AMENDMENT NO.________ Calendar No.______

Purpose: To enhance cybersecurity relating to the use of EBT cards under the supplemental nutrition assistance program.

IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.

S. __________________

To provide for the reform and continuation of agricultural and other programs of the Department of Agriculture through fiscal year 2031, and for other purposes.

Referred to the Committee on ____________________ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. FETTERMAN (for himself and Mr. JUSTICE)

Viz:

Strike section 4106 and insert the following:

SEC. 4106. ENHANCED CYBERSECURITY FOR SNAP.

(a) SHORT TITLE.—This section may be cited as the "Enhanced Cybersecurity for SNAP Act of 2026".

(b) DEFINITION OF EBT CARD.—Section 3(i) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(i)) is amended by inserting "(or any successor electronic benefit transfer product)" before the period at the end.

(c) ENHANCED CYBERSECURITY AND ONLINE TRANSACTION SECURITY FOR EBT CARDS.—Section 7(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)) is amended by adding at the end the following:

"(15) CYBERSECURITY OF EBT CARDS.—

"(A) DEFINITIONS.—In this paragraph:

"(i) CHIP-ENABLED.—

"(I) IN GENERAL.—The term 'chip-enabled', with respect to a payment card, means a payment card that uses industry standard secure payment technology, as identified by the Secretary, in consultation with the Secretary of the Treasury and the Director of the National Institute of Standards and Technology, that—

"(aa) provides for secure card-based payment; and

"(bb) is resistant to cloning.

"(II) CHIP CARD TECHNOLOGY.—The Secretary, in consultation with the Secretary of the Treasury and the Accredited Standards Committee X9, shall consider whether the secure payment technology described in subclause (I) should meet the industry standards for contact and contactless payments.

"(ii) MOBILE FRIENDLY.—The term 'mobile friendly' has the meaning given the term in section 3559(b) of title 44, United States Code.

"(iii) NIST PIN AND PASSWORD STANDARDS.—The term 'NIST PIN and password standards' means the PIN and password standards described in Special Publication 800–63B entitled 'Digital Identity Guidelines' (or a successor document) of the National Institute of Standards and Technology.

"(iv) PIN.—The term 'PIN' has the meaning given the term 'personal identification number (PIN)' in section 271.2 of title 7, Code of Federal Regulations (or a successor regulation).

"(B) REGULATIONS.—

"(i) IN GENERAL.—Not later than 2 years after the date of enactment of this paragraph, the Secretary shall promulgate, and every 5 years thereafter, the Secretary shall review and update as necessary, cybersecurity and digital service regulations relating to EBT cards and mobile technologies under the supplemental nutrition assistance program, including, at a minimum, to ensure that cybersecurity measures for EBT cards and mobile technologies keep pace with security safeguards used by the private sector and required by Federal agencies for credit, debit, and other payment cards and mobile technologies.

"(ii) REQUIREMENTS.—The Secretary shall ensure that the cybersecurity and digital service regulations described in clause (i) require the following:

"(I)(aa) Each State agency shall operate the user interfaces listed on the list of required user interfaces maintained by the Secretary under item (dd)(AA), in accordance with this subclause, 1 or more user interfaces of which households in the State may, at the election of the applicable household, use to manage the EBT account of the applicable household.

"(bb)(AA) A State agency may operate other user interfaces under item (aa) in addition to the required user interfaces on the list maintained by the Secretary under item (dd)(AA).

"(BB) Any web-based online portal operated by a State agency as a user interface shall be mobile friendly.

"(cc) Each user interface offered by a State agency under items (aa) and (bb), as applicable, shall—

"(AA) provide information in each language in which the State agency is required to make material available pursuant to section 272.4(b) of title 7, Code of Federal Regulations (or a successor regulation);

"(BB) be available to households at least 99 percent of the time; and

"(CC) include any other features required by the Secretary.

"(dd)(AA) The Secretary shall maintain a list of required user interfaces for purposes of item (aa), which may include a web-based online portal and a mobile application.

"(BB) During the 10-year period following the date on which the regulations promulgated pursuant to clause (i) become final, unless the Secretary extends that period, the Secretary shall maintain on the list under subitem (AA) the following user interfaces: text message, voice telephone service, and United States Postal Service mail.

"(II)(aa) Each State agency shall provide to households on an opt-in basis—

"(AA) through each digital user interface offered under subclause (I), timely electronic notice of transactions using the EBT account of the household; and

"(BB) through digital or practicable user interfaces offered under subclause (I), access to, including the ability to search, historical transactions for not less than the preceding 12 months.

"(bb) Transaction information under subitems (AA) and (BB) of item (aa) shall include the amount of the transaction, the merchant for the transaction, and the city and State of the merchant.

