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## Group Homes for Recovering Substance Abusers

### Sec. 17a-647-1. Definitions

For the purpose of sections one (1) through nine (9) of these regulations, inclusive:

(a) “Commission” means the Connecticut Alcohol and Drug Abuse Commission.

(b) “Executive director” means the executive director of the Connecticut Alcohol and Drug Abuse Commission.

(c) “Group home” means a residence established by a group of four (4) or more individuals who:

(1) are sponsored by a private, non-profit organization; and

(2) are recovering from substance abuse problems; and

(3) join together with the intention of receiving funds pursuant to Public Act 89-290 for the purpose of establishing or enhancing a place of residence.

(d) “Sponsoring organization” means any private, non-profit organization that makes application to the commission for a loan pursuant to Public Act 89-290.

(Effective September 27, 1990)

### Sec. 17a-647-2. Program Description

The Anti-Drug Abuse Act of 1988, Public Law 100-690, as amended, established a program entitled Group Homes for Recovering Substance Abusers. The program directs each state to establish a revolving loan fund to provide loans, not to exceed \$4,000 each, to sponsoring organizations who shall convey the proceeds of any such loans to groups of four or more individuals who are recovering from alcohol or drug abuse problems for the purpose of establishing or enhancing group homes.

(Effective September 27, 1990)

### Sec. 17a-647-3. Use of loans, restrictions

(a) Only group homes which are sponsored by a private, non-profit sponsoring organization may receive the proceeds of a loan.

(b) Loans may be used for costs associated with the establishment of a group home. Such costs may include, but are not limited to, security deposits, first month’s rent, facility modifications, furniture, or the purchase of amenities which foster healthy group living. Loans shall not be used for the purchase of prospective dwelling.

(c) A sponsoring organization may apply for more than one loan if the organization intends to sponsor more than one group home. Only one loan shall be granted for each group home.

(d) Each property which is used for the purpose of establishing a group home shall be suitable in size and accessibility for the residents of the group home.

(e) The rent for the property shall be at or below fair market value for the surrounding area.

(Effective September 27, 1990)

### Sec. 17a-647-4. Sponsoring organization

(a) Any sponsoring organization which receives a loan shall convey the entire proceeds of the loan to a group home that is established and governed in a manner which is consistent with the federal Anti-Drug Abuse Act of 1988, Public Law 100-690, as amended, and with these regulations.

(b) The sponsoring organization shall certify that the group home which receives the proceeds of a loan has established, through a majority vote, written house rules. Such rules shall include, but are not necessarily limited to the following:

(1) The criteria and method by which new residents shall be accepted into the group home.

(2) A requirement that any potential resident of the home shall be informed of the house rules and shall agree in writing to abide by such rules prior to acceptance into the group home.

(3) A prohibition against the use of alcohol or any illegal drug in the group home and a requirement that any resident of the group home who violates such prohibition shall be expelled from the housing.

(4) A requirement that each resident of the group home pay an established share of the cost of operating the home.

(5) A method of allocating each resident's proportional share of operating expenses.

(c) The sponsoring organization shall have the right of access to the premises of the home and any financial records of the home.

(Effective September 27, 1990)

#### **Sec. 17a-647-5. Group home residents**

(a) Residents of the group home shall have successfully completed a treatment program and shall be free from alcohol and/or drug use for a minimum of thirty (30) days.

(b) Cost of the housing, including fees for rent, utilities and repayment of the loan in accordance with section 7 of these regulations, shall be paid by the residents of the group home.

(c) Residents of the group home shall collectively have sufficient income to pay all such costs of the housing.

(d) Each group home shall establish an independent checking account for the purpose of transacting the group home's financial affairs.

(Effective September 27, 1990)

#### **Sec. 17a-647-6. Eligibility and application process**

(a) Any sponsoring organization that intends to establish or sponsor a group home for four or more recovering substance abusers is eligible to apply for a loan.

(b) Application shall be made on a form provided by the commission. Such forms are available upon request. Completed application forms shall be submitted to the executive director.

(c) The sponsoring organization shall provide, at its own expense, an audit of its previous year's accounts.

(d) If a specific rental property for the group home has not been secured at the time of application, the sponsoring organization shall have ninety (90) days from the date of approval of the loan to secure a property.

(1) A ninety (90) day extension to this requirement may be granted by the executive director if the sponsoring organization requests such in writing and can demonstrate that there has been, and continues to be, an ongoing search for a suitable rental property.

(2) Such extensions shall only be granted when accompanied by a statement that, to the best of the sponsoring organization's knowledge, the prospective residents of the group home continue to be free from alcohol and/or drug use.

(e) The executive director shall notify the sponsoring organization in writing of the approval or denial of the loan.

(Effective September 27, 1990)

#### **Sec. 17a-647-7. Repayment, interest**

(a) There shall be a written loan agreement between the sponsoring organization and the commission.

(b) The term of the loan shall be no more than two (2) years.

(c) The proceeds of the loan shall be used in accordance with the guidelines for such loans issued by the Secretary of the Department of Health and Human Services of the federal government pursuant to the requirements of Public Law 100-690.

(d) Repayment of the loan shall be the responsibility of the sponsoring organization and shall be made in no more than twenty-four (24) monthly installments and in accordance with the terms of the loan agreement.

(e) Each loan shall bear interest at a rate determined by the commission, which shall not exceed six (6) per cent per year.

(f) The commission may, from time to time, modify the applicable interest rate on new loans. Loans previously awarded shall remain at their existing rate.

(g) A late penalty of five (5) per cent of the amount of any monthly payment shall be charged for any payment received more than fifteen (15) days after the due date of such payment.

(Effective September 27, 1990)

#### **Sec. 17a-647-8. Default**

(a) A loan shall be in default if a payment is more than one month overdue.

(b) If a loan is, or has been in default, the executive director may request, at his option, immediate repayment of the outstanding loan balance, or receive payment for the past due amount and require the sponsoring organization to submit a monthly financial report of the group home to the executive director.

(c) In the event that the group home fails to succeed, the state may forgive the outstanding loan balance if, in its determination, the sponsoring organization has provided a good faith effort to ensure the success of the home.

(d) The sponsoring organization shall address any request for loan forgiveness to the executive director. The executive director shall conduct an investigation and make a recommendation on the request to the commission. If the commission approves the request, it shall forward its recommendation to the Attorney General, pursuant to Section 3-7 (a) of the Connecticut General Statutes.

(Effective September 27, 1990)

#### **Sec. 17a-647-9. Oversight**

(a) In order to monitor the effectiveness of the program, the executive director may require periodic reports from the sponsoring organization for any group home established with assistance from the loan fund, including after the loan is repaid.

(b) During the period that the loan is outstanding, commission staff shall have access to the premise of the group home in order to ensure compliance with the terms and conditions of the loan agreement.

(c) The commission staff shall have access to financial records pertaining to the establishment and operation of any group home. Records which are required include, but are not necessarily limited to:

(1) Verification that the entire proceeds of the loan were conveyed by the sponsoring organization to the group home and the purpose for which the funds were used.

(2) Any financial records of the group home which pertain to transactions for which the loan proceeds were used.

(3) The checking account records of the group home.

(4) Data pertaining to the success or failure of residents of the group home to remain free from the use of alcohol and/or drugs.

(5) The financial books and records of the sponsoring organization which pertain to the loan.

(Effective September 27, 1990)