

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Appropriations Committee on Health and Human Services

BILL: CS/SB 1030

INTRODUCER: Children, Families, and Elder Affairs Committee and Senator Gruters and others

SUBJECT: Substance Abuse Services

DATE: February 11, 2026 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kennedy</u>	<u>Tuszynski</u>	<u>CF</u>	<u>Fav/CS</u>
2.	<u>Sneed</u>	<u>McKnight</u>	<u>AHS</u>	<u>Pre-meeting</u>
3.	_____	_____	<u>RC</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1030 revises the licensure process for substance abuse service providers regulated by the Department of Children and Families (DCF). The bill revises the statutory definition of “transfer” as it relates to licensure, including expanding what constitutes a transfer of a licensee’s ownership or controlling interest.

The bill requires DCF to issue a regular license within 30 calendar days after receiving a complete application from an existing licensed service provider that is in compliance with renewal requirements and seeks to add licensed services or additional levels of care at an existing licensed location or at one or more new locations. The bill prohibits DCF from imposing any additional requirements on such providers seeking to add new levels of care or new locations.

The bill also amends recovery residence certification to prohibit a credentialing entity from requesting or obtaining clinical or medical records of residents when determining whether to suspend or revoke a recovery residence’s certification.

The bill has an insignificant negative fiscal impact on the DCF, which likely can be absorbed within existing resources. **See Section V., Fiscal Impact Statement.**

The bill takes effect July 1, 2026.

II. Present Situation:

Substance Abuse

Substance abuse refers to the harmful or hazardous use of psychoactive substances, including alcohol and illicit drugs.¹ According to the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5), a diagnosis of substance use disorder (SUD) is based on evidence of impaired control, social impairment, risky use, and pharmacological criteria.² SUD occurs when an individual chronically uses alcohol or drugs, resulting in significant impairment, such as health problems, disability, and failure to meet major responsibilities at work, school, or home.³ Repeated drug use leads to changes in the brain's structure and function that can make a person more susceptible to developing a substance abuse disorder.⁴

Among people age 12 or older in 2023, 70.7 million people, or 24.9 percent of the population, used illicit drugs in the past year.⁵ The most commonly used was marijuana, which 61.8 million people used.⁶ In the past year:

- Among young adults ages 18 to 25, 12.4 million individuals, or 36.5 percent, reported marijuana use in the past year;
- 8.9 million individuals ages 12 and over misused opioids in the past year;
- 48.5 million individuals ages 12 and over, or 17.1 percent, had a past-year SUD, including 28.9 million with alcohol use disorder (AUD) and 27.2 million with a drug use disorder (DUD). The highest SUD rate was among young adults ages 18 to 25, which included 9.2 million individuals, or 27.1 percent of that age group.⁷

Substance Use Disorder Treatment in Florida

In the early 1970s, the federal government enacted laws creating formula grants for states to develop continuums of care for individuals and families affected by substance abuse.⁸ The laws resulted in separate funding streams and requirements for alcoholism and drug abuse. In response to the laws, the Florida Legislature enacted chs. 396 and 397, F.S., relating to alcohol and drug abuse, respectively.⁹ Each of these laws governed different aspects of addiction and different

¹ The World Health Organization, *Mental Health and Substance Abuse*, available at <https://www.afro.who.int/health-topics/substance-abuse> (last visited 1/22/2026); See also The National Institute on Drug Abuse (NIDA), *Drugs, Brains, and Behavior: The Science of Addiction; How Science Has Revolutionized the Understanding of Drug Addiction*, available at <https://nida.nih.gov/research-topics/addiction-science/drugs-brain-behavior-science-of-addiction> (last visited 1/22/2026).

² The National Association of Addiction Treatment Providers, *Substance Use Disorder*, available at <https://www.naatp.org/resources/clinical/substance-use-disorder> (last visited 1/23/2026).

³ The Substance Abuse and Mental Health Services Administrator (The SAMHSA), *Substance Use Disorders*, available at <https://www.samhsa.gov/find-help/disorders> (last visited 1/23/2026).

