

Second Regular Session of the 124th General Assembly (2026)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2025 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1296

AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 12-7-2-78.6 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2026]: **Sec. 78.6. "Ethical standards", for purposes of IC 12-23-25, has the meaning set forth in IC 12-23-25-1.**

SECTION 2. IC 12-7-2-117.9 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2026]: **Sec. 117.9. "Integrated reentry and correctional support" refers to mental health and substance use services and support, including certified peer support recovery resources and treatment, provided to individuals during incarceration and reentry.**

SECTION 3. IC 12-7-2-135.2 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2026]: **Sec. 135.2. "Owner", for purposes of IC 12-23-25, has the meaning set forth in IC 12-23-25-2.**

SECTION 4. IC 12-7-2-158.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2026]: **Sec. 158.3. "Recovery residence services", for purposes of IC 12-23-25, has the meaning set forth in IC 12-23-25-3.**

SECTION 5. IC 12-21-2-3, AS AMENDED BY P.L.104-2024, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2026]: Sec. 3. The secretary or the secretary's designee shall do the following:

- (1) Organize the division, create the appropriate personnel positions, and employ personnel necessary to discharge the statutory duties and powers of the division or a bureau of the division.
- (2) Subject to the approval of the state personnel department, establish personnel qualifications for all deputy directors, assistant directors, bureau heads, and superintendents.
- (3) Subject to the approval of the budget director and the governor, establish the compensation of all deputy directors, assistant directors, bureau heads, and superintendents.
- (4) Study the entire problem of mental health, mental illness, and addictions existing in Indiana.
- (5) Adopt rules under IC 4-22-2 for the following:
 - (A) Standards for the operation of private institutions that are licensed under IC 12-25 for the diagnosis, treatment, and care of individuals with psychiatric disorders, addictions, or other abnormal mental conditions.
 - (B) Licensing or certifying community residential programs described in IC 12-22-2-3.5 for individuals with serious mental illness (SMI), serious emotional disturbance (SED), or chronic addiction (CA) with the exception of psychiatric residential treatment facilities.
 - (C) Subject to IC 12-29-2-21, certifying community mental health centers to operate in Indiana.
 - (D) Establish exclusive geographic primary service areas for community mental health centers. The rules must include the following:
 - (i) Criteria and procedures to justify the change to the boundaries of a community mental health center's primary service area.
 - (ii) Criteria and procedures to justify the change of an assignment of a community mental health center to a primary service area.
 - (iii) A provision specifying that the criteria and procedures determined in items (i) and (ii) must include an option for the county and the community mental health center to initiate a request for a change in primary service area or provider assignment.
 - (iv) A provision specifying the criteria and procedures determined in items (i) and (ii) may not limit an eligible



consumer's right to choose or access the services of any provider who is certified by the division of mental health and addiction to provide public supported mental health services.

(6) Institute programs, in conjunction with an accredited college or university and with the approval, if required by law, of the commission for higher education, for the instruction of students of mental health and other related occupations. The programs may be designed to meet requirements for undergraduate and postgraduate degrees and to provide continuing education and research.

(7) Develop programs to educate the public in regard to the prevention, diagnosis, treatment, and care of all abnormal mental conditions.

(8) Make the facilities of the state institutions available for the instruction of medical students, student nurses, interns, and resident and fellow physicians under the supervision of the faculty of any accredited school of medicine or osteopathy located in Indiana or an accredited residency or fellowship training program in connection with research and instruction in psychiatric disorders.

(9) Institute a stipend program designed to improve the quality and quantity of staff that state institutions employ.

(10) Establish, supervise, and conduct community programs, either directly or by contract, for the diagnosis, treatment, and prevention of psychiatric disorders.

(11) Adopt rules under IC 4-22-2 concerning the records and data to be kept concerning individuals admitted to state institutions, community mental health centers, or other providers.

(12) Compile information and statistics concerning the ethnicity and gender of a program or service recipient.

(13) Establish standards for services described in IC 12-7-2-40.6 for community mental health centers and other providers.

