

**TITLE 42 USC • CHAPTER 6A • SUBCHAPTER XVII • Part B • subpart ii • § 300x-25**

**§ 300x-25. Group homes for recovering substance abusers**

**(a) State revolving funds for establishment of homes**

A State, using funds available under section 300x-21 of this title, may establish and maintain the ongoing operation of a revolving fund in accordance with this section to support group homes for recovering substance abusers as follows:

- (1) The purpose of the fund is to make loans for the costs of establishing programs for the provision of housing in which individuals recovering from alcohol or drug abuse may reside in groups of not less than 6 individuals. The fund is established directly by the State or through the provision of a grant or contract to a nonprofit private entity.
- (2) The programs are carried out in accordance with guidelines issued under subsection (b) of this section.
- (3) Not less than \$100,000 is available for the fund.
- (4) Loans made from the revolving fund do not exceed \$4,000 and each such loan is repaid to the revolving fund by the residents of the housing involved not later than 2 years after the date on which the loan is made.
- (5) Each such loan is repaid by such residents through monthly installments, and a reasonable penalty is assessed for each failure to pay such periodic installments by the date specified in the loan agreement involved.
- (6) Such loans are made only to nonprofit private entities agreeing that, in the operation of the program established pursuant to the loan—

- (A) the use of alcohol or any illegal drug in the housing provided by the program will be prohibited;
- (B) any resident of the housing who violates such prohibition will be expelled from the housing;
- (C) the costs of the housing, including fees for rent and utilities, will be paid by the residents of the housing; and
- (D) the residents of the housing will, through a majority vote of the residents, otherwise establish policies governing residence in the housing, including the manner in which applications for residence in the housing are approved.

**(b) Issuance by Secretary of guidelines**

The Secretary shall ensure that there are in effect guidelines under this subpart for the operation of programs described in subsection (a) of this section.

**(c) Applicability to territories**

The requirements established in subsection (a) of this section shall not apply to any territory of the United States other than the Commonwealth of Puerto Rico.

Note: Law above reflects the October 17, 2000 amendment [PL 106-310] that made the provision permissive on the states rather than mandatory, as it had been under PL 100-690. However, even under the permissive provision the requirement on the houses stays the same and the federal criteria of paragraph (6) describe the Oxford House™ concept and system of operation.