

1 State of Arkansas
2 94th General Assembly
3 Regular Session, 2023
4

A Bill

HOUSE BILL 1446

5 By: Representatives Cavanaugh, Vaught
6 By: Senator K. Hammer
7

For An Act To Be Entitled

9 AN ACT TO PROVIDE STATE OVERSIGHT OF QUALITY OF CARE
10 PROVIDED TO CHILDREN IN PSYCHIATRIC RESIDENTIAL
11 TREATMENT FACILITIES; TO LICENSE PSYCHIATRIC
12 RESIDENTIAL TREATMENT FACILITIES; TO EXEMPT
13 PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES FROM
14 LICENSURE BY THE CHILD WELFARE AGENCY REVIEW BOARD
15 AND FROM PERMITTING BY THE HEALTH SERVICES PERMIT
16 AGENCY; TO CREATE THE PSYCHIATRIC RESIDENTIAL
17 TREATMENT FACILITY LICENSING ACT; AND FOR OTHER
18 PURPOSES.

Subtitle

21 TO PROVIDE STATE OVERSIGHT OF QUALITY OF
22 CARE PROVIDED TO CHILDREN IN PSYCHIATRIC
23 RESIDENTIAL TREATMENT FACILITIES; AND TO
24 CREATE THE PSYCHIATRIC RESIDENTIAL
25 TREATMENT FACILITY LICENSING ACT.
26

27
28
29 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
30

31 SECTION 1. Arkansas Code § 9-28-402(12), concerning the definition of
32 “exempt child welfare agency” within the Child Welfare Agency Licensing Act,
33 is amended to add an additional subdivision to read as follows:

34 (N) A psychiatric residential treatment facility as
35 defined in § 9-28-1302;
36



1 SECTION 2. Arkansas Code § 9-28-402(18), concerning the definition of
 2 “psychiatric residential treatment facility” within the Child Welfare Agency
 3 Licensing Act, is repealed.

4 ~~(18) “Psychiatric residential treatment facility” means a~~
 5 ~~residential child care facility in a nonhospital setting that provides a~~
 6 ~~structured, systematic, therapeutic program of treatment under the~~
 7 ~~supervision of a psychiatrist, for children who are emotionally disturbed and~~
 8 ~~in need of daily nursing services, psychiatrist’s supervision, and~~
 9 ~~residential care but who are not in an acute phase of illness requiring the~~
 10 ~~services of an inpatient psychiatric hospital;~~

11
 12 SECTION 3. Arkansas Code § 9-28-407(a), concerning licenses required
 13 and issued by the Child Welfare Agency Review Board, is amended to read as
 14 follows:

15 (a)(1) It shall be unlawful for any person, partnership, group,
 16 corporation, association, or other entity or identifiable group of entities
 17 having a coordinated ownership of controlling interest to operate or assist
 18 in the operation of a child welfare agency that has not been licensed by the
 19 Child Welfare Agency Review Board from licensing under this subchapter.

20 (2) This license shall be required in addition to any other
 21 license required by law for all entities that fit the definition of a child
 22 welfare agency and are not specifically exempted, except that no
 23 nonpsychiatric residential treatment facility or agency licensed or exempted
 24 under this subchapter shall be deemed to fall within the meaning of § 20-10-
 25 101 et seq. for any purpose.

26 ~~(3) Any child welfare agency capacity licensed by the board as~~
 27 ~~of March 1, 2003, whether held by the original licensee or by a successor in~~
 28 ~~interest to the original licensee, is exempted from:~~

29 ~~(A) Obtaining any license or permit from the Office of~~
 30 ~~Long-Term Care; and~~

31 ~~(B)(i) Obtaining any permit from the Health Services~~
 32 ~~Permit Agency or the Health Services Permit Commission to operate at the~~
 33 ~~capacity licensed by the board as of March 1, 2003, except as required under~~
 34 ~~subdivision (a)(3)(B)(ii) of this section.~~