(14) Provide that the standards for services provided by recovery residences for residential care and supported housing for chronic addiction, when used as a recovery residence, to:

(A) be certified through an entity approved by the division to ensure adherence to standards determined by the National Alliance for Recovery Residences (NARR) or a similar entity; and

(B) meet other standards established by the division under rules adopted under IC 4-22-2.



(15) Provide that the standards for services provided by recovery community organizations for behavioral health recovery, when used as a recovery community organization:

(A) be certified through an entity approved by the division to ensure adherence to standards determined by the Indiana Recovery Network or similar entity that certifies recovery community organizations; and

(B) meet other standards established by the division under rules adopted under IC 4-22-2.

(16) Certify integrated reentry and correctional support programs to ensure adherence to standards determined by the division or a certification body approved by the division.

~~(16)~~ **(17) Require the division to:**

(A) provide best practice recommendations to community mental health centers; and

(B) work with community mental health centers in a collaborative manner in order to ensure improved health outcomes as a part of reviews or audits.

Documentation developed as a part of an incident or death reporting audit or review is confidential and may only be shared between the division and the community mental health center.

SECTION 6. IC 12-23-25 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:

Chapter 25. Registration of Recovery Residences

Sec. 1. As used in this chapter, "ethical standards" means the ethical standards for recovery residences determined by any of the following:

- (1) The National Alliance for Recovery Residences (NARR).**
- (2) The Indiana Affiliation of Recovery Residences.**
- (3) A similar organization, as determined by the division.**

Sec. 2. As used in this chapter, "owner" means a person that owns a recovery residence.

Sec. 3. As used in this chapter, "recovery residence services" means residential care and supported housing for individuals with chronic addiction provided in a recovery residence.

Sec. 4. An owner shall register with the division for the purpose of ensuring adherence to ethical standards.

Sec. 5. (a) An owner applying for registration under this chapter shall provide to the division the following:

- (1) Information concerning the owner's qualifications and work experience. The owner must certify that the information**



provided under this subdivision is correct.

(2) Official documentation that the owner has met all applicable zoning and legal requirements concerning the recovery residence.

(3) Three (3) letters of reference.

(4) Subject to subsection (c), a registration fee of five hundred dollars (\$500) for each recovery residence owned.

(5) Proof that the owner and all recovery residence staff are at least eighteen (18) years of age.

(6) A statement that the owner will adhere to the ethical standards.

(7) Any other information required by the division.

(b) A registration is valid for two (2) years. The owner shall renew the recovery residence's registration by:

(1) updating any information required under subsection (a) that has changed; and

(2) subject to subsection (c), paying a renewal fee of three hundred fifty dollars (\$350) for each recovery residence.

(c) This subsection applies to an owner that owns more than one (1) recovery residence. The division may not charge an owner a total amount for registration or renewal fees that exceeds two thousand dollars (\$2,000) for each registration or renewal period.

Sec. 6. The division shall post a list of recovery residences registered under this chapter on the division's public website, including the following information for each recovery residence:

(1) Name.

(2) Address.

(3) Contact information.

(4) Registration status.

(5) Any violations of the ethical standards.

(6) Any other information required by the division.

Sec. 7. An owner may not use the words "recovery residence" in a title or description of a facility, organization, or program that provides recovery residence services unless the recovery residence is registered and in good standing under this chapter.

Sec. 8. The division shall adopt rules under IC 4-22-2 concerning the following:

(1) The issuance, revocation, and denial of a registration.

(2) Any other rules necessary to implement this chapter.

Sec. 9. An administrative proceeding under this chapter is governed by IC 4-21.5.

Sec. 10. The division may contract with the Indiana Affiliation



of Recovery Residences or a similar entity that specializes in the ethical standards to administer the registration of recovery residences under this chapter, including maintaining the list described in section 6 of this chapter and performing any administrative activities necessary to implement this chapter.

Sec. 11. This chapter does not affect the standards for the certification of recovery residences established under IC 12-21-2-3(14).



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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