"(cc) Each State agency shall offer households the ability, through each user interface offered under subclause (I), to report a fraudulent transaction to the State agency.

"(dd) A State agency shall not require a household to respond to or acknowledge a notice of transaction delivered pursuant to item (aa)(AA).

"(ee) A State agency shall notify any household that has reported an instance of EBT card skimming or fraud, or is otherwise identified as being a victim of EBT card skimming or fraud, of—

"(AA) any State or Federal funds that may be reimbursed if the household experiences fraud again, if such funds are available; and

"(BB) the ability of the household to apply fraud-prevention measures.

"(III) Each State agency shall provide households issued an EBT card the ability to check, through each user interface offered under subclause (I), the enrollment status of the household.

"(IV) Except as provided in clause (iii)(I), not later than 2 years after the date on which the regulations promulgated pursuant to clause (i) become final, State agencies shall begin issuing chip-enabled EBT cards.

"(V) Except as provided in clause (iii)(I), not later than 4 years after the date on which the regulations promulgated pursuant to clause (i) become final, State agencies may not issue new EBT cards with magnetic stripes.

"(VI) Except as provided in subclauses (I) and (II) of clause (iii), not later than 5 years after the date on which the regulations promulgated pursuant to clause (i) become final, State agencies shall be required to reissue any existing valid EBT cards with magnetic stripes as chip-enabled EBT cards without magnetic stripes.

"(VII) In the case of a chip-enabled EBT card reissued pursuant to any of subclauses (IV) through (VI), absent suspicion of fraud, as applicable, a State agency shall—

"(aa) reissue a new chip-enabled EBT card; and

"(bb) deactivate the current chip-enabled EBT card on the earlier of—

"(AA) the date on which the new chip-enabled EBT card is activated; and

"(BB) 90 days after the date on which the new chip-enabled EBT card is sent to the household.

"(iii) EXCEPTIONS.—

"(I) WAIVERS.—The Secretary may issue a 1-time waiver of an applicable deadline described in subclause (IV), (V), or (VI) of clause (ii) with respect to a State agency, subject to the conditions that—

"(aa) the State agency shall submit to the Secretary a request for the waiver;

"(bb) the Secretary and the State agency shall agree that insufficient adoption of payment terminals that accept chip-enabled EBT cards has occurred among retail food stores in the State;

"(cc) the waiver may extend the applicable deadline by not more than 180 days; and

"(dd) the Secretary may not issue more than 2 waivers pursuant to this subclause for a single State agency.

"(II) EARLY ADOPTERS.—The deadline described in clause (ii)(VI) shall not apply to any State agency that commenced the issuance of chip-enabled EBT cards without magnetic stripes before the date of enactment of the Enhanced Cybersecurity for SNAP Act of 2026.

"(iv) SUNSET FOR REQUIREMENT TO USE CHIP TECHNOLOGY.—

"(I) IN GENERAL.—Except as provided in subclause (II), under the cybersecurity regulations described in clause (i), all EBT cards issued during the 5-year period beginning on the deadline for carrying out clause (ii)(VI) shall be chip-enabled, unless the Secretary—

"(aa) provides a waiver for the applicable State agency pursuant to clause (iii)(I); or

"(bb) extends that period for all State agencies.

"(II) EXCEPTIONS.—Subclause (I) shall not apply to EBT cards issued—

"(aa) by a State agency described in clause (iii)(II);

"(bb) to victims of a disaster pursuant to section 5(h); or

"(cc) solely for benefits under the summer electronic benefits transfer for children program established under section 13A of the Richard B. Russell National School Lunch Act (42 U.S.C. 1762).

"(III) SUCCESSOR ELECTRONIC BENEFIT TRANSFER PRODUCTS.—Effective beginning on the first day after the 5-year period described in subclause (I), the Secretary may implement a successor electronic benefit transfer product to a chip-enabled EBT card required under this subparagraph pursuant to a review of EBT card security measures conducted under clause (i).

"(v) RULE OF CONSTRUCTION.—The cybersecurity and digital service regulations described in clause (i) shall supersede any regulations promulgated pursuant to section 501(a)(2) of division HH of the Consolidated Appropriations Act, 2023 (7 U.S.C. 2016a(a)(2)).

"(C) REIMBURSEMENT.—

"(i) IN GENERAL.—Notwithstanding any other provision of this Act, each State agency upgrading EBT cards to comply with the regulations promulgated pursuant to subparagraph (B)(i) shall receive full reimbursement from the Secretary for all reasonable costs incurred by the State agency during the 5-year period beginning on the date on which the regulations become final, including—

"(I) the 1-time up-front costs paid by the State agency to EBT card vendors;

"(II) the additional annual fees associated with chip-enabled cards paid by State agencies to EBT card vendors; and

"(III) postage or other delivery-related costs.