35 ~~(ii)(a) If a licensee is operating at less~~
 36 ~~than or at the capacity licensed by the board as of March 1, 2021, the~~

~~licensee shall obtain a permit from the Health Services Permit Agency or the Health Services Permit Commission for any increase in capacity.~~

~~(b) For the purposes of subdivision (a)(3)(B)(ii)(a) of this section, both in-state and out-of-state clients shall be counted in capacity for the purpose of obtaining a license from the board and a permit from the Health Services Permit Agency or the Health Services Permit Commission.~~

~~(4) Any new license or expansion of capacity by an existing licensee of the board shall require a license and permit from the Office of Long Term Care or the Health Services Permit Agency.~~

~~(5)(A)(3)(A)~~ A license issued by the board under this subchapter is effective unless revoked, suspended, or terminated by the board.

(B) In addition to any other basis provided by law or rule, the board shall terminate the license of a licensee that has not been in operation for a consecutive twelve-month period.

(C) The Department of Human Services may recommend to the board the revocation, suspension, or termination of a license for any basis provided by law or rule, including without limitation the failure to be in operation or in substantial compliance for a consecutive six-month period.

SECTION 4. Arkansas Code Title 9, Chapter 28, is amended to add an additional subchapter to read as follows:

Subchapter 13 – Psychiatric Residential Treatment Facility Licensing Act

9-28-1301. Title.

This subchapter shall be known and may be cited as the "Psychiatric Residential Treatment Facility Licensing Act".

9-28-1302. Definitions.

As used in this subchapter:

(1) "Child" means a person who is:

(A) From birth up to eighteen (18) years of age; or

(B) Eighteen (18) years of age and over if the person is:

(i) Adjudicated dependent-neglected, dependent, or a member of a family in need of services before eighteen (18) years of age; and

(ii) The juvenile division of a circuit court

1 retains jurisdiction under the Arkansas Juvenile Code of 1989, § 9-27-301 et
 2 seq.;

3 (2)(A) “Psychiatric residential treatment facility” means a
 4 nonhospital facility that:

5 (i) Provides care for a child on a twenty-four-hour
 6 basis for the purpose of providing behavioral health treatment; and

7 (ii) Has a bed capacity to house sixteen (16) or
 8 more children.

9 (B) “Psychiatric residential treatment facility” includes
 10 without limitation a:

11 (i) Psychiatric residential treatment facility
 12 holding a permit from the Health Services Permit Agency under § 20-8-104 or
 13 Health Services Permit Commission under § 20-8-102 as of January 1, 2023; or

14 (ii) Residential treatment center, unit, or facility
 15 holding a license from the Child Welfare Agency Review Board as of January 1,
 16 2023.

17 (C) “Psychiatric residential treatment facility” does not
 18 include an exempt child welfare agency as defined in § 9-28-402(12)(A) – (N);

19 (3) “Clinical staff” means individuals who have at least a
 20 master’s degree in a clinical field such as social work, marriage and family
 21 therapy, psychology, guidance counseling, or a degree which would make one
 22 eligible for a corresponding license from an occupational licensing board in
 23 this state;

24 (4) “Incident” means:

25 (A) Resident behavior that is extreme, including without
 26 limitation behavior that is assaultive, destructive, self-injurious, or self-
 27 destructive;

28 (B) Any behavior leading to physical intervention or
 29 seclusion of a resident; or

30 (C) An occurrence involving an injury or requiring outside
 31 agency involvement; and

32 (5) “Regulated facility” means:

33 (A) A psychiatric residential treatment facility licensed
 34 under this subchapter; and

35 (B) A psychiatric hospital licensed under § 20-9-201 et
 36 seq. that admits a child for the purpose of providing behavioral health

1 treatment, regardless of whether the child is placed in a subacute or
2 otherwise unlicensed bed.

3
4 9-28-1303. Minimum standards and quality of care requirements.

