

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 62
Committee Substitute Favorable 3/12/25

Short Title: Farmers Protection Act.

(Public)

Sponsors:

Referred to:

February 6, 2025

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.

(2) ESG commitment. – A bank's decision either to join an initiative or
organization that has a purpose of promoting any environmental, social, or
political goal, or a bank's ongoing commitment to any environmental, social,
or political goal.

(b) Prohibition. – It is unlawful for a bank to deny, restrict, 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 any ESG commitment related to agriculture, there
is a rebuttable presumption that the bank's denial, restriction, or cancellation of a service to an
agriculture producer violates this section. A bank may overcome this rebuttable presumption by
demonstrating, through a preponderance of the evidence, that its denial, restriction, or cancellation
of a service was based solely on documented financial considerations rather than an ESG
commitment.

(d) Enforcement. – If a bank violates this section, the Commissioner or agriculture
producer 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."

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:

(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. The Administrator has the enforcement authority described in G.S. 53C-6-21(d)."

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