⁴ Harvard Medical School, Harvard Health Publishing, *Brain Plasticity in Drug Addiction: Burden and Benefit*, available at <https://www.health.harvard.edu/blog/brain-plasticity-in-drug-addiction-burden-and-benefit-2020062620479#:~:text=Experience-dependent%20learning%2C%20including%20repeated%20drug%20use%2C%20might%20increase,drug%20use%2C%20where%20people%20ignore%20the%20negative%20consequences> (last visited 1/23/2026).

⁵ Substance Abuse and Mental Health Services Administration, *Key Substance Use and Mental Health Indicators in the United States: Results from the 2023 National Survey on Drug Use and Health (HHS Publication No. PEP24-07-021, NSDUH Series H-59)*, available at <https://www.samhsa.gov/data/report/2023-nsduh-annual-national-report> (last visited 1/23/2026).

⁶ *Id.*

⁷ *Id.*

⁸ The DCF, *Baker Act and Marchman Act Project Team Report for Fiscal Year 2016-2017*, p. 4-5. (on file with the Senate Children, Families, and Elder Affairs Committee).

⁹ *Id.*

rules were promulgated by the state to implement the legislation.¹⁰ However, because persons with substance abuse issues often do not restrict their misuse to one substance or another, having two separate laws dealing with the prevention and treatment of addiction was cumbersome and did not adequately address Florida's substance abuse problem.¹¹ In 1993, legislation was adopted to combine chs. 396 and 397, F.S., into a single law referred to as the Hal S. Marchman Alcohol and Other Drug Services Act (Marchman Act).¹²

The Marchman Act encourages individuals to seek services on a voluntary basis within the existing financial and space capacities of a service provider.¹³ However, denial of addiction is a prevalent symptom of SUD, creating a barrier to timely intervention and effective treatment.¹⁴ As a result, treatment typically must stem from a third party providing the intervention needed for SUD treatment.¹⁵

The DCF administers a statewide system of safety net services for substance abuse and mental health (SAMH) prevention, treatment, and recovery for children and adults who are otherwise unable to obtain these services. Services are provided based on state and federally established priority populations.¹⁶ The DCF provides treatment for SUD through a community-based provider system offering detoxification, treatment, and recovery support for individuals affected by substance misuse, abuse, or dependence.¹⁷

- **Detoxification Services:** Detoxification services use medical and clinical procedures to assist individuals and adults as they withdraw from the physiological and psychological effects of substance abuse.
- **Treatment Services:** Treatment services include assessment,¹⁸ counseling, case management, and support that are designed to help individuals who have lost their ability to control their substance use on their own and require formal, structured intervention and support.
- **Recovery Support:** Recovery support services, including transitional housing, life skills training, parenting skills, and peer-based individual and group counseling, are offered during and following treatment to further assist individuals in their development of the knowledge and skills necessary to maintain their recovery.¹⁹

¹⁰ The DCF, *Baker Act and Marchman Act Project Team Report for Fiscal Year 2016-2017*, p. 4-5. (on file with the Senate Children, Families, and Elder Affairs Committee).

¹¹ *Id.*

¹² Chapter 93-39, s. 2, L.O.F., codified as ch. 397, F.S.

¹³ See ss. 397.601(1) and (2), F.S., An individual who wishes to enter treatment may apply to a service provider for voluntary admission. Within the financial and space capabilities of the service provider, the individual must be admitted to treatment when sufficient evidence exists that he or she is impaired by substance abuse and his or her medical and behavioral conditions are not beyond the safe management capabilities of the service provider.

¹⁴ Darran Duchene and Patrick Lane, *Fundamentals of the Marchman Act, Risk RX*, Vol. 6 No. 2 (Apr. – Jun. 2006) State University System of Florida Self-Insurance Programs, available at <https://flbog.sip.ufl.edu/risk-rx-article/fundamentals-of-the-marchman-act/> (last visited 1/22/2026)(hereinafter cited as “fundamentals of the Marchman Act”).

¹⁵ *Id.*

¹⁶ See ch. 394 and 397, F.S.