"(ii) ONGOING COSTS.—Any reasonable costs incurred by a State agency to comply with the regulations promulgated pursuant to subparagraph (B)(i) incurred after the 5-year period described in clause (i) shall be subject to the administrative cost-share requirements under section 16(a).

"(D) PROHIBITION ON PASSWORD AND PIN REQUIREMENTS INCONSISTENT WITH FEDERAL CYBERSECURITY STANDARDS.—Effective beginning on the date that is 1 year after the date of enactment of this paragraph, a State agency may not require, with respect to a PIN for use of an EBT card or a password for access to an online account or mobile application managing the EBT card, that—

"(i) the PIN or password be periodically changed in circumstances that are prohibited by the NIST PIN and password standards; or "(ii) the password meet complexity requirements that are prohibited by the NIST PIN and password standards.

"(E) GRANT PROGRAM FOR CHIP-ENABLED EBT CARDS.—

"(i) DEFINITIONS.—In this subparagraph:

"(I) ADMINISTERING ENTITY.—The term 'administering entity' means an entity awarded a grant under clause (ii) to provide subgrants to eligible entities.

"(II) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(aa) an entity described in paragraph (1) or (3) of section 3(o) that—

"(AA) is authorized to participate in the supplemental nutrition assistance program under section 9;

"(BB) does not have payment terminals that accept chip-enabled EBT cards; and

"(CC) is located in an area with limited grocery access, as determined by the Secretary; and

"(bb) an entity described in paragraph (2), (4), or (5) of section 3(o) that meets the requirements described in subitems (AA) and (BB) of item (aa).

"(ii) GRANTS.—Subject to the availability of appropriations provided in advance in an appropriation Act specifically for the purpose of this clause, the Secretary shall establish a grant program to award a grant to an administering entity to provide subgrants to eligible entities to upgrade to chip-compatible payment terminals that support contact and contactless payment card technology.

"(iii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this subparagraph $15,000,000 for each of fiscal years 2027 through 2031.

"(iv) SUNSET.—The grant program under this subparagraph shall terminate on September 30, 2031.

"(F) PUBLIC REPORTS.—

"(i) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, and every 2 years thereafter during the 5-year period beginning on the date on which the regulations promulgated pursuant to subparagraph (B)(i) become final, the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, and make publicly available on the website of the Department of Agriculture, a report that, to the maximum extent practicable—

"(I) identifies trends relating to the theft of benefits, including—

"(aa) the frequency of theft of benefits;

"(bb) the locations at which EBT cards are compromised;

"(cc) the methods by which EBT cards are compromised;

"(dd) the number and value of reported thefts from online EBT card transactions; and

"(ee) the relevant online retailers most commonly compromised;

"(II) evaluates the effectiveness of existing cybersecurity regulations for the supplemental nutrition assistance program, including identifying ineffective measures and the compliance burden borne by individual benefit recipients;

"(III) describes—

"(aa) the measures and methods developed, and considerations taken, under paragraph (16)(A); and

"(bb) the determinations made under paragraph (16)(B)(ii);

"(IV) describes the efforts of State agencies—

"(aa) to update cybersecurity measures for EBT cards; and

"(bb) to reimburse stolen benefits;

"(V) examines usability issues of EBT cards, including issues that present barriers to households using benefits or affect fraud prevention goals; and

"(VI) recommends potential new methods to consistently detect, track, report, and prevent theft of benefits, including theft of data described in paragraph (16)(A)(i)(I).

"(ii) RESTRICTED ANNEX.—A publicly available report under this subparagraph—

"(I) shall exclude any information that—

"(aa) relates to methods to exploit EBT card and cybersecurity weaknesses, as determined by the Secretary; or "(bb) is identifying or proprietary merchant information; but

"(II) may include information described in subclause (I) in a nonpublicly available annex.

"(16) ONLINE TRANSACTION SECURITY.—

"(A) IN GENERAL.—In promulgating and updating, as necessary, the regulations under paragraph (15)(B)(i), the Secretary shall, with respect to online transactions using EBT cards—

"(i) require security measures that—

"(I) are effective in detecting and preventing theft of benefits through online transactions, including the theft of data from online merchants that may compromise the ability of a household to use benefits in transactions with other merchants, either online or in-person; and

"(II) prevent sensitive data from being stolen during online transactions and securely manage sensitive data generated by online transactions, including through cybersecurity enhancements for online retailers;

"(ii) establish standard reporting methods for State agencies to collect and share with the Secretary data on the scope of benefits and data being stolen through online transactions; and

"(iii) in carrying out clauses (i) and (ii), take into consideration the feasibility of cost, availability, and implementation for State agencies.

