

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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HOUSE BILL 784

Short Title: Financial Institutions/ESG Factors. (Public)

Sponsors: Representatives Balkcom, D. Hall, Winslow, and Zenger (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Banking, if favorable, Rules, Calendar, and Operations of the House

April 19, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT FINANCIAL INSTITUTIONS FROM DISCRIMINATING BASED  
3 ON POLITICAL AFFILIATION OR VALUE-BASED OR IMPACT-BASED CRITERIA,  
4 INCLUDING ENVIRONMENTAL, SOCIAL, AND GOVERNANCE CREDIT FACTORS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 6 of Chapter 53C of the General Statutes is amended by adding  
7 a new section to read:

8 "**§ 53C-6-21. Discrimination prohibited.**

9 (a) A bank shall not refuse to provide financial services of any kind to, refrain from  
10 continuing to provide existing financial services to, terminate existing financial services with, or  
11 otherwise discriminate in the provision of financial services against a person solely based on  
12 either of the following:

13 (1) The person's political affiliation.

14 (2) Any value-based or impact-based criteria, including social credit scores or  
15 environmental, social, and governance credit factors.

16 (b) A bank may offer investments, products, or services to a potential customer or  
17 investor based on subjective standards only if the standards are fully disclosed and explained to  
18 the potential customer or investor before entering into a contract for the investment, product, or  
19 service. The bank shall obtain a signature from the potential customer or investor attesting that  
20 the bank has disclosed and explained the subjective standards being used by the bank.

21 (c) This section does not limit a bank's ability to discontinue or refuse to conduct business  
22 with a person when the action is necessary for the physical safety of the bank's employees.

23 (d) A person that is refused services by a bank in violation of this section may bring an  
24 action for injunctive relief in superior court. If the court finds that the bank has violated this  
25 section, the court shall also impose a civil penalty of ten thousand dollars (\$10,000) against the  
26 bank. If the court finds that the violation was willful, the court may treble the amount of the civil  
27 penalty. The clear proceeds of any penalty assessed pursuant to this section shall be remitted to  
28 the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

29 **SECTION 2.** Article 14C of Chapter 54 of the General Statutes is amended by adding  
30 a new section to read:

31 "**§ 54-109.23. Discrimination prohibited.**

32 G.S. 53C-6-21 applies to a credit union organized under Articles 14A to 14L of this Chapter."

33 **SECTION 3.** Article 4 of Chapter 54B of the General Statutes is amended by adding  
34 a new section to read:

35 "**§ 54B-79. Discrimination prohibited.**



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1 G.S. 53C-6-21 applies to a State association."

2 **SECTION 4.** Article 8 of Chapter 54C of the General Statutes is amended by adding  
3 a new section to read:

4 "**§ 54C-181. Discrimination prohibited.**

5 G.S. 53C-6-21 applies to a State savings bank."

6 **SECTION 5.** This act is effective when it becomes law and applies to acts and  
7 omissions occurring on or after that date.