¹⁷ The DCF, *Treatment for Substance Abuse*, available at <https://www.myflfamilies.com/services/samh/treatment> (last visited 1/22/2026).

¹⁸ Research indicates that persons who successfully complete substance abuse treatment have better post-treatment outcomes related to future abstinence, reduced use, less involvement in the criminal justice system, reduced involvement in the child-protective system, employment, increased earnings, and better health.

¹⁹ The DCF, *Treatment for Substance Abuse*.

Overview of Florida’s Licensure Framework for Behavioral Health Providers

Licensure of behavioral health facilities and substance abuse service providers and facilities in Florida exists to ensure that individuals receiving substance use disorder (SUD) treatment are served in programs that meet minimum standards for health, safety, quality of care, and consumer protection.²⁰ Florida’s behavioral health licensure framework divides responsibility between the Agency for Health Care Administration (AHCA) and the DCF based on the type of services provided, requiring coordination between the two agencies when providers operate across both mental health and substance abuse systems.²¹ Licensure is intended to protect clients by requiring providers to comply with uniform statewide standards, including background screening of personnel, appropriate staffing and supervision, recordkeeping, and adherence to client rights and confidentiality laws.²² Under Florida law, licensed substance abuse facilities and providers must meet programmatic and operational requirements, such as maintaining written policies and procedures, providing services consistent with the level of care for which they are licensed, and ensuring that services are delivered by qualified staff.²³ Licensure also enables state agencies to conduct inspections, monitoring, and enforcement actions, including the denial, suspension, or revocation of a license when a provider fails to comply with statutory or rule requirements, thereby promoting accountability and public trust in the substance abuse treatment system.²⁴

Licensure of Substance Abuse Service Providers

As part of the larger behavioral health licensure structure, the DCF regulates substance use disorder treatment by licensing individual treatment components under ch. 397, F.S., and Rule 65D-30, F.A.C. Licensed service components include a continuum of substance abuse prevention,²⁵ intervention,²⁶ and clinical treatment services.²⁷

Clinical treatment is a professionally directed, deliberate, and planned regimen of services and interventions that are designed to reduce or eliminate the misuse of drugs and alcohol and promote a healthy, drug-free lifestyle.²⁸ “Clinical treatment services” include, but are not limited to, the following licensable service components:

- Addictions receiving facility.
- Day or night treatment.
- Day or night treatment with community housing.
- Detoxification.
- Intensive inpatient treatment.

²⁰ Section 397.401, F.S.

²¹ Sections 394.875 and 408.805, F.S.

²² Section 397.407 and 397.501, F.S.

²³ Section 397.410, F.S.

²⁴ Section 397.415, F.S.

²⁵ Section 397.311(26)(c), F.S. “Prevention” is defined as “a process involving strategies that are aimed at the individual, family, community, or substance and that preclude, forestall, or impede the development of substance use problems and promote responsible lifestyles.” See also The DCF, *Substance Abuse Prevention*, available at <https://www.myflfamilies.com/services/samh/substance-abuse-prevention> (last visited 1/22/2026).

²⁶ Section 397.311(26)(b), F.S. “Intervention” is defined as “structured services directed toward individuals or groups at risk of substance abuse and focused on reducing or impeding those factors associated with the onset or the early stages of substance abuse and related problems.”

²⁷ Section 397.311(26), F.S.

²⁸ Section 397.311(26)(a), F.S.

- Intensive outpatient treatment.
- Medication-assisted treatment for opiate addiction.
- Outpatient treatment.
- Residential treatment.²⁹

Licensure Types

Under s. 397.407, F.S., substance abuse treatment providers in Florida are licensed under one of three primary licensure types, determined by a provider's compliance history and operational status:

- Probationary.
- Regular.
- Interim.

