

**ASSEMBLY BILL NO. 4535**  
**(Second Reprint)**

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Assembly Bill No. 4535 (Second Reprint) with my recommendations for reconsideration.

Assembly Bill No. 4535 (Second Reprint) would codify cooperative sober living residences ("CSLRs"), also referred to as sober living homes, as a distinct category of boarding home under New Jersey's Rooming and Boarding House Act, N.J.S.A. 55:13B-1 et seq., and impose additional operational and oversight requirements for CSLRs that do not exist under current regulation. The bill would require the Department of Community Affairs ("DCA"), which licenses CSLRs, to maintain and publish online a list identifying each licensed CSLR's location and contact information and conduct unannounced inspections and records reviews of those CSLRs twice per year. The bill also would require operators of CSLRs to notify DCA of any events that jeopardize the health, safety, or welfare of residents or staff, including overdoses. In addition, the bill would compel CSLRs to employ supervisors certified by DCA as qualified to manage CSLR operations, at least one of whom must be present at the CSLR at all times; forbid alcohol or illicit drug possession within the residence and subject residents to random testing; and encourage residents to attend certain programs and activities focused on sobriety and recovery. Finally, the bill would increase the penalty for violating the licensing requirements from \$5,000 to \$25,000.

The bill comes in response to a recent report by the State Commission of Investigation ("SCI"), which found, in part, that certain unlicensed sober living homes were providing poor living conditions to recovery residents and otherwise failed to comply

with CSLR regulatory requirements. The bill adopts each SCI recommendation concerning the State's regulation of sober living homes: stiffer financial penalties for licensure violations; enhanced reporting requirements for certain incidents that occur on premises; and a published CSLR list.

I commend the bill's sponsors' commitment to implementing reasonable measures aimed at addressing potential abuses by owners of sober living homes that may adversely impact the home's residents. Sober living homes offer their residents a safe place to call home, where peer support and accountability are readily available, fostering a strong sense of community that is the cornerstone to sustained recovery. The bill takes important steps towards ensuring that CSLRs continue to provide stable, autonomous, and substance-free living environments to those in recovery.

But I am concerned that the legislation's command that licensed CSLRs employ at least one supervisor to be present at all times - which was not identified in the SCI report as having an apparent nexus to curtailing the conduct of unscrupulous owners - may unnecessarily strain the resources and erode the protections afforded to persons recovering from substance use disorders.

Since 2018, CSLRs have been recognized in DCA regulations as a discrete license category that allows them to exist in residential zones. Among other things, DCA's regulations impose licensing criteria that limit the number of individuals who may reside in a home to ten and require an individual who exercises control over the CSLR's operation to reside there. Just last year, DCA adopted several amendments to these regulations, including increasing the level of supervision required for licensure. The

recently revised regulations now require a CSLR to have two operators, "one of whom must be present on-site from 7:00 p.m. to 7:00 a.m. when residents are present, and at least one of whom shall reside in the residence and exercise some level of control over the operation of the residence and establishes the residence's rules" to obtain and maintain a license to operate. This amendment was the product of significant stakeholdering, carefully designed to ensure that CSLR personnel are more readily available to residents without encroaching on the CSLR's purpose to provide a peer-supportive and structured living environment to individuals in recovery or overly burdening CSLR operations such that they could no longer provide the benefits of sober living to those in need.

For these reasons, I am recommending amendments to Assembly Bill No. 4535 (Second Reprint) that align the bill's staffing requirements with DCA's current regulations. My proposed modifications to the bill would codify the current requirement to provide two operators, one present from 7:00 p.m. to 7:00 a.m. when residents are present and one who resides in the home. My recommended amendments acknowledge the recency of this revision to the regulations as well as the significant efforts of DCA, industry experts, and sober living entities and organizations to achieve regulatory standards that ensure that CSLRs remain available to those who have taken the courageous step toward substance-use recovery.

Therefore, I herewith return Assembly Bill No. 4535 (Second Reprint) and recommend that it be amended as follows:

Page 7, Section 5, Line 20: Delete "employ" and insert "provide"

Page 7, Section 5, Line 21: Delete "supervisors" and insert "two operators"

Page 7, Section 5, Lines 28-29:

Delete ". No less than one supervisor shall be required to be present at the cooperative sober living residence at all times" and insert ", one of whom shall be present on-site from 7:00 p.m. to 7:00 a.m. when residents are present, and at least one of whom shall reside in the residence and exercise some level of control over the operation of the residence and establishes the residence's rules"

Page 8, Section 7, Line 7:

Delete "supervisors" and insert "operators"

[seal]

Respectfully,

/s/ Philip D. Murphy

Governor

Attest:

/s/ Kate E. McDonnell

Chief Counsel to the Governor