

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

**Amendment of Section 10518 and 10529,
Repeal of Sections 10532 and 10533, and
Adoption of Sections 10700, 10701,
Title 9, California Code of Regulations**

LICENSURE AND CERTIFICATION FEES

Complete Text of Emergency Regulatory Changes to be Readopted

AMEND SECTION 10518 AS FOLLOWS:

§ 10518. Where to Submit Completed Applications.

Applicants shall submit completed applications for licensure to the Licensing and Certification Division, Department of Alcohol and Drug Programs, 1700 K Street, Sacramento, CA 95811-4037.

As used in this regulation, “completed application” means an application for licensure which includes all of the information and documentation required in Sections 10516 and 10517, and all fees pursuant to Chapter 5.5, commencing with Section 10700.

Necessity: Needed to facilitate approval of application and contain costs by preventing need to review application more than once.

Note: Authority cited: Sections 11755, 11833.04, 11834.50, and 11835, Health and Safety Code. Reference: Sections 11833.02, 11834.03, and 11834.09, Health and Safety Code.

AMEND SECTION 10529 AS FOLLOWS:

§ 10529. Extension of Period of Licensure.

- (a) At least 120 days prior to the expiration date noted on the license, the Department shall send a notice to the licensee which shall:
 - (1) Inform the licensee of the date when the current period of licensure will expire, as specified on the license;
 - (2) Inform the licensee that the period of licensure will be extended if the licensee:
 - (A) Updates the licensing information contained in the licensee's application for licensure;
 - (B) Pays all licensing fees in accordance with Section ~~40533~~; 10701;
 - (C) Pays any civil penalties assessed in accordance with Section 10547 and adjudicated pursuant to Section 10550; and
 - (D) Maintains a valid fire clearance.
 - (3) Notify the licensee that failure to pay all licensing fees due or to return the information requested by the date of expiration specified on the notice will result in automatic expiration of the license and that continued operation of the facility beyond the date of expiration is prohibited by Section 11834.30 of the Health and Safety Code and Section 10505 of this chapter.
- (b) If the licensee complies with the requirements of Subsection (a)(2) of this regulation, the Department shall automatically extend the period of licensure, unless the Department has petitioned the court to enjoin operation of the facility, pursuant to Section 10548(f).
- (c) If the licensee fails to comply with the requirements of Subsection (a)(2) of this regulation, the license shall automatically expire as of the date specified on the license.
- (d) The Department shall not extend the period of licensure until all licensing fees and/or civil penalties, assessed pursuant to Section 10547 and adjudicated pursuant to Section 10550, have been paid in full.
- (e) Failure to pay licensing fees and/or civil penalties, assessed pursuant to Section 10547 and adjudicated pursuant to Section 10550, within thirty (30) days after the date the period of licensure expires shall be deemed a voluntary relinquishment of the license.
- (f) In the event that the licensee voluntarily relinquishes the license, in order to reapply for licensure the licensee shall:
 - (1) Submit a new application for licensure, pursuant to Article 3 (commencing with

Section 10514) of this chapter:

(2) Pay a licensing fee; and

~~(2)~~(3) Pay all outstanding licensing fees and all unpaid civil penalties, assessed pursuant to Section 10547 and adjudicated pursuant to Section 10550.

Necessity: Needed to facilitate approval of application and contain costs by preventing need to review application more than once.

Note: Authority cited: Sections 11755, 11833.04, 11834.50, and 11835, Health and Safety Code. Reference: Sections 11833.02, 11834.01, and 11834.16, Health and Safety Code.