5 (a) The Department of Human Services shall promulgate rules setting
6 minimum standards and quality of care regulations governing the granting,
7 revocation, denial, modification, and suspension of a license for a
8 psychiatric residential treatment facility and the operation of a psychiatric
9 residential treatment facility.

10 (b) The department shall have exclusive authority to promulgate rules
11 that:

12 (1) Promote the health, safety, and welfare of children in the
13 care of a psychiatric residential treatment facility;

14 (2) Promote safe and healthy physical facilities;

15 (3) Ensure adequate supervision of the children by capable,
16 qualified, and healthy individuals;

17 (4) Ensure appropriate educational programs and activities for
18 children in the care of a psychiatric residential treatment facility;

19 (5) Ensure adequate and healthy food service;

20 (6) Include procedures for the receipt, recordation, and
21 disposition of complaints regarding allegations of violations of this
22 subchapter, of the rules promulgated under this subchapter, or of child
23 maltreatment laws;

24 (7) Include procedures for the assessment of child and family
25 needs and for the delivery of services designed to enable each child to
26 transition back into a home and community setting;

27 (8) Ensure that criminal record checks and central registry
28 checks are completed on owners, operators, and employees of a psychiatric
29 residential treatment facility as set forth in this subchapter;

30 (9) Require the compilation of reports and making those reports
31 available to the department when the department determines it is necessary
32 for a determination compliance or data compilation;

33 (10) Require the documentation and reporting to the department
34 of each incident involving a child in the psychiatric residential treatment
35 facility;

36 (11) Ensure that a psychiatric residential treatment facility:

1 (A) Treats clients seeking or receiving services in a
2 professional manner, as defined by rules promulgated under this section; and

3 (B) Provides clients seeking or receiving services from a
4 psychiatric residential treatment facility with the phone number and address
5 of the department where complaints can be lodged;

6 (12) Ensure that a psychiatric residential treatment facility
7 maintains adequate and sufficient clinical staff to meet the needs of
8 children in the care of the facility; and

9 (13) Ensure quality treatment and outcomes standards.

10 (c) This subchapter does not prevent a licensed psychiatric
11 residential treatment facility from adopting and applying internal operating
12 procedures that meet or exceed the minimum standards required by the
13 department.

14 (d)(1) To the extent required by federal law, the Division of Medical
15 Services shall designate a survey agency to conduct restraint and seclusion
16 surveys in psychiatric residential treatment facilities for children as
17 defined in this subchapter.

18 (2) A designation by the division does not act as a waiver of
19 the provisions of this subchapter or any other applicable law governing
20 psychiatric residential treatment facilities.

21
22 9-28-1304. Licensure of psychiatric residential treatment facilities.

23 (a)(1) It shall be unlawful for any person, partnership, group,
24 corporation, association, or other entity or identifiable group of entities
25 having a coordinated ownership of controlling interest to operate or assist
26 in the operation of a psychiatric residential treatment facility that has not
27 been licensed by the Department of Human Services under this subchapter.

28 (2) This license is required in addition to any other license
29 required by law for all entities that fit the definition of a psychiatric
30 residential treatment facility.

31 (b)(1) The department shall review, inspect, and investigate each
32 applicant to operate a psychiatric residential treatment facility and
33 determine whether to issue a license and what the terms and conditions of the
34 license should be.

35 (2) The department shall review the qualifications of persons
36 required to have background checks under this subchapter.

1 (3) The department may deny an application to operate a
2 psychiatric residential treatment facility or revoke or suspend a previously
3 issued license to operate a psychiatric residential treatment facility.

4 (4) If the department issues a license to operate a psychiatric
5 residential treatment facility, the license must be posted in a conspicuous
6 place in the psychiatric residential treatment facility.

