Enhanced Cybersecurity for SNAP Act of 2026

Section-By-Section Summary

Section 1. Short Title

This section sets out the short title of the bill: the "Enhanced Cybersecurity for SNAP Act of 2026."

Section 2. Enhanced Cybersecurity for EBT Cards

This section requires the United States Department of Agriculture (USDA) to review and update cybersecurity and digital service regulations for the Supplemental Nutrition Assistance Program (SNAP) Electronic Benefit Transfer (EBT) cards and mobile payments within two years of the bill's passage, and at least once every five years thereafter. The required updates will ensure, at a minimum, that cybersecurity measures for EBT cards and mobile payments keep pace with payment security safeguards used by the private sector and by federal agencies.

This section also requires states to begin issuing fraud-resistant chip-enabled cards and gradually phase out insecure magnetic stripes from EBT cards. Specifically, states will be required to issue chip-enabled EBT cards within two years of the new cybersecurity and digital service regulations being published. Within four years, states will no longer be able to issue new standard EBT cards containing a magnetic stripe. Within five years, states will have to reissue all existing EBT cards containing a magnetic stripe as chip-only cards - only the time-limited cards used for Disaster SNAP and cards used solely for Summer EBT are excepted from this requirement. The federal government will reimburse states for all reasonable costs of complying with this bill, including the up-front costs paid to card vendors, the additional annual fees for chip-enabled cards, and postage costs for card delivery.

This section also details specific requirements for the regulations USDA must issue that enable better cybersecurity and digital access to SNAP benefits, including that:

- States provide households with a choice of multiple accessible, reliable, and mobile-friendly user interfaces – for example, a web-based online portal, mobile application, or voice-based telephone service – to manage their EBT account.
- Each user interface shall support multiple languages - consistent with existing SNAP regulations requiring states to provide SNAP materials in different languages.
- Each user interface must be available at least 99% of the time. In other words, for the average week that passes, each interface is unavailable – for example, due to network failure, software bugs, or planned maintenance – for no longer than 2 hours..
- At least one of the interfaces offered should be an application programming interface, through which households can delegate access to account features to third-party software.

- States provide timely electronic notice of transactions using the EBT account of a household through each digital user interface.
- Each user interface allows households to (a) report fraudulent transactions, (b) freeze and unfreeze their EBT account, and (c) verify their enrollment status.
- States must follow federal cybersecurity regulations related to password and PIN security.

Merchants will have to update their payment processing systems to support chip-enabled cards. In order to help pay for these upgrades, this section creates a grant program for eligible merchants to upgrade to chip-compatible payment terminals. These merchants include farmers markets, direct to consumer farmers, and merchants who are authorized to participate in SNAP but who do not currently have payment terminals that accept chip-enabled cards and are located in areas with limited grocery access.

This section will also require USDA to regularly collect data on states' (1) cybersecurity measures adopted for EBT cards and (2) user interfaces offered to recipients. Furthermore, it requires USDA to publish a biannual public report identifying trends in benefit theft and evaluating the effectiveness of security regulations.

Section 3. Online Transaction Security

This section requires USDA to publish regulations to protect household's benefits, EBT card details, and other sensitive data from being stolen in online transactions. This may include rules on how vendors are to securely manage this data. Additionally, this section requires that USDA work with states to collect data on benefit theft from online transactions. In doing all of these things, USDA will consult with other federal agencies, state agencies, retail food stores, and EBT contractors. USDA will also work with all of those stakeholders to determine how benefits and sensitive data are being stolen through online transactions, as well as how those stolen benefits and data are being used.

This section also requires that USDA begin issuing regular reports to Congress on online benefit theft. These reports shall include the frequency, volume, and value of reported thefts from online transactions, as well as how the agency has responded and their recommendations for improvement. Any identifying merchant information in this report will not be made publicly available.

Section 4. Ensuring No Loss of Access to Benefits Due to EBT Card Damage, Loss, or Fraud

This section requires USDA to publish regulations that ensure households will receive a replacement card or an alternative method of using their benefits no later than three business days after submitting a request for replacement EBT card. Currently, households can go over a week without purchasing food while awaiting a replacement card.

Section 5. No Replacement Fees for Certain EBT Cards

This section prohibits states from charging a fee for replacement EBT cards in the event of card malfunction, suspected or reported fraud by an individual outside of the household, card expiration, or a required replacement of the card in compliance with this bill.

Section 6. Requirement For Retailer Use of Chip-Enabled Payment Terminals as a Condition of SNAP Participation

This section requires that retail and wholesale food stores that are applying to accept SNAP, or are reapplying to remain in the SNAP program, must have a chip-compatible payment terminal at each of their store locations. This requirement goes into effect roughly six months after the first round of new cybersecurity rules required by earlier sections in this bill are finalized.

Section 7. Report

This section directs USDA to issue a public report on the security of Puerto Rico's Nutritional Assistance Program's EBT card system and its resistance to cloning.

Section 8. Conforming Amendments

This section removes paragraphs in the Consolidated Appropriations Act, 2023, that conflict with the provisions of this bill related to EBT card security.