

## **BILL ANALYSIS**

Senate Research Center  
88R19325 EAS-F

H.B. 299  
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Health & Human Services  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The federal Recovery Housing Program allows states and the District of Columbia to provide stable, transitional housing for individuals in recovery from a substance-use disorder. The funding covers a period of not more than two years or until the individual secures permanent housing, whichever is earlier. However, in Texas, there is ambiguity regarding the regulation of a recovery house industry, and the misinformation and stigma can affect the success of residents' treatments, neighboring property values, land use, and neighborhood safety.

To resolve this issue, H.B. 299 would add Chapter 469 to the Health and Safety Code to clearly define recovery houses and create a voluntary accreditation process consistent with industry standards established by the National Alliance for Recovery Residences and the Oxford House Incorporated. H.B. 299 would ensure the promotion of best practices to ensure that Texans are given the tools available to recover from substance use disorders.

#### Key Provisions:

- Defines "recovery house" as a shared living environment that:
  - Promotes sustained recovery from substance use disorders by integrating residents into the community;
  - Provides a setting that connects residents to supports and services;
  - Is centered on peer support; and
  - Is free from alcohol and drug use.
- The Health and Human Services Commission (HHSC) may approve as an accrediting organization either the National Alliance for Recovery Residences or the Oxford House Incorporated, or both, and requires them to:
  - Establish accreditation requirements that include HHSC adopted standards;
  - Establish procedures to administer accreditation and assess fees;
  - Provide training to designated recovery house responsible parties and staff;
  - Develop a code of ethics; and
  - Report to HHSC annually on accredited recovery houses.
- Exempts certain types of facilities for accreditation eligibility such as assisted living facilities.
- Allows accredited recovery houses to receive state funding.
- Allows the accrediting organization to suspend accreditation for up to six months in the event of a violation and conduct an audit on the premises.

- Prohibits accredited recovery houses from:
  - Bribing a patient or patronage by recovery house staff; and
  - Advertising false, misleading, or deceptive information.

H.B. 299 amends current law relating to the creation of a voluntary accreditation for recovery housing and authorizes fees.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle B, Title 6, Health and Safety Code, by adding Chapter 469, as follows:

#### CHAPTER 469. VOLUNTARY ACCREDITATION OF RECOVERY HOUSING

Sec. 469.001. DEFINITIONS. Defines "accrediting organization," "commission," "recovery house," and "state health care regulatory agency."

Sec. 469.002. VOLUNTARY ACCREDITATION OF RECOVERY HOUSING. (a) Requires the Health and Human Services Commission (HHSC) to adopt minimum standards for accreditation as a recovery house that are consistent with the quality standards established by the National Alliance for Recovery Residences and the Oxford House Incorporated. Requires that the standards prohibit an accredited recovery house from providing personal care services, as defined by Section 247.002 (Definitions).

(b) Authorizes HHSC to approve only the National Alliance for Recovery Residences or the Oxford House Incorporated to serve as an accrediting organization in the development and administration of a voluntary accreditation program for recovery housing in accordance with this chapter.

(c) Requires an accrediting organization HHSC approves under this section to:

(1) establish recovery house accreditation requirements that at a minimum include the accreditation standards HHSC adopts;

(2) establish procedures to:

(A) administer the issuance of recovery house accreditation under this chapter, including application, accreditation, reaccreditation, and disciplinary procedures; and

(B) assess application accreditation and reaccreditation fees;

(3) provide training to recovery house responsible parties designated under Section 469.004 and staff concerning the accreditation standards HHSC adopts;

(4) develop a code of ethics; and

(5) provide information to HHSC for HHSC to compile the annual report required under Section 469.005.

