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H.B. 163
136th General Assembly

Bill Analysis

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Version: As Re-referred by House Rules and Reference

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 \$3 million in FY 2027 to support the transition to chip-enabled electronic benefit transfer cards.
- Designates the bill's provisions as the "Enhanced Cybersecurity for SNAP Act of 2026."

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.

¹ Ohio Department of Job and Family Services, [What is the Ohio Direction Card](#).

Chip-enabled cards

Beginning on the bill's effective date, ODJFS must ensure that all new electronic benefit transfer cards are chip-enabled cards that meet the requirements specified in technical guidance prepared by the U.S. Department of Agriculture. Thereafter, ODJFS must replace all existing SNAP cards with chip-enabled cards under ODJFS's ordinary timeframe for replacing cards.² To assist with implementing these requirements, the bill appropriates \$3 million (\$2.25 million in general revenue funds) in FY 2027.³

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 2026."⁶

HISTORY

Action	Date
Introduced	03-12-25
Reported, H. Agriculture	05-20-26
Re-referred to H. Finance	05-27-26

ANHB0163RCH-136/ks

² R.C. 5101.542(D).

³ Sections 4, 5, and 6.

⁴ R.C. 5101.54(A)(11).

⁵ R.C. 5101.5411.

⁶ Section 3.