

House Engrossed

SNAP; error rate; forensic audit

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HOUSE BILL 2206

AN ACT

AMENDING TITLE 46, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES, BY
ADDING SECTION 46-232; REPEALING SECTION 46-232, ARIZONA REVISED STATUTES;
RELATING TO THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 46, chapter 2, article 2, Arizona Revised
3 Statutes, is amended by adding section 46-232, to read:

4 46-232. Payment error rate; reduction; quarterly reports;
5 requirements; auditor general

6 A. ON OR BEFORE DECEMBER 30, 2030, THE DEPARTMENT SHALL REDUCE THE
7 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM'S PAYMENT ERROR RATE AS REPORTED
8 BY THE UNITED STATES DEPARTMENT OF AGRICULTURE TO NOT MORE THAN THREE
9 PERCENT.

10 B. BEGINNING IN FISCAL YEAR 2026-2027 AND EACH FISCAL YEAR
11 THEREAFTER, THE DEPARTMENT SHALL SUBMIT A QUARTERLY REPORT TO THE
12 LEGISLATURE WITHIN THIRTY DAYS AFTER THE END OF THE QUARTER THAT DETAILS
13 THE DEPARTMENT'S MONTHLY PROGRESS TOWARDS REDUCING THE PAYMENT ERROR RATE
14 AND THAT INCLUDES STRATEGIES AND BARRIERS THAT MAY BE PRESENT IN REDUCING
15 THE PAYMENT ERROR RATE.

16 C. IF THE DEPARTMENT FAILS TO MEET ANNUAL INTERIM TARGETS
17 ESTABLISHED BY RULE OR THE FINAL TARGET AS PRESCRIBED IN SUBSECTION A OF
18 THIS SECTION, THE DEPARTMENT SHALL:

19 1. SUBMIT A CORRECTIVE ACTION PLAN TO THE LEGISLATURE WITHIN SIXTY
20 DAYS THAT INCLUDES AN ANALYSIS OF WHY THE TARGETS WERE NOT MET AND
21 TIMELINES FOR CORRECTING THE PAYMENT ERROR RATE.

22 2. PAY FIFTY PERCENT OF ANY FEDERAL LIABILITIES THAT MAY BE IMPOSED
23 DUE TO THE EXCESS PAYMENT ERROR RATES. THE REMAINING FEDERAL LIABILITIES
24 SHALL BE PAID FROM THE STATE GENERAL FUND.

25 3. IMPLEMENT A CORRECTIVE PLAN. IF THE DEPARTMENT FAILS TO COMPLY
26 WITH THE CORRECTIVE PLAN, THE DEPARTMENT'S ADMINISTRATIVE FUNDING SHALL BE
27 REDUCED BY TEN PERCENT UNTIL RESOLVED.

28 D. ON OR BEFORE NOVEMBER 15, 2027, THE AUDITOR GENERAL SHALL
29 COMPLETE A SPECIAL AUDIT. THE SPECIAL AUDIT SHALL DETERMINE WHAT FACTORS
30 CONTRIBUTED TO THE PAYMENT ERROR RATE AND SHALL INCLUDE RECOMMENDATIONS TO
31 REDUCE THE PAYMENT ERROR RATE. THE DEPARTMENT SHALL IMPLEMENT THE
32 RECOMMENDATIONS WITHIN TWELVE MONTHS AFTER RECEIVING THE RECOMMENDATIONS
33 FROM THE AUDITOR GENERAL UNLESS THE RECOMMENDATIONS ARE WAIVED BY THE
34 JOINT LEGISLATIVE AUDIT COMMITTEE. THE AUDITOR GENERAL MAY REQUEST THAT
35 THE DEPARTMENT SUBMIT A WRITTEN STATUS REPORT ON THE DEPARTMENT'S
36 IMPLEMENTATION OF THE SPECIAL AUDIT RECOMMENDATIONS.

37 E. IF THE DEPARTMENT CORRECTS THE PAYMENT ERROR RATE AHEAD OF
38 SCHEDULE, THE LEGISLATURE MAY ALLOCATE ADDITIONAL FUNDING FOR PROGRAM
39 IMPROVEMENTS.

40 Sec. 2. Delayed repeal

41 Section 46-232, Arizona Revised Statutes, as added by this act, is
42 repealed from and after December 31, 2032.

43 Sec. 3. Short title

44 This act may be cited as the "Oh SNAP Act".