"(B) CONSULTATION.—In carrying out subparagraph (A), the Secretary shall consult with the Director of the Administration for Children and Families, the Attorney General of the United States, the Director of the Secret Service, State agencies, retail food stores, and EBT card contractors—

"(i) regarding the measures, methods, and considerations under that subparagraph; and

"(ii) to determine—

"(I) how benefits are being stolen and sensitive data are being compromised through online transactions; and

"(II) how those stolen benefits and data are being used.".

(d) ENSURING NO LOSS OF ACCESS TO BENEFITS DUE TO EBT CARD DAMAGE, LOSS, OR FRAUD.—Section 7(h)(7) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(7)) is amended—

(1) by striking "Regulations" and inserting the following:

"(A) IN GENERAL.—Regulations"; and

(2) by adding at the end the following:

"(B) ENSURING NO LOSS OF ACCESS TO BENEFITS DUE TO EBT CARD DAMAGE, LOSS, OR FRAUD.—Not later than 1 year after the date of enactment of the Enhanced Cybersecurity for SNAP Act of 2026, the Secretary shall promulgate regulations requiring the following:

"(i) If an EBT card is damaged, no longer functions properly, is stolen, or is frozen due to fraud, the applicable State agency shall take the necessary steps to ensure that a replacement EBT card is issued to the applicable household, either by mail or in person, as selected by the household, not later than 5 business days after the State agency receives from the household a request for a replacement EBT card.

"(ii) A State agency shall not require, but may offer as an option, in-person collection of a new or replacement EBT card.".

(e) NO REPLACEMENT FEES FOR CERTAIN EBT CARDS.—Section 7(h)(8)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(8)(A)) is amended—

(1) by striking "A State agency" and inserting the following:

"(i) IN GENERAL.—Subject to clauses (ii) and (iii), a State agency"; and

(2) by adding at the end the following:

"(ii) EXCEPTIONS.—Effective beginning on the date that is 60 days after the date of enactment of the Enhanced Cybersecurity for SNAP Act of 2026, a State agency may not collect a charge under clause (i) if—

"(I) the EBT card to be replaced has not been replaced for any reason more than 3 times during the 1-year period ending on the date on which the replacement EBT card is issued; or

"(II) the replacement of the EBT card is due to—

"(aa) theft of, or fraud relating to, the EBT card; or

"(bb) required replacement in compliance with the regulations promulgated pursuant to paragraph (15)(B)(i).

"(iii) AMOUNT.—The amount of a charge under clause (i) shall be equal to not more than the cost of issuing the replacement EBT card.".

(f) REQUIREMENT FOR RETAILER USE OF CHIP-ENABLED PAYMENT TERMINALS AS A CONDITION OF SNAP PARTICIPATION.—Section 9(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2018(a)) is amended by adding at the end the following:

"(5) CHIP-ENABLED PAYMENT TERMINALS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 180 days after the date on which the regulations promulgated pursuant to section 7(h)(15)(B)(i) become final, the Secretary shall require retail food stores and wholesale food concerns seeking authorization or reauthorization to accept and redeem benefits under the supplemental nutrition assistance program to have a chip-enabled (as defined in section 7(h)(15)(A)) payment terminal at each retail location of the retail food store or wholesale food concern.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to any transaction involving a retail food store or wholesale food concern that occurs exclusively online.".

(g) GAO REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report that describes—

(1) the actions carried out by State agencies (as defined in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012)), retail food stores (as defined in that section), and wholesale food concerns (within the meaning of that Act (7 U.S.C. 2011 et seq.)) to decrease or eliminate risks with respect to

transactions involving EBT cards (as defined in that section);

(2) the feasibility of the actions described in paragraph (1); and

(3) the impact of the risks described in paragraph (1) on—

(A) implementation of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) by those retail food stores and wholesale food concerns; and

(B) the redemption of benefits (as defined in section 3 of that Act (7 U.S.C. 2012)) by recipients.

(h) REPORT ON EBT CARDS ISSUED IN PUERTO RICO.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, and make publicly available on the website of the Department of Agriculture, a report on the security of EBT cards (as defined in section 3 of the Food and Nutrition Act of 2008 (7 U.S.C.

2012)) issued in the Commonwealth of Puerto Rico, including—

(A) the resistance of those EBT cards to cloning; and

(B) if appropriate, recommendations for improving the security of the electronic benefit transfer system against EBT card cloning-based fraud.

(2) RESTRICTED ANNEX.—A publicly available report under this subsection—

(A) shall exclude any information that—

(i) relates to methods to exploit EBT card and cybersecurity weaknesses, as determined by the Secretary of Agriculture; or

(ii) is identifying or proprietary merchant information; but

(B) may include information described in subparagraph (A) in a nonpublicly available annex.