7 (c)(1) As a condition of licensure under this subchapter, a
8 psychiatric residential treatment facility shall:

9 (A) Limit its bed capacity to the number of beds
10 authorized in the license issued by the department; and

11 (B) Allocate a minimum of seventy percent (70%) of its
12 licensed bed capacity to Arkansas residents or the children of Arkansas
13 residents.

14 (2)(A) The department shall establish by rule a maximum
15 aggregate licensed bed capacity for all psychiatric residential treatment
16 facilities licensed in the state.

17 (B) The department shall not issue a license to a
18 psychiatric residential treatment facility if the additional bed capacity
19 allowed under the license would cause the aggregate number of licensed beds
20 in the entire state to exceed the maximum aggregate bed capacity allowed by
21 rule.

22 (C) It is the specific intent of the General Assembly that
23 any change in the maximum aggregate bed capacity for psychiatric residential
24 treatment facilities must be approved by the Legislative Council or Joint
25 Budget Committee.

26 (d)(1) A license to operate a psychiatric residential treatment
27 facility shall apply only to the owner stated on the application.

28 (2) The license shall be transferable, along with all capacity
29 and rights of licensure, from:

30 (A) One (1) location to another; and

31 (B) One (1) owner to another, under rules adopted by the
32 department.

33 (e) A psychiatric residential treatment facility licensed under this
34 subchapter is exempt from obtaining any:

35 (1) License or permit from the Office of Long-Term Care under §
36 20-10-101 et seq.; or

1 (2) Permit from the Health Services Permit Agency or the Health
2 Services Permit Commission.

3 (f) The department shall promulgate rules establishing an application
4 process and criteria for licensure and provisional licensure.

5
6 9-28-1305. Department enforcement responsibilities.

7 (a) The Department of Human Services and its designees may inspect and
8 investigate any proposed or operating psychiatric residential treatment
9 facility and any personnel connected with that facility to the extent that an
10 inspection and investigation are necessary to determine whether the
11 psychiatric residential treatment facility agency will be or is being
12 operated in accordance with this subchapter and the rules promulgated by the
13 department.

14 (b)(1) The department or any other public agency having authority or
15 responsibility with respect to child maltreatment may investigate any alleged
16 or suspected child maltreatment in any psychiatric residential treatment
17 facility.

18 (2) This section does not limit or restrict that authority.

19 (c)(1) The department may deny, suspend, modify, or revoke a
20 psychiatric residential treatment facility license; may impose a civil
21 penalty; and may issue letters of reprimand or caution to a psychiatric
22 residential treatment facility if the department finds by a preponderance of
23 the evidence that the applicant or licensee:

24 (A) Fails to comply with the provisions of this subchapter
25 or any rule of the department relating to psychiatric residential treatment
26 facilities;

27 (B) Furnishes or makes any statement or report to the
28 department that is false or misleading;

29 (C) Refuses or fails to submit required reports or to make
30 available to the department any records required by the department in making
31 an investigation of the agency for licensing purposes;

32 (D) Refuses or fails to submit to an investigation or to
33 reasonable inspection by the department;

34 (E) Retaliates against an employee who in good faith
35 reports a suspected violation of the provisions of this subchapter or the
36 rules promulgated under this subchapter;

1 (F) Fails to engage in a course of professional conduct in
2 dealing with clients being served by the psychiatric residential treatment
3 facility, as defined by rules promulgated under this subchapter; or

4 (G) Demonstrates gross negligence in carrying out the
5 duties at the psychiatric residential treatment facility.

6 (2) Any denial of application or revocation or suspension of a
7 license shall be effective when made.

8 (3)(A) The department may impose civil penalties of up to two
9 thousand five hundred dollars (\$2,500) per violation, with each day of
10 noncompliance, and each client injured as a result of noncompliance,
11 constituting a separate violation.

12 (B) If any person upon whom the department has levied a
13 civil penalty fails to pay the civil penalty within sixty (60) days of the
14 department's decision to impose the penalty, the amount of the fine shall be
15 considered to be a debt owed the State of Arkansas and may be collected by
16 civil action by the Attorney General.

