

House Engrossed Senate Bill

~~DCS; intake hotline; multiple reports~~  
(now: deficiencies; denial; credentialing)

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

# SENATE BILL 1172

AN ACT

AMENDING TITLE 41, CHAPTER 14, ARTICLE 1, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 41-1971; RELATING TO THE DEPARTMENT OF ECONOMIC SECURITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Title 41, chapter 14, article 1, Arizona Revised  
3 Statutes, is amended by adding section 41-1971, to read:  
4 41-1971. Credentialing or recredentialing applications;  
5 developmental disabilities services; deficiencies;  
6 denial; appeal; rules; definitions  
7 A. IF THE DEPARTMENT DENIES AN APPLICATION FOR CREDENTIALING OR  
8 RECREDENTIALING, THE DEPARTMENT SHALL GIVE THE APPLICANT AN OPPORTUNITY TO  
9 CORRECT ANY DEFICIENCIES WITH THE APPLICATION THAT LED TO THE INITIAL  
10 DENIAL. THE APPLICANT HAS FOURTEEN BUSINESS DAYS AFTER RECEIVING THE  
11 NOTICE OF DENIAL FROM THE DEPARTMENT TO CORRECT THE DEFICIENCIES. IF THE  
12 APPLICANT NOTIFIES THE DEPARTMENT IN WRITING WITHIN THE FOURTEEN-DAY  
13 PERIOD THAT THE DEFICIENCIES HAVE BEEN CORRECTED, THE DEPARTMENT SHALL  
14 REEVALUATE THE CREDENTIALING OR RECREDENTIALING APPLICATION.  
15 B. IF AFTER REEVALUATION THE DEPARTMENT DENIES THE APPLICATION AND  
16 DOES NOT INITIATE A CONTRACT ACTION WITHIN FOURTEEN BUSINESS DAYS, THE  
17 APPLICANT MAY APPEAL THE DECISION PURSUANT TO ARTICLE 3 OF THIS CHAPTER.  
18 C. ON OR BEFORE JUNE 30, 2027, THE DEPARTMENT SHALL ADOPT RULES TO  
19 IMPLEMENT THIS SECTION.  
20 D. FOR THE PURPOSES OF THIS SECTION:  
21 1. "APPLICANT" MEANS A PERSON OR ORGANIZATION THAT HAS SUBMITTED AN  
22 APPLICATION SEEKING CREDENTIALING BY THE DEPARTMENT.  
23 2. "CREDENTIALING" MEANS THE PROCESS OF VERIFYING THE  
24 QUALIFICATIONS AND STANDARDS AND ANY OTHER REQUIREMENTS A VENDOR MUST HAVE  
25 TO BE ELIGIBLE TO CONTRACT WITH THE DEPARTMENT TO PROVIDE SERVICES  
26 PURSUANT TO SECTION 36-557.