

REFERENCE TITLE: SNAP; error rate; forensic audit.

State of Arizona
Senate
Fifty-seventh Legislature
Second Regular Session
2026

SB 1333

Introduced by
Senator Kavanagh

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; annual report;
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 2027-2028 AND EACH FISCAL YEAR
11 THEREAFTER, THE DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE
12 LEGISLATURE BY DECEMBER 31 THAT DETAILS THE DEPARTMENT'S PROGRESS TOWARDS
13 REDUCING THE PAYMENT ERROR RATE AND THAT INCLUDES STRATEGIES AND BARRIERS
14 THAT MAY BE PRESENT IN REDUCING THE PAYMENT ERROR RATE.

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

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

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

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

28 D. ON OR BEFORE DECEMBER 30, 2031, THE AUDITOR GENERAL SHALL
29 COMPLETE A FORENSIC AUDIT. THE FORENSIC AUDIT SHALL DETERMINE WHAT
30 FACTORS CONTRIBUTED TO THE PAYMENT ERROR RATE AND SHALL INCLUDE
31 RECOMMENDATIONS TO REDUCE THE PAYMENT ERROR RATE. THE DEPARTMENT SHALL
32 IMPLEMENT THE RECOMMENDATIONS WITHIN TWELVE MONTHS AFTER RECEIVING THE
33 RECOMMENDATIONS FROM THE AUDITOR GENERAL UNLESS THE RECOMMENDATIONS ARE
34 WAIVED BY THE JOINT LEGISLATIVE AUDIT COMMITTEE.

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

38 Sec. 2. Delayed repeal

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40 repealed from and after December 31, 2032.

41 Sec. 3. Short title

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