17 (d)(1) The department shall notify the applicant or licensee of the
18 department's petition for adverse action in writing and set forth the facts
19 forming the basis for the request for the adverse action.

20 (2) This section does not prevent the department from closing a
21 psychiatric residential treatment facility on an emergency basis if emergency
22 closure is immediately required to protect the health, safety, or welfare of
23 children.

24 (e)(1) Adverse action hearings shall comply with the Arkansas
25 Administrative Procedure Act, § 25-15-201 et seq.

26 (2)(A) Within ten (10) business days after rendering a decision,
27 the department shall forward to the applicant or licensee written findings of
28 fact and conclusions of law articulating the department's decision.

29 (B) The department shall also issue an order that the
30 applicant or licensee cease and desist from the unlawful operation of a
31 psychiatric residential treatment facility if the adverse action taken was
32 revocation or suspension of the license or denial of an application.

33 (f)(1) It shall be unlawful for any person to falsify an application
34 for licensure, to knowingly circumvent the authority of this subchapter, or
35 to knowingly violate the orders issued by the department.

36 (2) Any violation of this section shall constitute a Class D

1 felony.

2
3 9-28-1306. Confidentiality.

4 (a) Reports, correspondence, memoranda, case histories, or other
5 materials, including protected health information, compiled or received by a
6 psychiatric residential treatment facility for a child, including without
7 limitation foster care and protective services records, shall be confidential
8 and shall not be released or otherwise made available except:

9 (1) To the extent permitted by federal law;

10 (2) To the Department of Human Services as required by rule; or

11 (3) As allowed under § 9-28-407(h).

12 (b)(1) Any person or agency to whom disclosure is made under § 9-28-
13 407(h) shall not disclose to any other person reports or other information
14 obtained under this subsection.

15 (2) Any person disclosing information in violation of this
16 subsection shall be guilty of a Class C misdemeanor.

17 (3) This subchapter does not prevent subsequent disclosure by
18 the child or his or her parent or guardian.

19 (4) Any data, records, reports, or documents released under § 9-
20 28-407(h) to a law enforcement agency, the prosecuting attorney, or a court
21 by the department are confidential and shall be sealed and not redisclosed
22 without a protective order to ensure that items of evidence for which there
23 is a reasonable expectation of privacy are not distributed to persons or
24 institutions without a legitimate interest in the evidence.

25
26 9-28-1307. Criminal record and child maltreatment checks.

27 (a) Each of the following persons in a psychiatric residential
28 treatment facility having direct and unsupervised contact with children shall
29 be subject to the criminal record and child maltreatment check requirements,
30 exceptions, and other provisions set forth in § 9-28-409:

31 (1) An employee or contractor;

32 (2) A volunteer;

33 (3) An owner; and

34 (4) A member of the facility's board of directors.

35 (b) Any authority, responsibility, or decision assigned to the Child
36 Welfare Agency Review Board in § 9-28-405 shall, for purposes of this

1 subchapter, be placed in the Department of Human Services.

2 (c) Information obtained from the criminal records check and the
3 national fingerprint criminal background checks is confidential and shall not
4 be disclosed by the department except:

5 (1) To authorized employees of the department only if no
6 redisclosure by an authorized employee occurs and all copies shared with the
7 authorized employee are returned to the department; or

8 (2) To the applicant and his or her attorney only if no
9 redisclosure by the applicant or his or her attorney occurs, and all copies
10 shared with the applicant and his or her attorney are returned to the
11 department.

12
13 9-28-1308. Quality of care – Quality assurance reviews.

14 (a) This section does not require any additional licensure or
15 certification of any hospital included as a regulated facility.

16 (b) The Department of Human Services shall promulgate rules setting
17 minimum standards and metrics governing the quality of care provided by a
18 regulated facility to a child.

