(SUBSTITUTED FOR - SEE 1ST SUB)

Declares that the state: (1) Finds that the department of social and health services should not engage in the improper and inappropriate reduction of the number of license violations found by field inspectors for the purpose of allowing agency licensees to avoid liability in a manner that permits the violating agency to stay open at the risk of public safety; and

(2) Recognizes the need to prohibit sham transfers of licenses between behavioral health licensees found in violation of the terms of their license agreement and their family members.

Requires the department of social and health services to issue an annual report to the legislature containing a detailed overview of each settlement agreement entered into between the department and behavioral health licensees concerning the resolution of administrative complaints, license violations, suspensions, and revocations.