CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1935

61st Legislature 2009 Regular Session

Passed by the House April 24, 2009 Yeas 70 Nays 24 Speaker of the House of Representatives	I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1935 as passed by the House of Representatives and the Senate or the dates hereon set forth.
Passed by the Senate April 22, 2009 Yeas 32 Nays 16	
President of the Senate	Chief Clerk
Approved	FILED
Governor of the State of Washington	Secretary of State State of Washington

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1935

AS AMENDED BY THE SENATE

Passed Legislature - 2009 Regular Session

State of Washington

61st Legislature

2009 Regular Session

By House Health & Human Services Appropriations (originally sponsored by Representatives Morrell, Walsh, Cody, Orwall, Kenney, Bailey, Miloscia, Green, Kelley, and Williams)

READ FIRST TIME 03/02/09.

- AN ACT Relating to adult family homes; amending RCW 70.128.040,
- 2 70.128.005, and 70.128.060; adding a new section to chapter 70.128 RCW;
- 3 and adding a new section to chapter 64.38 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 70.128.040 and 2007 c 184 s 8 are each amended to read 6 as follows:
- o as follows:
 7 (1) The department shall adopt rules and standards with respect to
- 8 adult family homes and the operators thereof to be licensed under this
- 9 chapter to carry out the purposes and requirements of this chapter.
- 10 The rules and standards relating to applicants and operators shall
- 11 address the differences between individual providers and providers that
- 12 are partnerships, corporations, associations, or companies. The rules
- 13 and standards shall also recognize and be appropriate to the different
- 14 needs and capacities of the various populations served by adult family
- 15 homes such as but not limited to persons who are developmentally
- 16 disabled or elderly. In developing rules and standards the department
- 17 shall recognize the residential family-like nature of adult family
- 18 homes and not develop rules and standards which by their complexity
- 19 serve as an overly restrictive barrier to the development of the adult

- family homes in the state. Procedures and forms established by the department shall be developed so they are easy to understand and comply with. Paper work requirements shall be minimal. Easy to understand materials shall be developed for applicants and providers explaining licensure requirements and procedures.
- 6 (2)(a) In developing the rules and standards, the department shall consult with all divisions and administrations within the department 7 8 serving the various populations living in adult family homes, including 9 the division of developmental disabilities and the aging and adult 10 administration. Involvement by the divisions 11 administration shall be for the purposes of assisting the department to 12 develop rules and standards appropriate to the different needs and 13 capacities of the various populations served by adult family homes. During the initial stages of development of proposed rules, the 14 15 department shall provide notice of development of the rules to organizations representing adult family homes and their residents, and 16 17 other groups that the department finds appropriate. The notice shall 18 state the subject of the rules under consideration and solicit written 19 recommendations regarding their form and content.
 - (b) In addition, the department shall engage in negotiated rule making pursuant to RCW 34.05.310(2)(a) with the exclusive representative of the adult family home licensees selected in accordance with RCW 70.128.043 and with other affected interests before adopting requirements that affect adult family home licensees.
 - (3) Except where provided otherwise, chapter 34.05 RCW shall govern all department rule-making and adjudicative activities under this chapter.
- 28 (4) The department shall establish a specialty license to include 29 geriatric specialty certification for providers who have successfully 30 completed the University of Washington school of nursing certified 31 geriatric certification program and testing.
- 32 **Sec. 2.** RCW 70.128.005 and 2001 c 319 s 1 are each amended to read 33 as follows:
- 34 (1) The legislature finds that:
- 35 <u>(a) A</u>dult family homes are an important part of the state's long-36 term care system. Adult family homes provide an alternative to

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institutional care and promote a high degree of independent living for residents.

- (b) Persons with functional limitations have broadly varying service needs. Adult family homes that can meet those needs are an essential component of a long-term system. ((The legislature further finds that)) Different populations living in adult family homes, such as ((the developmentally disabled)) persons with developmental disabilities and ((the)) elderly persons, often have significantly different needs and capacities from one another.
- (c) There is a need to update certain restrictive covenants to take into consideration the legislative findings cited in (a) and (b) of this subsection; the need to prevent or reduce institutionalization; and the legislative and judicial mandates to provide care and services in the least restrictive setting appropriate to the needs of the individual. Restrictive covenants which directly or indirectly restrict or prohibit the use of property for adult family homes (i) are contrary to the public interest served by establishing adult family homes and (ii) discriminate against individuals with disabilities in violation of RCW 49.60.224.
- (2) It is the legislature's intent that department rules and policies relating to the licensing and operation of adult family homes recognize and accommodate the different needs and capacities of the various populations served by the homes. Furthermore, the development and operation of adult family homes that can provide quality personal care and special care services should be encouraged.
- (3) The legislature finds that many residents of community-based long-term care facilities are vulnerable and their health and well-being are dependent on their caregivers. The quality, skills, and knowledge of their caregivers are the key to good care. The legislature finds that the need for well-trained caregivers is growing as the state's population ages and residents' needs increase. The legislature intends that current training standards be enhanced.
- (4) The legislature finds that the state of Washington has a compelling interest in protecting and promoting the health, welfare, and safety of vulnerable adults residing in adult family homes. The health, safety, and well-being of vulnerable adults must be the paramount concern in determining whether to issue a license to an

