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# SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2023 - 2024 Regular Session

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## AB 2893 (Ward) - The Supportive Recovery Residence Program

**Version:** July 3, 2024

**Policy Vote:** HOUSING 8 - 2, HEALTH 9 -  
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**Urgency:** No

**Mandate:** No

**Hearing Date:** August 12, 2024

**Consultant:** Agnes Lee

**Bill Summary:** AB 2893 would require the Department of Health Care Services (DHCS) to establish a certification process for “supportive recovery residences,” as defined.

### Fiscal Impact:

- Unknown ongoing General Fund costs, likely low millions, for the DHCS to administer the certification process. General Fund costs would be offset to the extent that fee revenues would support these activities.
- The California Interagency Council on Homelessness (Cal ICH) estimates one-time General Fund costs of \$705,000 in 2025-26 and \$673,000 in 2026-27 to create a monitoring unit to receive monthly reports specified in the bill, monitor select supportive recovery residences, report out on results, and intervene when statute is violated.
- The California Department of Corrections and Rehabilitation estimates that the bill could create a minimum of \$436,000 in annual General Fund costs to certify sub-contractor facilities as supportive recovery residences.

**Background:** Current law grants the DHCS the sole authority in state government to administer, license, certify, and regulate all substance use disorder (SUD) functions and programs, including licensing adult alcoholism or drug abuse recovery or treatment facilities (RTFs). Current law defines “recovery residence (RR)” as a residential dwelling that provides primary housing for individuals who seek a cooperative living arrangement that supports personal recovery from an SUD and that does not require DHCS licensure or does not provide RTF licensable services. RRs may include, but not be limited to, residential dwellings commonly referred to as “sober living homes,” “sober living environments,” or “unlicensed alcohol and drug free residences.”

Current law establishes the Cal ICH with the purpose of coordinating the state’s response to homelessness by utilizing Housing First practices. Agencies and departments administering state programs created on or after July 1, 2017 must incorporate the core components of Housing First. Current law outlines the core components of Housing First, including that “services are informed by a harm-reduction philosophy that recognizes drug and alcohol use and addiction as a part of tenants’ lives, where tenants are engaged in nonjudgmental communication regarding drug and alcohol use, and where tenants are offered education regarding how to avoid risky

behaviors and engage in safer practices, as well as connected to evidence-based treatment if the tenant so chooses.”

**Proposed Law:** Specific provisions of the bill would:

- Define “supportive recovery residence” to mean housing in a residence that serves individuals experiencing, or who are at risk of experiencing, homelessness and who have substance use disorders and that does all of the following:
  - Satisfies the core components of Housing First, pursuant to state law.
  - Uses substance-use-specific, peer support, and physical design features supporting individuals and families on a path to recovery from substance use disorders.
  - Emphasizes abstinence.
  - Offers tenants permanent housing only.
- Require DHCS to adopt the most recent standards approved by the National Alliance for Recovery Residences (NARR), the Substance Abuse and Mental Health Services Administration, or other equivalent standards as the minimum standard for supportive recovery residences that receive public funding, as specified.
- Authorize DHCS to charge a fee for certification of supportive recovery residences in an amount not to exceed the reasonable cost of administering the program, not to exceed \$1,000.
- Establish the Supportive Recovery Residency Program Fund; provide that all fees collected be deposited in the fund; and require the moneys in the fund to be available upon appropriation by the Legislature for the purposes of supporting the certification activities of the DHCS.
- Add to the meaning of core components of Housing First to include that state departments or agencies may allow programs to fund supportive recovery residences, as specified, and use substance-use-specific, peer support, and physical design features supporting individuals and families on a path to recovery from substance use disorders that emphasizes abstinence and promotes self-determination in the recovery process, so long as the state program meets specified requirements.

**Related Legislation:** SB 1339 (Allen) would require DHCS to administer a voluntary certification program for supportive community residences. The bill was not heard in the Assembly Health Committee.

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