

REFERENCE TITLE: DES; credentialing; application; deficiencies

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

SB 1632

Introduced by
Senators Werner: Angius, Rogers

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. Qualified vendors; credentialing applications;
5 deficiencies; denial; appeal; definitions

6 A. NOTWITHSTANDING ANY OTHER LAW, IF THE DEPARTMENT DENIES A
7 QUALIFIED VENDOR'S APPLICATION FOR CREDENTIALING OR A QUALIFIED VENDOR'S
8 APPLICATION FOR RECREDENTIALING, THE DEPARTMENT SHALL GIVE THE QUALIFIED
9 VENDOR AN OPPORTUNITY TO CORRECT ANY DEFICIENCIES WITH THE APPLICATION
10 THAT LED TO THE INITIAL DENIAL. THE QUALIFIED VENDOR HAS FOURTEEN
11 BUSINESS DAYS AFTER RECEIVING THE NOTICE OF DENIAL FROM THE DEPARTMENT TO
12 CORRECT THE DEFICIENCIES. IF THE QUALIFIED VENDOR NOTIFIES THE DEPARTMENT
13 IN WRITING WITHIN THE FOURTEEN-DAY PERIOD THAT THE DEFICIENCIES HAVE BEEN
14 CORRECTED, THE DEPARTMENT SHALL REEVALUATE THE QUALIFIED VENDOR'S
15 CREDENTIALING OR RECREDENTIALING APPLICATION.

16 B. IF AFTER RE-EVALUATION, THE DEPARTMENT DENIES THE QUALIFIED
17 VENDOR'S APPLICATION, THE QUALIFIED VENDOR MAY APPEAL THE DECISION
18 PURSUANT TO ARTICLE 3 OF THIS CHAPTER.

19 C. FOR THE PURPOSES OF THIS SECTION:

20 1. "CREDENTIALING" MEANS THE PROCESS OF VERIFYING THE
21 QUALIFICATIONS, STANDARDS AND ANY OTHER REQUIREMENTS A VENDOR MUST HAVE TO
22 BE ELIGIBLE TO CONTRACT WITH THE DEPARTMENT TO PROVIDE SERVICES TO
23 RECIPIENTS OF DEPARTMENT PROGRAMS.

24 2. "QUALIFIED VENDOR" MEANS A PERSON THAT APPLIES TO ENTER INTO A
25 CONTRACT WITH THE DEPARTMENT TO PROVIDE SERVICES TO RECIPIENTS OF
26 DEPARTMENT PROGRAMS.