

House Bill 1205

By: Representatives Jones of the 25<sup>th</sup>, Williams of the 148<sup>th</sup>, Cox of the 28<sup>th</sup>, Ridley of the 6<sup>th</sup>, Cannon of the 172<sup>nd</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated,  
2 relating to deceptive or unfair practices, so as to prohibit discrimination in the provision of  
3 financial services; to require that financial institutions produce requested statements of  
4 specific reasons for the denial, restriction, or termination of services; to provide for  
5 definitions; to provide for legislative findings; to provide a short title; to provide for related  
6 matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Equality in Financial Services Act."

10 **SECTION 2.**

11 The General Assembly finds, determines, and declares that:

12 (1) Obtaining access to financial services is a basic requirement for citizens of this state  
13 to meaningfully participate in Georgia's marketplace;

14 (2) On account of their fundamental role in the marketplace, governments, at both the  
15 federal and state level, have given financial institutions significant privileges and have

16 enacted state and federal laws that guarantee access to certain financial services without  
17 discrimination based on race, color, religion, national origin, sex, and other factors;

18 (3) New banks and other financial institutions face significant barriers to entry that  
19 reduce the competitiveness of the marketplace and allow existing institutions to wield  
20 significant power;

21 (4) Financial institutions should not act as de facto regulators of private conduct by  
22 denying financial services based on a person's exercise of religion, association, speech,  
23 social views, or participation in particular industries;

24 (5) Financial institutions have a responsibility to make decisions about whether to  
25 provide a person with financial services on the basis of impartial criteria that are free  
26 from discrimination or favoritism based on the aforementioned factors;

27 (6) Financial institutions also have a responsibility to disclose the conditions under  
28 which they will deny a person financial services and, if they deny financial services, to  
29 provide upon request a truthful and complete explanation to the person as to why such  
30 financial services were denied;

31 (7) Financial institutions face increasing internal and external pressures to impede  
32 otherwise lawful commerce based on a person's exercise of religion, association, speech,  
33 social views, or participation in particular industries, and to do so covertly without  
34 informing the person or the public why such services were or will be denied;

35 (8) When financial institutions omit material information about when they will deny  
36 financial services or why they denied financial services to a person, such lack of  
37 transparency harms specific persons and the general marketplace;

38 (9) Such deception and unfair discrimination in the provision of financial services  
39 threatens the economy, security, and soundness of banking and other financial markets  
40 in Georgia; and

41 (10) Such deceptive and unfairly discriminatory practices violate the public trust and  
42 threaten the ability of the citizens of Georgia to speak freely as part of the democratic  
43 process and to live freely according to the dictates of their conscience.

44 **SECTION 3.**

45 Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated, relating to  
46 deceptive or unfair practices, is amended by adding a new part to read as follows:

47 "Part 10

48 10-1-439.20.

49 As used in this part, the term:

50 (1) 'Discriminate in the provision of financial services' means, directly or indirectly,  
51 refusing to provide financial services or restricting or terminating the provision of  
52 financial services to a person based on such person's social credit score.

53 (2) 'Financial institution' means:

54 (A) A bank or credit union that has more than \$100 billion in assets and any affiliate  
55 or subsidiary of such a bank or credit union; or

56 (B) A payment processor, credit card company, credit card network, payment network,  
57 payment service provider, or payment gateway that has processed more  
58 than \$100 billion in transactions in the most recent calendar year and any affiliate or  
59 subsidiary of such an entity.

60 (3) 'Financial services' means any financial product or service offered by a financial  
61 institution.

62 (4) 'Person' means any individual, partnership, association, joint stock company, trust,  
63 corporation, nonprofit organization, or other business or legal entity.

64 (5) 'Protected from government interference' means protected by the United States  
65 Constitution, the Georgia Constitution, or any state or federal law.

