, *at least two experienced certified recovery residence operators with a minimum of*  
147 *five years of experience each*, and other relevant stakeholders. *The work group shall meet, at a minimum,*  
148 *two times per calendar year. The work group shall submit a report of its findings and recommendations*  
149 *to the General Assembly by November 1, 2026 annually.*