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H.B. 163
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Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Rader and Deeter

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SUMMARY

- Requires the Ohio Department of Job and Family Services (ODJFS) to replace all existing electronic benefit transfer cards used to provide benefits for the Supplemental Nutrition Assistance Program (SNAP) with cards that are chip-enabled.
- Requires the ODJFS Director to adopt rules regarding cybersecurity and digital service related to SNAP electronic benefit transfer cards and mobile payments.
- Requires the Director to ensure that the ODJFS website contains a mechanism for SNAP benefit recipients to report fraud.
- Appropriates \$10,600,000 in FY 2026 to support the transition to chip-enabled electronic benefit transfer cards.
- Designates the bill's provisions as the "Enhanced Cybersecurity for SNAP Act of 2025."

DETAILED ANALYSIS

SNAP cybersecurity

Background

The Supplemental Nutrition Assistance Program (SNAP) assists low-income households with purchasing food. Households participating in SNAP receive monthly benefit allotments that are provided through an electronic benefit transfer card, which can be used to purchase food in a similar manner to a debit card. In Ohio, the electronic benefit transfer card is known as the Ohio

Direction Card.¹ The bill makes several changes related to electronic benefit transfer cards for SNAP, such as imposing cybersecurity requirements.

Chip-enabled cards

Not later than two years after the bill’s effective date, the ODJFS Director must replace all existing electronic benefit transfer cards with chip-enabled cards that meet the requirements specified in technical guidance prepared by the U.S. Department of Agriculture. Beginning two years after the bill’s effective date, the Director must ensure that all new SNAP cards issued are chip-enabled cards.² To assist with implementing these requirements, the bill appropriates \$10,600,000 (\$5,300,000 in general revenue funds) in FY 2026.³

Rulemaking and reporting

The bill requires the Director, not later than one year after the bill’s effective date, to adopt rules concerning cybersecurity and digital service related to electronic benefit transfer cards and mobile payments under SNAP. At a minimum, the rules must ensure that cybersecurity measures for SNAP cards and mobile payments meet the security safeguards used in the private sector and required by federal agencies for credit, debit, and other payment cards and mobile payments. The bill requires the Director to review the rules every five years and update them as necessary.⁴

Additionally, the bill requires the Director to ensure that the ODJFS website contains a mechanism that allows SNAP participants to report fraudulent transactions.⁵

Designation

The bill designates its provisions as the “Enhanced Cybersecurity for SNAP Act of 2025.”⁶

HISTORY

Action	Date
Introduced	03-12-25

ANHB0163IN-136/sb

¹ Ohio Department of Job and Family Services, [What is the Ohio Direction Card](#), which may be accessed under the “Food Assistance” tab on the ODJFS website: jfs.ohio.gov.

² R.C. 5101.542(D).

³ Sections 4, 5, and 6.

⁴ R.C. 5101.54(A)(11).

⁵ R.C. 5101.543.

⁶ Section 3.