A regular license is issued to a provider that is in full compliance with all statutory and rule requirements and authorizes the provider to operate for the standard licensure period established by the DCF.³⁰ A probationary license may be issued to a provider that is not in full compliance but is able to correct identified deficiencies within a specified time period, allowing continued operation while the provider works toward compliance under heightened oversight.³¹ An interim license may be issued to a provider in limited circumstances, such as when a provider is awaiting a regular license decision, undergoing a change of ownership, or addressing temporary operational issues, and permits short-term operation subject to conditions imposed by the DCF.³² Together, these licensure types allow the DCF to maintain continuity of care for clients while ensuring providers progress toward or maintain compliance with Florida's substance abuse treatment standards.³³

Licensure Requirements

Florida law requires the DCF to establish minimum licensure standards for each substance abuse service component, including administrative management and clinical standards for the delivery of services.³⁴ The DCF is required to establish personnel and supervision standards, including staff qualifications and hours of coverage, and specifically set standards for "the maximum number of individuals who may receive clinical services together in a group setting."³⁵ In addition, Florida law requires facility standards to include, at a minimum, the safety and adequacy of the facility and grounds, and "space, furnishings, and equipment for each individual served," along with infection control, sanitation, maintenance, and meals/snacks as applicable.³⁶ Current rule mandates all licensed facilities used by a provider (including community housing) to comply with local fire safety standards, local health and zoning codes, and to maintain annual proof of compliance with applicable fire/safety and health inspections. For providers, treatment

²⁹ Section 397.311(26)(a), F.S.

³⁰ Section 397.407(1) and(2), F.S.

³¹ Section 397.407(3), F.S.

³² Section 397.407(4) and(5), F.S.

³³ Section 397.407, F.S.

³⁴ Section 397.410(1)(a)–(b), F.S.

³⁵ Section 397.410(1)(c), F.S.

³⁶ Section 397.410(1)(d), F.S.

space capacity is largely constrained by local building and fire requirements and may vary by location.³⁷

Licensure Denial, Suspension, and Revocation

When the DCF identifies serious noncompliance by a substance abuse service provider, the department is authorized to respond through licensure enforcement actions, including denial, suspension, or revocation of the provider's license.³⁸ A license may be denied or sanctioned when a provider's conduct demonstrates an inability to meet minimum standards for safe operation, including material violations of ch. 397, F.S., or applicable rules, failure to maintain required licensure standards, or the submission of false or misleading information to the department.³⁹ Licensure enforcement may also occur when a provider fails to correct cited deficiencies within the timeframe required by the department, reflecting an ongoing inability or unwillingness to come into compliance after regulatory review.⁴⁰ Because patient safety is central to licensure oversight, the statute also authorizes action when providers fail to comply with background screening requirements, including employing or retaining disqualified personnel or failing to provide required screening-related information to the department.⁴¹

Depending on the severity and circumstances of noncompliance, the DCF may impose intermediate sanctions short of license revocation, such as administrative fines, probationary status, or corrective action requirements, to compel compliance while maintaining continuity of care when appropriate.⁴² Any licensure action taken against a substance abuse service provider must comply with due process requirements, including notice and the opportunity for an administrative hearing under ch. 120, F.S., before final agency action becomes effective.⁴³

Recovery Residences

A recovery residence is defined as “a residential unit, the community housing component of a licensed day or night treatment facility with community housing, or other form of group housing, which is offered or advertised through any means, including oral, written, electronic, or printed means, by any person or entity as a residence that provides a peer-supported, alcohol-free, and drug-free living environment.”⁴⁴

Recovery residences (also known as “sober homes,” “sober living homes,” “Oxford Houses,” or “Halfway Houses”) are *non-medical* settings designed to support recovery from substance use disorders, providing a substance-free living environment commonly used to help individuals transition from highly structured residential treatment programs back into their day-to-day lives (e.g., obtaining employment and establishing more permanent residence).⁴⁵ Virtually all

³⁷ Rule 65D-30.0047(11), F.A.C.

³⁸ Section 397.415(1), F.S.

³⁹ Section 397.415(2)(a)–(c), F.S.

⁴⁰ Section 397.415(2)(d), F.S.

⁴¹ Section 397.415(2)(e)–(g), F.S.

⁴² Section 397.415(3), F.S.

⁴³ Section 397.415(5), F.S.

⁴⁴ Section 397.311(38), F.S.