REPEAL HEADING OF ARTICLE 5

~~Article 5. Licensing Fees~~

REPEAL SECTION 10532 AS FOLLOWS:

~~§ 10532. Computation of Licensing Fees.~~

- ~~(a) — The Department shall assess a fee for licensing each alcoholism or drug abuse recovery or treatment facility not operating under the auspices of a nonprofit organization or a governmental entity.~~
- ~~(b) — The Department shall compute licensure fees every other year.~~
- ~~(c) — The licensure fee shall be the average actual cost of licensing a facility, computed as follows:
 - ~~(1) — The Department shall compute the average actual cost by dividing the projected departmental expenses (including staff salaries and benefits, operating expenses, and indirect costs related to licensing) for the current fiscal year by the total number of residential alcoholism or drug abuse recovery or treatment facilities licensed as of June 1st of the previous fiscal year.~~
 - ~~(2) — The Department shall provide the data base used for computing licensure fees upon request and shall also include it as part of the Department's application for licensure.~~~~

Necessity: Needed because current language no longer complies with Section 11833.02 of the Health and Safety Code.

**Note: Authority cited: Sections 11755, 11834.50 and 11835, Health and Safety Code.
Reference: Section 11834.15, Health and Safety Code.**

REPEAL SECTION 10533 AS FOLLOWS:

~~§ 10533. Payment of Licensing Fees.~~

- ~~(a) — Except for residential alcoholism or drug abuse recovery or treatment facilities which are operated under the auspices of a nonprofit organization or a governmental entity, all applicants for licensure and all licensees are required to pay a licensing fee, computed by the Department in accordance with Section 10532.~~
- ~~(b) — The application for licensure shall specify the amount of the licensing fee to be paid upon application.
 - ~~(1) — Applicants for licensure shall attach to the application for licensure a certified check or money order in the amount of the licensing fee.~~
 - ~~(2) — The Department may terminate its review of an application for licensure if the applicant has failed to attach the required licensure fee.~~
 - ~~(3) — The licensure fee shall not be refunded.~~~~
- ~~(c) — At least 90 days prior to the expiration date specified on the license, the Department shall notify the licensee of the amount of licensing fee to be paid and the date by which the fee shall be paid.
 - ~~(1) — The licensee shall submit licensing fees prior to the expiration date noted on the license.~~
 - ~~(2) — The license shall expire on the date specified on the license unless all licensing fees have been paid in full.~~~~

Necessity: Needed because this regulation no longer complies with Section 11833.02 of the Health and Safety Code.

**Note: Authority cited: Sections 11755, 11834.50 and 11835, Health and Safety Code.
Reference: Sections 11834.03, 11834.09 and 11834.16, Health and Safety Code.**

ADOPT CHAPTER 5.5 AS FOLLOWS:

CHAPTER 5.5. LICENSURE AND CERTIFICATION FEES FOR OUTPATIENT PROGRAMS AND RESIDENTIAL ALCOHOLISM OR DRUG ABUSE RECOVERY OR TREATMENT FACILITIES.

ADOPT SECTION 10700 AS FOLLOWS:

§ 10700. Purpose of Chapter.

This chapter shall implement the process for assessing licensure and/or certification fees for all outpatient programs or residential alcoholism or drug abuse recovery or treatment facilities, regardless of the form of organization or ownership, that are or seek to be certified pursuant to Chapter 7 (commencing with Section 11830.1) and/or licensed pursuant to Chapter 7.5 (commencing with Section 11834.01), Part 2, Division 10.5 of the Health and Safety Code.

Necessity: Needed to explain purpose of chapter.

Note: Authority cited: Sections 11755, 11833.04, 11834.50 and 11835, Health and Safety Code. Reference: Section 11833.02, Health and Safety Code.

ADOPT SECTION 10701 AS FOLLOWS:

§ 10701. Fees.

(a) Outpatient programs and residential alcoholism or drug abuse recovery or treatment facilities, regardless of the form of organization or ownership, shall pay fees for applications and for continued licensure and/or certification as provided in this regulation, until such time as any new fees or fee changes are enacted in accordance with Section 11833.02(d) of the Health and Safety Code. As used in this regulation, "initial/extension fees" means fees for initial two-year period of licensure and fees for biennial renewal.

