Senate Judiciary Committee

Brendan Bunnell 271-4063

HB 1175-FN, relative to the offense of use of scanning device or reencoder to defraud.

Hearing Date: March 19, 2026

Time Opened: 1:03 p.m. **Time Closed**: 1:06 p.m.

Members of the Committee Present: Senators Gannon, Reardon and Altschiller

Members of the Committee Absent: Senators Carson and Abbas

Bill Analysis: This bill updates the offense prohibiting the use of a scanning device or reencorder to defraud by including the scanning and reencoding of information contained on integrated circuit chips of payment cards instead of just magnetic strips or stripes.

Sponsors:

Rep. Alexander Jr.	Rep. Kuttab	Rep. A. Murray
Rep. Rhodes	Rep. Rice	Rep. Roy
Sen. Lang	Sen. Reardon	Sen. Sullivan
Sen. Ricciardi		

Who supports the bill: Representative Joseph Barton, Representative Cyril Aures, Senator Tara Reardon, Robert Dietel (NH Bankers Assoc.), Kate Horgan, Jonathan Melanson (NH Retail Assoc.), and Cory Stone

Who opposes the bill: None.

Who is neutral on the bill: None.

Summary of the testimony presented:

Grant Bosse, Deputy Chief of Staff of the New Hampshire Senate, introduced House Bill 1175 on behalf of Representative Joe Alexander. He explained that the bill is a straightforward update to New Hampshire's anti-skimming statute.

- Stated that current law is narrowly written to apply only to the theft of information from the magnetic strip of a credit card or gift card. However, many modern payment cards no longer rely on magnetic strips and instead use embedded chip technology or tap-to-pay functionality. Because of this, existing statutory language does not clearly cover newer forms of electronic payment data theft.

- Explained that HB 1175 updates the statute to include chip-enabled cards and similar technologies, ensuring that individuals who steal financial information from these newer forms of payment cards can still be prosecuted under the existing anti-skimming law. He emphasized that the bill does not create a new crime but rather modernizes the language so current law remains effective as payment technology evolves.

- Stated that he would direct questions to Representative Alexander and the supporters present at the hearing.

Kate Horgan, speaking on behalf of the New Hampshire Association of Counties, testified in support of House Bill 1175. She explained that the bill was requested by county attorneys because the current anti-skimming statute is too narrowly defined, limiting their ability to prosecute certain forms of financial data theft.

- Stated that prosecutors have encountered multiple situations where conduct clearly involving fraudulent collection of payment information could not be charged under the existing statute because it only applies to magnetic strip data.

- Provided a specific example involving a Dunkin' Donuts employee working at a drive-thru. In that case, when customers handed over their credit cards to pay, the employee used a personal Square card reader hidden on her hip instead of the store's payment system. She would tap the customer's card against her own device to capture the card information before completing the transaction normally. While prosecutors were able to charge her under other statutes, Horgan explained that the anti-skimming law would have been the most appropriate statute if it had covered modern card technologies.

- Emphasized that House Bill 1175 is a technical update to ensure that this type of conduct involving chip-enabled or contactless payments can be properly prosecuted under the anti-skimming statute.

- Senator Altschiller asked for clarification on the example Mrs. Horgan provided.

    - Horgan clarified that the individual involved was an employee working inside the drive-thru, not a customer, and confirmed that she used her personal card reader to scan customers' cards instead of the business's system.

BMB
Date Hearing Report completed: March 23, 2026