⁴⁵ Recovery Research Institute, *Recovery Residences*, available at <https://www.recoveryanswers.org/resource/recovery-residences/> (last visited 1/22/2026). Substance abuse prevention is achieved through the use of ongoing strategies such as increasing public awareness and education, community-based processes and evidence-based practices. These prevention programs are focused primarily on youth, and, in recent years, have shifted to the local level, giving individual communities the opportunity to identify their own unique prevention needs

encourage or require attendance at 12-step mutual-help organizations like Alcoholics Anonymous (AA) or Narcotics Anonymous (NA), but recovery homes have varying degrees of structure and built-in programmatic elements:

- *Length of Stay*: some may have a limited or otherwise predetermined, length of stay, while others may allow individuals to live there for as long as necessary provided, they follow the house rules.
- *Monitoring*: some provide monitoring to maintain substance-free, recovery-supportive living environments and help facilitate house members' progress by implementing rules and requirements (i.e., mutual-help organization attendance, attendance at house meetings, curfews, restrictions on outside employment, and limits on use of technology). Typically, as individuals successfully follow these rules over time, restrictions become more lenient and individuals have greater latitude in their choices both in and outside of the recovery residence.
- *Size*: while recovery residences range in the number of individuals living there at any given time, there are typically at least 6-8 residents of the same gender.⁴⁶

Recovery residences can be located in single-family and two-family homes, duplexes, and apartment complexes. Most recovery residences are located in single-family homes, zoned in residential neighborhoods.⁴⁷ To live in a recovery residence, occupants may be required to pay a monthly fee or rent, to support the cost of maintaining the home. Generally, recovery residences provide short-term residency, typically a minimum of 90 days. However, the length of time a person stays at a recovery residence varies based on the individual's treatment needs.⁴⁸

Voluntary Certification of Recovery Residences

In contrast to provider *licensure* enforcement, recovery residence oversight is governed separately via *certification* and authorizes the DCF to approve credentialing entities responsible for issuing, monitoring, suspending, or revoking certificates of compliance for recovery residences.⁴⁹ While credentialing entities may take action against a recovery residence's certification status, they do not possess the authority to deny, suspend, or revoke a substance abuse service provider's license, as licensure enforcement authority remains exclusively with the DCF.⁵⁰

A certified recovery residence is a recovery residence that holds a valid certificate of compliance and is actively managed by a certified recovery residence administrator.⁵¹ Florida has a voluntary certification program for recovery residences and recovery residence administrators,

and develop action plans in response. This community focus allows prevention strategies to have a greater impact on behavioral change by shifting social, cultural, and community environments.

⁴⁶ Recovery Research Institute, *Recovery Residences*, available at <https://www.recoveryanswers.org/resource/recovery-residences/> (last visited 1/22/2026).

⁴⁷ Hearing before the Subcommittee on the Constitution and Civil Justice of the Committee on the Judiciary, House of Representatives, One Hundred Fifteenth Congress, Sept. 28, 2018, available at <https://www.govinfo.gov/content/pkg/CHRG-115hhrg33123/html/CHRG-115hhrg33123.htm>. See also The National Council for Behavioral Health, *Building Recovery: State Policy Guide for Supporting Recovery Housing*, available at <https://www.thenationalcouncil.org/resources/building-recovery-state-policy-guide-for-supporting-recovery-housing/> (last visited 1/22/2026).

⁴⁸ American Addiction Center, *Length of Stay at a Sober Living Home*, available at <https://americanaddictioncenters.org/sober-living/length-of-stay> (last visited 1/22/2026).

⁴⁹ Section 397.487, F.S.

⁵⁰ Sections 397.415 and 397.487, F.S.