19 (c) Quality of care standards shall include that a regulated facility
20 provide:

21 (1) Trauma-informed clinical services and, when applicable,
22 evidence-based treatments;

23 (2) Services that will be short-term, target treatment episodes
24 to reduce the likelihood of re-entry into residential treatment settings;

25 (3) Services that are family-driven and youth-guided;

26 (4) Mental health services and clinical services provided by
27 clinical staff on a daily basis;

28 (5) Educational services, as approved by the Department of
29 Education;

30 (6) Coordination of all needs including medical, dental, and
31 other needs; and

32 (7) Clinical discharge planning throughout the child's stay that
33 includes the custodian and child involvement.

34 (d)(1) The Department of Human Services and its designees may inspect
35 and investigate the quality of care for behavioral health provided to any
36 child admitted to a regulated facility, whether or not the child is an

1 Arkansas resident.

2 (2) The Department of Human Services or any other public agency
3 having authority or responsibility with respect to child maltreatment may
4 investigate any alleged or suspected child maltreatment in any regulated
5 facility.

6 (e)(1) The Department of Human Services may initiate an adverse action
7 against a regulated facility that:

8 (A) Fails to comply with the provisions of this subchapter
9 or any rule of the Department of Human Services relating to quality of care;

10 (B) Furnishes or makes any statement or report to the
11 Department of Human Services that is false or misleading;

12 (C) Refuses or fails to submit required reports or to make
13 available to the Department of Human Services any records required by the
14 Department of Human Services in making an investigation of the agency for
15 quality of care purposes;

16 (D) Refuses or fails to submit to an investigation or to
17 reasonable inspection by the Department of Human Services;

18 (E) Retaliates against an employee who in good faith
19 reports a suspected violation of the provisions of this section or the rules
20 promulgated under this section;

21 (F) Fails to engage in a course of professional conduct in
22 dealing with clients being served by the regulated facility, as defined by
23 rules promulgated under this section; or

24 (G) Demonstrates gross negligence in carrying out the
25 duties at the regulated facility.

26 (2) The Department of Human Services may impose an adverse
27 action as follows:

28 (A) For a psychiatric residential treatment facility, the
29 Department of Human Services may impose any adverse action allowed under § 9-
30 28-1304; and

31 (B)(i) For a regulated facility licensed under § 20-9-201
32 et seq., the Department of Human Services may impose civil penalties of up to
33 two thousand five hundred dollars (\$2,500) per violation, with each day of
34 noncompliance, and each client injured as a result of noncompliance,
35 constituting a separate violation.

36 (ii) If any person upon whom the Department of Human

1 Services has levied a civil penalty fails to pay the civil penalty within
2 sixty (60) days of the decision of the Department of Human Services to impose
3 the penalty, the amount of the fine shall be considered to be a debt owed the
4 State of Arkansas and may be collected by civil action by the Attorney
5 General.

6 (3) For a regulated facility licensed under § 20-9-201 et seq.,
7 the Department of Human Services may petition the State Board of Health to
8 deny, suspend, or revoke the regulated facility's license on the basis of any
9 adverse action imposed by the Department of Human Services under this
10 section.

11 (f)(1) The Department of Human Services shall notify the regulated
12 facility of the adverse action of the Department of Human Services in writing
13 and set forth the facts forming the basis for the adverse action.

14 (2) This section does not prevent the Department of Human
15 Services from closing a psychiatric residential treatment facility on an
16 emergency basis if emergency closure is immediately required to protect the
17 health, safety, or welfare of children.

18 (g)(1) Adverse action hearings shall comply with the Arkansas
19 Administrative Procedure Act, § 25-15-201 et seq.

20 (2)(A) Within ten (10) business days after rendering a decision,
21 the Department of Human Services shall forward to the regulated facility
22 written findings of fact and conclusions of law articulating the decision of
23 the Department of Human Services.

24 (B) The Department of Human Services shall also issue an
25 order that the regulated facility cease and desist from the unlawful
26 operation of a psychiatric residential treatment facility if the adverse
27 action taken was revocation or suspension of the license or denial of an
28 application.