66 (6) 'Social credit score' means any analysis, rating, scoring, list, or tabulation that  
67 evaluates any of the following:

68 (A) A person's exercise of religion that is protected from government interference,  
69 including, without limitation, all aspects of religious observance and practice, as well  
70 as belief and affiliation;

71 (B) A person's speech, expression, or association that is protected from government  
72 interference, including, without limitation, a person's opinions, speech, or other  
73 expressive activities and the lawful preservation of privacy regarding those activities,  
74 such as the refusal to disclose lobbying, political activity, or contributions beyond what  
75 is required by applicable state or federal law;

76 (C) A person's failure or refusal to adopt any policy or make any disclosure relating to  
77 emissions of greenhouse gases, as defined in Code Section 12-6-221, beyond what is  
78 required by applicable state or federal law;

79 (D) A person's failure or refusal to conduct any type of racial, diversity, or gender audit  
80 or disclosure or to implement any quota or give any preference or benefit based in  
81 whole or in part on race, diversity, or gender;

82 (E) A person's failure or refusal to facilitate or assist employees in obtaining abortions  
83 or gender reassignment services; or

84 (F)(i) Except as provided in division (ii) of this subparagraph, a person's participation  
85 in any lawful business associations or business activities, including, without  
86 limitation, business associations or business activities relating to firearms,  
87 ammunition, oil, or natural gas.

88 (ii) For the purpose of this subparagraph only, the term 'social credit score' shall not  
89 include a financial institution's evaluation of the quantifiable financial risk of a person  
90 based on impartial, financial-risk-based standards concerning the activities described

91 in division (i) of this subparagraph, provided that such standards are established in  
92 advance by the financial institution and publicly disclosed to its customers and  
93 potential customers.

94 10-1-439.21.

95 (a) A financial institution shall not:

96 (1) Discriminate in the provision of financial services against a person; or

97 (2) Agree, conspire, or coordinate, directly or indirectly, including through any  
98 intermediary or third party, with another person or group of persons to engage in activity  
99 that is prohibited by paragraph (1) of this subsection.

100 (b)(1) If a financial institution refuses to provide financial services or restricts or  
101 terminates the provision of financial services to a person, the person may request from  
102 the financial institution a statement of specific reasons for such action within 30 days  
103 after receiving notice of such action.

104 (2) A person may make a request for a statement of specific reasons under paragraph (1)  
105 of this subsection by submitting the request to a customer service representative or  
106 designated account representative of the financial institution by telephone, regular mail,  
107 or email.

108 (3) A financial institution shall transmit a statement of specific reasons requested under  
109 this subsection by regular mail and email to the requesting person within 14 days of  
110 receiving such request. Such statement of specific reasons shall include:

111 (A) A detailed explanation of the basis for refusing to provide financial services or for  
112 restricting or terminating the provision of financial services, including a description of  
113 any of the person's speech, religious exercise, business activity with a particular  
114 industry, or other conduct that was, in whole or in part, the basis of the financial  
115 institution's refusal to provide financial services or restriction or termination of financial  
116 services; and

117 (B) A copy of the terms of service or other agreement governing the relationship  
118 between the financial institution and the person, if any, and a citation to a specific  
119 provision of such terms of service or other agreement upon which the financial  
120 institution relied in refusing to provide financial services or restricting or terminating  
121 the provision of financial services to the person.

122 10-1-439.22.

123 (a) A violation of any provision of this part shall constitute a violation of Part 2 of this  
124 article, the 'Fair Business Practices Act of 1975'; provided, however, that enforcement  
125 against such violation shall be by public enforcement by the Attorney General and,  
126 notwithstanding the provisions of Code Section 10-1-399, enforcement through a private  
127 action shall only be brought pursuant to subsection (b) of this Code section.

128 (b) Any person harmed by a violation of this part may bring an action against the financial  
129 institution that committed or is committing such violation to:

130 (1) Recover, for each violation, actual damages caused by such violation or \$50,000.00,  
131 whichever is greater; provided, however, that, if the trier of fact determines that the  
132 violation was wilful, it may increase the award of damages to an amount up to three times  
133 the actual damages caused by such violation or \$150,000.00, whichever is greater; and

134 (2) Obtain declaratory and injunctive relief."

135 **SECTION 4.**

136 All laws and parts of laws in conflict with this Act are repealed.