⁵¹ Sections 397.487-397.4872, F.S.

implemented by private credentialing entities.⁵² Under the voluntary certification program, two DCF-approved credentialing entities administer certification programs and issue certificates: the Florida Association of Recovery Residences (FARR) certifies the recovery residences and the Florida Certification Board (FCB) certifies recovery residence administrators.⁵³

As the credentialing entity for recovery residences in Florida, FARR is statutorily authorized to administer certification, recertification, and disciplinary processes as well as monitor and inspect recovery residences to ensure compliance with certification requirements.⁵⁴ FARR is also authorized to deny, revoke, or suspend a certification, or otherwise impose sanctions, if recovery residences are not in compliance or fail to remedy any deficiencies identified.⁵⁵ However, any decision that results in an adverse determination is reviewable by the DCF.⁵⁶

To become certified, a recovery residence must submit all of the following documents with an application fee to the credentialing entity:⁵⁷

- A policy and procedures manual.
- Job descriptions for all staff positions.
- Drug-testing procedures and requirements.
- A prohibition on the premises against alcohol, illegal drugs, and the use of prescription medications by an individual other than for whom the medication is prescribed.
- Policies to support a resident's recovery efforts.
- A good neighbor policy to address neighborhood concerns and complaints.
- Rules for residents.
- Copies of all forms provided to residents.
- Intake procedures.
- Sexual predator and sexual offender registry compliance policy.
- Relapse policy.
- Fee schedule.
- Refund policy.
- Eviction procedures and policy.
- Code of ethics.
- Proof of insurance.
- Proof of background screening.
- Proof of satisfactory fire, safety, and health inspections.

⁵² Sections 397.487-397.4872, F.S.

⁵³ The DCF, *Recovery Residence Administrators and Recovery Residences*, available at <https://www.myflfamilies.com/services/samh/recovery-residence-administrators-and-recovery-residences> (last visited 1/23/2026).

⁵⁴ Section 397.487(2)(b)1.-2, F.S.; *see also*, Florida Department of Children and Families (DCF), *Recovery Residence Administrators and Recovery Residences*, available at <https://www.myflfamilies.com/services/samh/recovery-residence-administrators-and-recovery-residences> (last visited 1/23/2026).

⁵⁵ Section 397.487(8)(a), (8)(f), F.S.

⁵⁶ Section 397.487, F.S.

⁵⁷ *Id.*

There are currently over 275 certified recovery residences in Florida.⁵⁸ The DCF publishes a list of all certified recovery residence administrators on its website.⁵⁹

Patient Referrals

While certification is voluntary, Florida law incentivizes certification. Since July 1, 2018, Florida law has prohibited licensed substance abuse service providers from referring patients to a recovery residence unless the recovery residence holds a valid certificate of compliance and is actively managed by a certified recovery residence administrator (CRRA).⁶⁰ There are certain exceptions that allow referrals to or from uncertified recovery residences, including the following:

- A licensed service provider under contract with a behavioral health managing entity.
- Referrals by a recovery residence to a licensed service provider when the recovery residence or its owners, directors, operators, or employees do not benefit, directly or indirectly, from the referral.
- Referrals made before July 1, 2018, by a licensed service provider to that licensed service provider's wholly owned subsidiary.
- Referrals to, or accepted referrals from, a recovery residence with no direct or indirect financial or other referral relationship with the licensed service provider, and that is democratically operated by its residents pursuant to a charter from an entity recognized or sanctioned by Congress, and where the residence or any resident of the residence does not receive a benefit, directly or indirectly, for the referral.⁶¹

Service providers are required to record the name and location of each recovery residence that the provider has referred patients to or received referrals from in the DCF's Provider Licensure and Designations System.⁶² Prospective service providers must also include the names and locations of any recovery residences which they plan to refer patients to, or accept patients from, on their application for licensure.⁶³

Residences managed by a certified recovery residence administrator approved for up to 100 residents and wholly owned or controlled by a licensed service provider may accommodate up to 150 residents under certain conditions.⁶⁴ These conditions include maintaining a service provider personnel-to-patient ratio of one-to-eight and providing on-site supervision at the residence 24 hours a day, seven days a week, with a personnel-to-resident ratio of one-to-ten when residents are present.⁶⁵ Additionally, administrators overseeing Level IV certified recovery residences operated as community housing with a personnel-to-resident ratio of one-to-six are not subject to the lower resident limits.⁶⁶

⁵⁸ Florida Association of Recovery Residences (FARR), *Export Providers to CSV*, available at <https://www.farronline.info/exportproviderstocsv.aspx> (last visited 1/23/2026).