29 (h) The Department of Human Services shall conduct quality assurance
30 reviews for each regulated facility, consisting of the following:

31 (1) A review of treatment plans and treatment structure;

32 (2) An analysis of referral data, statistics, and psychotropic
33 medication prescriptions;

34 (3) An on-site visit of a regulated facility's operation, to be
35 conducted at least once per year; and

36 (4) Technical assistance and ongoing quality assurance and

1 collaboration as needed.

2
3 9-28-1309. Rules.

4 The Department of Human Services shall promulgate rules to implement
5 this subchapter.

6
7 SECTION 5. Arkansas Code Title 20, Chapter 8, Subchapter 1, is amended
8 to add an additional section to read as follows:

9 20-8-114. Psychiatric residential treatment facilities excluded.

10 (a) This subchapter shall not apply to any psychiatric residential
11 treatment facility as defined by § 9-28-1302.

12 (b) This section is effective on and after January 1, 2024.

13
14 SECTION 6. Arkansas Code § 20-77-122 is repealed.

15 ~~20-77-122. Survey agency for psychiatric residential treatment~~
16 ~~facilities of children.~~

17 ~~(a) To the extent required by federal law, the Division of Medical~~
18 ~~Services of the Department of Human Services shall designate a survey agency~~
19 ~~to conduct restraint and seclusion surveys in psychiatric residential~~
20 ~~treatment facilities for children as defined in § 9-28-402.~~

21 ~~(b) No designation by the division shall act as a waiver of the~~
22 ~~provisions of § 9-28-407(a)(3) or any other applicable law governing child~~
23 ~~welfare agencies.~~

24
25 SECTION 7. DO NOT CODIFY. Rules and Implementation.

26 (a)(1) When adopting the initial rules to implement this act, the
27 Department of Human Services shall file the final rule with the Secretary of
28 State for adoption under § 25-15-204(f):

29 (A) On or before January 1, 2024; or

30 (B) If approval under § 10-3-309 has not occurred by
31 January 1, 2024, as soon as practicable after approval under § 10-3-309.

32 (2) The department shall file the proposed rules with the
33 Legislative Council under § 10-3-309(c) sufficiently in advance of January 1,
34 2024, so that the Legislative Council may consider the rules for approval
35 before January 1, 2024.

36 (b) The initial rules adopted by the department shall:

1 (1) Establish a maximum aggregate bed capacity for psychiatric
2 residential treatment facilities of no less than five hundred twenty (520)
3 beds; and

4 (2) Provide for transition and continuation of licensure for
5 psychiatric residential treatment facilities that, as of the effective date
6 of this act, hold a:

7 (A) License issued by the Child Welfare Agency Review
8 Board; or

9 (B) Permit issued by the Health Services Permit Agency or
10 Health Services Permit Commission.

11
12 SECTION 8. DO NOT CODIFY. Transition of permits and licenses.

13 (a) Any license issued by the Child Welfare Agency Review Board and
14 held by a psychiatric residential treatment facility shall terminate, expire,
15 and be of no effect on and after the later of:

16 (1) July 1, 2024; or

17 (2) Six (6) months after the date the initial rules are filed
18 with the Secretary of State under SECTION 7 of this act.

19 (d) Any permit issued by the Health Services Permit Agency or Health
20 Services Permit Commission and held by a psychiatric residential treatment
21 facility shall terminate, expire, and be of no effect on and after the later
22 of:

23 (1) July 1, 2024; or

24 (2) Six (6) months after the date the initial rules are filed
25 with the Secretary of State under SECTION 7 of this act.

26
27 SECTION 9. DO NOT CODIFY. EFFECTIVE DATE.

28 This act shall be effective on and after January 1, 2024, subject to
29 the implementation requirements under SECTION 7 of this act and the
30 transition requirements under SECTION 8 of this act.