

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS45286-MU-2A

Short Title: Farmers Protection Act.

(Public)

Sponsors: Senators B. Newton and Barnes (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO ENACT THE FARMERS PROTECTION ACT TO PREVENT
DISCRIMINATION IN FINANCING AGAINST FARMERS.

The General Assembly of North Carolina enacts:

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

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

(a) Definitions. – The following definitions apply in this section:

(1) Agriculture producer. – A person engaged in the growing of crops or livestock
production for retail consumption.

(2) ESG commitment. – A bank's decision either to join an initiative or
organization whose purpose is any environmental, social, or governance goal
or to otherwise commit to any environmental, social, or governance goal.

(b) Prohibition. – It is unlawful for a bank to deny or cancel its service to an agriculture
producer based, in whole or in part, upon the agriculture producer's greenhouse gas emissions,
use of fossil-fuel derived fertilizer, or use of fossil-fuel powered machinery.

(c) ESG Commitment. – If a bank has made any ESG commitment related to agriculture,
there is a rebuttable presumption that the bank's denial or restriction of a service to an agriculture
producer violates this section. A bank may overcome this rebuttable presumption by
demonstrating, through clear and convincing evidence, that its denial or restriction of a service
was based solely on documented financial considerations rather than an ESG commitment.

(d) Annual Report. – By January 1 of each year, a bank shall attest, under penalty of
perjury, on a form prescribed by the Commissioner, whether the bank is in compliance with this
section.

(e) Enforcement. – If a bank violates this section, the Commissioner may bring a civil
action to seek an injunction or civil penalty. A court may assess a civil penalty of up to ten
thousand dollars (\$10,000) per violation. The clear proceeds of a civil penalty assessed under this
section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with
G.S. 115C-457.2.

(f) Unfair or Deceptive Trade Practice. – A violation of this section is an unfair or
deceptive trade practice under G.S. 75-1.1."

SECTION 2. G.S. 54B-78 reads as rewritten:

"§ 54B-78. Prohibited practices.

(a) ~~Any~~ A person or association ~~who shall engage that engages in any either~~ of the
following acts or practices ~~shall be~~ is guilty of a Class 1 misdemeanor:



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(1) Defamation: Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating ~~of of~~, any oral, written, or printed statement ~~which that~~ is false regarding the financial condition of any association.

(2) False information and advertising: Making, publishing, disseminating, or circulating or causing, directly or indirectly, to be made published, disseminated, circulated, or otherwise placed before the public in any publication, media, notice, pamphlet, letter, poster, or any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to the savings and loan business or with respect to any person in the conduct of the savings and loan business ~~which that~~ is untrue, deceptive, or misleading.

(b) The provisions of G.S. 53C-6-21 apply to a State association."

SECTION 3. G.S. 54C-64 reads as rewritten:

"§ 54C-64. Prohibited practices.

(a) A person ~~who that~~ engages in ~~any either~~ of the following acts or practices is guilty of a Class 1 misdemeanor:

(1) Defamation: Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating ~~of of~~, any oral, written, or printed statement that is false regarding the financial condition of any savings bank.

(2) False information and advertising: Making, publishing, disseminating, circulating, or otherwise placing before the public in any publication, media, notice, pamphlet, letter, poster, or any other way, an advertisement, announcement, or statement containing any assertion, representation, or statement with respect to the savings bank business or with respect to any person in the conduct of the savings bank business that is untrue, deceptive, or misleading.

(3) Repealed by Session Laws 1997-241, s. 2.

(b) The provisions of G.S. 53C-6-21 apply to a State savings bank."

SECTION 4. Article 14C of Chapter 54 of the General Statutes is amended by adding a new section to read:

"§ 54-109.23. Discrimination prohibited.

The provisions of G.S. 53C-6-21 apply to a credit union. A credit union shall submit the annual report described in G.S. 53C-6-21(d) to the Administrator, and the Administrator has the enforcement authority described in G.S. 53C-6-21(e)."

SECTION 5. This act is effective when it becomes law and applies to acts committed on or after that date.