Sec. 469.003. PLACES INELIGIBLE FOR ACCREDITATION AS RECOVERY HOUSE. Provides that the following places are ineligible for accreditation as a recovery house:

- (1) a home and community support services agency licensed under Chapter 142 (Home and Community Support Services);
- (2) a nursing facility licensed under Chapter 242 (Convalescent and Nursing Facilities and Related Institutions);
- (3) a continuing care facility regulated under Chapter 246 (Continuing Care Facilities);
- (4) an assisted living facility licensed under Chapter 247 (Assisted Living Facility);
- (5) an intermediate care facility for individuals with an intellectual disability licensed under Chapter 252 (Intermediate Care Facilities for Individuals With an Intellectual Disability);
- (6) a boarding home facility as defined by Section 260.001 (Definitions);
- (7) a chemical dependency treatment facility licensed under Subchapter A (Regulation of Chemical Dependency Treatment Facilities), Chapter 464;
- (8) a child-care facility licensed under Chapter 42 (Regulation of Certain Facilities, Homes, and Agencies That Provides Child-Care Services), Human Resources Code;
- (9) a family violence shelter center as defined by Section 51.002 (Definitions), Human Resources Code;
- (10) an entity qualified as a community home under Chapter 123 (Community Homes for Persons with Disabilities), Human Resources Code; and
- (11) a hotel, as defined by Section 156.001 (Definitions), Tax Code.

Sec. 469.004. REQUIRED DESIGNATION OF RECOVERY HOUSE RESPONSIBLE PARTY BY CERTAIN RECOVERY HOUSES. (a) Provides that this section does not apply to a recovery house accredited by Oxford House Incorporated.

- (b) Requires that the standards HHSC adopts require that at least one individual to be designated to serve as the responsible party of an accredited recovery house.
- (c) Provides that a designated individual:
  - (1) is required to satisfactorily complete training the accrediting organization provides concerning HHSC's accreditation standards and the organization's accreditation requirements; and
  - (2) is responsible for administering the recovery house in accordance with the accreditation standards and requirements.
- (d) Requires an accredited recovery house required to designate a responsible party under this section to notify the accrediting organization that issued the recovery house's accreditation before the 30th business day after the date of any change to the designated responsible party.

Sec. 469.005. ANNUAL REPORT. Requires HHSC to prepare an annual report that includes information on:

- (1) the total number of accredited recovery houses;
- (2) the number of recovery houses accredited during the preceding year;
- (3) any issues concerning the accreditation or reaccreditation process;
- (4) the number of accredited recovery houses that had an accreditation revoked during the preceding year; and
- (5) the reasons for the revocation.

Sec. 469.006. SOLICITING. Prohibits a recovery house responsible party designated under Section 469.004 or a recovery house's employee or agent from offering to pay or agreeing to accept, directly or indirectly, overtly or covertly, remuneration in cash or in kind to or from another for securing or soliciting a patient or patronage for or from a person licensed, certified, or registered by a state health care regulatory agency.

Sec. 469.007. CERTAIN ADVERTISING PROHIBITED. (a) Prohibits a recovery house from advertising or otherwise communicating that the recovery house is accredited by an accrediting organization unless the recovery house is accredited by an accrediting organization in accordance with this chapter.

- (b) Prohibits a recovery house from advertising or causing to be advertised in any manner any false, misleading, or deceptive information about the recovery house.

Sec. 469.008. ENFORCEMENT. Authorizes the accrediting organization that issued the accreditation to the recovery house, if an accredited recovery house violates this chapter, to suspend the accreditation for a period not to exceed six months while the accrediting organization conducts an audit of the recovery house. Authorizes the accrediting organization, after the audit is complete, to implement a corrective action plan or revoke the accreditation.

Sec. 469.009. FUNDING. Provides that a recovery house that is not accredited by an accrediting organization in accordance with this chapter is ineligible for and is prohibited from receiving state money.

SECTION 2. (a) Effective date, except as otherwise provided by this section: September 1, 2023.

- (b) Effective date, Section 469.009, Health and Safety Code, as added by this Act: September 1, 2025.