- applicant, whether to suspend or revoke a license, or whether to take tother licensing actions.
- 3 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 70.128 RCW to read as follows:
 - (1) To effectuate the public policies of this chapter, restrictive covenants may not limit, directly or indirectly:
- 7 (a) Persons with disabilities from living in an adult family home 8 licensed under this chapter; or
 - (b) Persons and legal entities from operating adult family homes licensed under this chapter, whether for-profit or nonprofit, to provide services covered under this chapter. However, this subsection does not prohibit application of reasonable nondiscriminatory regulation, including but not limited to landscaping standards or regulation of sign location or size, that applies to all residential property subject to the restrictive covenant.
 - (2) This section applies retroactively to all restrictive covenants in effect on the effective date of this section. Any provision in a restrictive covenant in effect on or after the effective date of this section that is inconsistent with subsection (1) of this section is unenforceable to the extent of the conflict.
- NEW SECTION. Sec. 4. A new section is added to chapter 64.38 RCW to read as follows:
 - (1) To effectuate the public policy of chapter 70.128 RCW, the governing documents may not limit, directly or indirectly:
 - (a) Persons with disabilities from living in an adult family home licensed under chapter 70.128 RCW; or
 - (b) Persons and legal entities from operating adult family homes licensed under chapter 70.128 RCW, whether for-profit or nonprofit, to provide services covered under chapter 70.128 RCW. However, this subsection does not prohibit application of reasonable nondiscriminatory regulation, including but not limited to landscaping standards or regulation of sign location or size, that applies to all residential property subject to the governing documents.
- 34 (2) This section applies retroactively to any governing documents 35 in effect on the effective date of this section. Any provision in a

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- governing document in effect on or after the effective date of this section that is inconsistent with subsection (1) of this section is unenforceable to the extent of the conflict.
 - Sec. 5. RCW 70.128.060 and 2004 c 140 s 3 are each amended to read as follows:

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- (1) An application for license shall be made to the department upon forms provided by it and shall contain such information as the department reasonably requires.
- (2) Subject to the provisions of this section, the department shall issue a license to an adult family home if the department finds that the applicant and the home are in compliance with this chapter and the rules adopted under this chapter, unless (a) the applicant or a person affiliated with the applicant has prior violations of this chapter relating to the adult family home subject to the application or any other adult family home, or of any other law regulating residential care facilities within the past five years that resulted in revocation, suspension, or nonrenewal of a license or contract with the department; or (b) the applicant or a person affiliated with the applicant has a history of significant noncompliance with federal, state, or local laws, rules, or regulations relating to the provision of care or services to vulnerable adults or to children. A person is considered affiliated with an applicant if the person is listed on the license application as a partner, officer, director, resident manager, or majority owner of the applying entity, or is the spouse of the applicant.
 - (3) The license fee shall be submitted with the application.
- (4) The department shall serve upon the applicant a copy of the decision granting or denying an application for a license. An applicant shall have the right to contest denial of his or her application for a license as provided in chapter 34.05 RCW by requesting a hearing in writing within twenty-eight days after receipt of the notice of denial.
- (5) The department shall not issue a license to a provider if the department finds that the provider or spouse of the provider or any partner, officer, director, managerial employee, or majority owner has a history of significant noncompliance with federal or state

- regulations, rules, or laws in providing care or services to vulnerable adults or to children.
 - (6) The department shall license an adult family home for the maximum level of care that the adult family home may provide. The department shall define, in rule, license levels based upon the education, training, and caregiving experience of the licensed provider or staff.
 - (7) The department shall establish, by rule, standards used to license nonresident providers and multiple facility operators.
 - (8) The department shall establish, by rule, for multiple facility operators educational standards substantially equivalent to recognized national certification standards for residential care administrators.
 - (9) The license fee shall be set at ((fifty)) one hundred dollars per year for each home. ((A fifty)) An eight hundred dollar processing fee shall also be charged each home when the home is initially licensed. The processing fee will be applied toward the license renewal in the subsequent three years. A five hundred dollar rebate will be returned to any home that renews after four years in operation.
 - (10) A provider who receives notification of the department's initiation of a denial, suspension, nonrenewal, or revocation of an adult family home license may, in lieu of appealing the department's action, surrender or relinquish the license. The department shall not issue a new license to or contract with the provider, for the purposes of providing care to vulnerable adults or children, for a period of twenty years following the surrendering or relinquishment of the former license. The licensing record shall indicate that the provider relinquished or surrendered the license, without admitting the violations, after receiving notice of the department's initiation of a denial, suspension, nonrenewal, or revocation of a license.
- (11) The department shall establish, by rule, the circumstances requiring a change in the licensed provider, which include, but are not limited to, a change in ownership or control of the adult family home or provider, a change in the provider's form of legal organization, such as from sole proprietorship to partnership or corporation, and a dissolution or merger of the licensed entity with another legal organization. The new provider is subject to the provisions of this chapter, the rules adopted under this chapter, and other applicable law. In order to ensure that the safety of residents is not

- 1 compromised by a change in provider, the new provider is responsible
- 2 for correction of all violations that may exist at the time of the new
- 3 license.

NEW SECTION. Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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