



# SENATE BILL 408: Stop Addiction Fraud Emergency Act of 2021.

2021-2022 General Assembly

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<b>Committee:</b>	Senate Rules and Operations of the Senate	<b>Date:</b>	May 6, 2021
<b>Introduced by:</b>	Sens. Burgin, Krawiec, Perry	<b>Prepared by:</b>	Robert Ryan
<b>Analysis of:</b>	Second Edition		Staff Attorney

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**OVERVIEW:** *Senate Bill 408 would create a new article to regulate the trade practices related to addiction recovery services.*

## **BILL ANALYSIS:**

Senate Bill 408 would create a new section, **G.S. 90-113.150**, that creates definitions for entities providing addiction recovery services. These entities are defined as:

- Recovery residence – an unlicensed shared living environment that is centered on peer support and connection to services related to recovery from substance abuse.
- Treatment facility – a facility, program, person, or entity that is licensed to provide services related to the treatment of and recovery from substance abuse.

Senate Bill 408 would create a new section, **G.S. 90-113.152**, which would make it unlawful for a treatment facility, recovery residence, or a third party those entities contracted with, to: offer, receive, or solicit any kickback in exchange for referring a person to a certain treatment facility or recovery residence. A violation of this section would be punishable as a Class G felony.

Senate Bill 408 would create a new section, **G.S. 90-113.153**, which would exempt hospitals from the provisions of this new law.

**EFFECTIVE DATE:** This act becomes effective December 1, 2021, and applies to offenses committed on or after that date.

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