(1) Residential Licensure Fees

| | | |
|-----|---|----------------------------|
| (A) | <u>Initial Residential Licensure Application Fee</u> | <u>\$ 2,773.00</u> |
| (B) | <u>Biennial Residential Licensure Initial/Extension Fee</u> | <u>\$ 147.00 (per bed)</u> |
| (C) | <u>Adolescent Waiver Application Fee</u> | <u>\$ 1,370.00</u> |
| (D) | <u>Dependent Children Application Fee</u> | <u>\$ 958.00</u> |
| (E) | <u>Increase in Bed Capacity Application Fee</u> | <u>\$ 940.00</u> |
| (F) | <u>Facility Relocation Application Fee</u> | <u>\$ 916.00</u> |

(2) Outpatient Certification Fees

| | | |
|-----|--|--------------------|
| (A) | <u>Initial Outpatient Certification Application Fee</u> | <u>\$ 2,664.00</u> |
| (B) | <u>Biennial Outpatient Certification Initial/Extension Fee</u> | <u>\$ 3,452.00</u> |
| (C) | <u>Facility Relocation Application Fee</u> | <u>\$ 916.00</u> |

(3) Combined Residential Licensure and Certification Fees

| | | |
|-----|--|----------------------------|
| (A) | <u>Initial Combined Residential Licensure and Certification Application Fee</u> | <u>\$ 3,698.00</u> |
| (B) | <u>Biennial Combined Residential Licensure and Certification Initial/Extension Fee</u> | <u>\$ 147.00 (per bed)</u> |
| (C) | <u>Adolescent Waiver Application Fee</u> | <u>\$ 1,370.00</u> |
| (D) | <u>Dependent Children Application Fee</u> | <u>\$ 958.00</u> |
| (E) | <u>Increase in Bed Capacity Application Fee</u> | <u>\$ 940.00</u> |
| (F) | <u>Facility Relocation Application Fee</u> | <u>\$ 916.00</u> |

(4) In addition, residential facilities that are approved for an increase in bed capacity will pay the per bed licensure and/or certification fee for each treatment bed added to the facility. Expansion bed fees will be prorated to the next expiration date of the license/certification.

NECESSITY: Needed to implement, interpret, and make specific HSC Section 11833.02(a) by specifying the dollar amounts of licensure and certification fees. Needed

to help cover ADP's costs associated with licensure and certification of residential facilities and outpatient programs. The Addendum to the Initial Statement of Reasons explains how ADP developed the necessity of and methodology for licensure and certification fees and calculated the dollar amounts of these fees. That document is hereby incorporated by reference.

(b) The Department shall not commence review of any application which does not include all fees which are due at the time of application. The Department shall not renew any license or certification unless all fees are paid prior to the expiration date. All fees are nonrefundable, shall be paid by certified check or money order, made payable to the Department of Alcohol and Drug Programs, and submitted with the completed application to the Department of Alcohol and Drug Programs at 1700 K Street, Sacramento, CA 95811-4037.

NECESSITY: Needed to encourage payment of licensure and certification fees, to facilitate approval of applications, and to contain costs by preventing need to review application more than once. Also needed to clarify how and where to pay fees.

(c) Upon approval of an application for initial licensure and/or certification, the Department shall notify the applicant in writing of the amount of fee due for initial biennial licensure, certification, or combined licensure and certification. The applicant shall pay initial biennial licensure, certification, or combined licensure and certification fees by certified check or money order within 30 days of the date of the notice. Upon receipt of the fee, the Department shall issue the license or certification.

Necessity: New language is necessary to implement, interpret, and make specific Section 11833.02 of the Health and Safety Code as enacted by Chapter 177 (Senate Bill 84) Statutes of 2007, by specifying amount of licensure and certification fees.

Note: Authority cited: Sections 11755, 11833.04, 11834.50 and 11835, Health and Safety Code. Reference: Section 11833.02, Health and Safety Code.