⁵⁹ Section 397.4872, F.S.; Certified Recovery Residence Administrators, Florida Department of Children and Families, *Recovery Residence Administrators and Recovery Residences*, available at <https://www.myflfamilies.com/services/samh/recovery-residence-administrators-and-recovery-residences> (last visited 1/23/2026).

⁶⁰ Sections 397.4873(1) and 397.4872, F.S.

⁶¹ Section 397.4873(2)(a)-(d), F.S.

⁶² Section 397.4104(1), F.S.

⁶³ *Id.*

⁶⁴ Section 397.4871(8)(c), F.S.

⁶⁵ Section 397.4871(8)(c)1., F.S.

⁶⁶ Section 397.4871(8)(c)2., F.S.

III. Effect of Proposed Changes:

Section 1 amends s. 397.407, F.S., to revise the definition of the term “transfer” as it relates to substance abuse provider licensure. The bill defines “transfer” to include an event in which:

- The licensee sells or otherwise transfers its ownership to a different individual or entity as evidenced by a change in federal employer identification number or taxpayer identification number, or
- 51 percent or more of the ownership, shares, membership, or controlling interest of a licensee is transferred or otherwise assigned.

This is a change from the current broader definition of transfer that “includes, but is not limited to, the transfer of a majority of the ownership interest in the licensed entity or transfer of responsibilities under the licensee to another entity by contractual arrangement.”

The bill also requires expedited licensing for existing licensed substance abuse service providers seeking to expand services. Upon receipt of a complete application, the bill requires the Department of Children and Families to issue a regular license within 30 calendar days to an existing licensed service provider that is in compliance with all renewal requirements and seeks to add licensed services or one or more additional levels of care at an existing licensed location or at one or more new locations, if the application is submitted by a provider with the same federal tax identification number as the existing provider.

The bill further provides that no other additional requirements may be imposed on an existing service provider seeking to add new levels of care or new locations.

Section 2 amends s. 397.487(8)(a), F.S., to provide that, for purposes of determining whether to suspend or revoke a recovery residence certification, a credentialing entity may not request or obtain clinical or medical records of a resident, consistent with privacy protections afforded under s. 397.501(7), F.S., and 42 C.F.R. part 2.

The bill takes effect July 1, 2026

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The bill will likely have a positive fiscal impact on licensed substance abuse service providers by reducing time and administrative costs when seeking to expand services or levels of care, or add locations.

C. Government Sector Impact:

The bill is expected to have an insignificant negative fiscal impact on the Department of Children and Families (DCF). The 30-day licensure issuance requirement may require the DCF to adjust workflows and staffing to review and process qualifying expansion applications within the deadline. The bill may also require the DCF to update its current licensing technology system to identify changes in service provider ownership. The department is likely to be able to absorb the staffing requirements and costs for the technology upgrades within existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 397.407, 397.410, 397.411, 397.415, and 397.487.

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Children, Families, and Elder Affairs Committee on January 27, 2026:

The CS makes the following changes:

- Narrows the definition of “transfer” for the purposes of a substance abuse service providers to mean the sale or other transfer of ownership to a different individual or entity with a different federal employer or taxpayer identification number or the transfer of 51 percent or more of the ownership, shares, membership, or controlling interest of a licensed provider. This is changed from the current broader definition of transfer that “includes, but is not limited to, the transfer of majority of the ownership interest in the licensed entity or transfer of responsibilities under the licensee to another entity by contractual arrangement.”;
- Requires the issuance of a regular license within 30 days to an existing licensed service provider when seeking to add levels of care at an existing location or at one or more new locations if that service provider is in compliance with all licensure requirements for existing programs and prohibits the DCF from imposing additional requirements outside of existing licensure; and
- Prohibits a recovery residence credentialing entity from requesting or obtaining clinical or medical records when determining whether to suspend or revoke a certificate of compliance.

- B. **Amendments:**

None.