

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 560

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO THE EQUALITY IN FINANCIAL SERVICES ACT; AMENDING TITLE 26, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 38, TITLE 26, IDAHO CODE, TO PROVIDE A SHORT TITLE, TO PROVIDE FOR CONSTRUCTION OF TERMINOLOGY, TO DEFINE TERMS, TO PROHIBIT CERTAIN DISCRIMINATION AND TO REQUIRE A CERTAIN EXPLANATION, AND TO PROVIDE FOR ENFORCEMENT; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Title 26, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW CHAPTER, to be known and designated as Chapter 38, Title 26, Idaho Code, and to read as follows:

CHAPTER 38
EQUALITY IN FINANCIAL SERVICES ACT

26-3801. SHORT TITLE. This chapter shall be known and may be cited as the "Equality in Financial Services Act."

26-3802. CONSTRUCTION OF TERMINOLOGY. The definitions pursuant to section 26-3803, Idaho Code, shall be construed in favor of the broadest protection of the conduct, opinions, and beliefs protected by the first amendment to the United States constitution, the constitution of the state of Idaho, and applicable state and federal law.

26-3803. DEFINITIONS. For purposes of this chapter:

(1) "Discriminate in the provision of financial services" means utilizing a social credit score to directly or indirectly decline to provide full and equal enjoyment in the provision of financial services. "Discriminate in the provision of financial services" includes a refusal to provide, termination of, or restriction on financial services.

(2) (a) "Financial institution" means:

(i) A bank that has total assets over one hundred billion dollars (\$100,000,000,000); or

(ii) A payment processor, credit card company, credit card network, payment network, payment service provider, or payment gateway that has processed more than one hundred billion dollars (\$100,000,000,000) in transactions in the last calendar year.

(b) "Financial institution" includes any affiliate or subsidiary company even if that company is also a financial institution.

(3) "Financial service" means any financial product or service offered by a financial institution.

1 (4) "Person" means any individual, partnership, association, joint
2 stock company, trust, corporation, nonprofit organization, or other busi-
3 ness or legal entity.

4 (5) "Protected from government interference" refers to any speech,
5 religious exercise, association, expression, or conduct that is protected
6 by the first amendment to the United States constitution other than activ-
7 ities that the supreme court of the United States has expressly held are
8 unprotected as of July 1, 2024, such as obscenity, fraud, incitement, true
9 threats, fighting words, or defamation.

10 (6) (a) "Social credit score" means any analysis, rating, scoring,
11 list, or tabulation that evaluates any of the following:

12 (i) Any person's exercise of religion that is protected from gov-
13 ernment interference by the first amendment to the United States
14 constitution, article I, section 4 of the constitution of the
15 state of Idaho, or federal or state law, including all aspects of
16 religious observance and practice, as well as belief and affilia-
17 tion;

18 (ii) Any person's speech, expression, or association that is pro-
19 tected from government interference by the first amendment to the
20 United States constitution, article I, section 9 of the consti-
21 tution of the state of Idaho, or federal or state law, including
22 the person's opinions, speech, or other expressive activities,
23 including the lawful preservation of privacy regarding those ac-
24 tivities, such as the refusal to disclose lobbying, political
25 activity, or contributions beyond what is required by applicable
26 state and federal law;

27 (iii) Any person's failure or refusal to adopt any targets or dis-
28 closures related to greenhouse gas emissions beyond what is re-
29 quired by applicable law;

30 (iv) Any person's failure or refusal to conduct any type of
31 racial, diversity, or gender audit or disclosure or to provide any
32 sort of quota, preference, or benefit based, in whole or in part,
33 on race, diversity, or gender;

34 (v) Any person's failure or refusal to facilitate or assist em-
35 ployees in obtaining abortions or gender reassignment services;
36 or

37 (vi) Except as provided in paragraph (b) of this subsection, par-
38 ticipation in the following lawful business associations or busi-
39 ness activities:

40 1. The exploration, production, utilization, transporta-
41 tion, sale, or manufacture of fossil-fuel-based energy; or

42 2. The manufacture, distribution, wholesale, supply, or re-
43 tail of firearms, firearms accessories, or ammunition.

44 (b) For the purposes of paragraph (a) (vi) of this subsection only,
45 "social credit score" does not include a financial institution eval-
46 uating quantifiable financial risks of a person based on impartial,
47 financial-risk-based standards that include activities described in
48 paragraph (a) (vi) of this subsection if such standards are established
49 in advance by the financial institution and publicly disclosed to cus-
50 tomers and potential customers.

1 26-3804. DISCRIMINATION PROHIBITED -- EXPLANATION REQUIRED UPON RE-
2 QUEST. (1) A financial institution shall not discriminate in the provision
3 of financial services to a person.

4 (2) A person shall not agree, conspire, or coordinate, directly or in-
5 directly, including through any intermediary or third party, with another
6 person, or group of persons, to engage in activity prohibited by subsection
7 (1) of this section.

8 (3) If a financial institution refuses to provide, restricts, or ter-
9 minates service to a customer, that customer may request a statement of
10 specific reasons within ninety (90) days after receiving notice of the re-
11 fusal to provide, restriction of, or termination of service. The customer
12 may request the statement from a customer service representative or desig-
13 nated account representative by phone, United States mail, or email. The
14 financial institution shall transmit the statement of specific reasons via
15 United States mail or email within fourteen (14) days of receiving the cus-
16 tomer's request. The statement of specific reasons shall include:

17 (a) A detailed explanation of the basis for the denial or termination of
18 service, including a description of any of the customer's speech, reli-
19 gious exercise, business activity with a particular industry, or other
20 conduct that was, in whole or in part, the basis of the financial insti-
21 tution's denial or termination of service;

22 (b) A copy of the terms of service agreed to by the customer and the fi-
23 nancial institution; and

24 (c) A citation to the specific provisions of the terms of service upon
25 which the financial institution relied to refuse to provide, restrict,
26 or terminate service.

27 26-3805. ENFORCEMENT. (1) A violation of this chapter is a violation
28 of the Idaho consumer protection act, chapter 6, title 48, Idaho Code.

29 (2) The attorney general may undertake any and all actions authorized
30 by the Idaho consumer protection act to investigate and enforce a violation
31 of this chapter.

32 (3) A person harmed by a violation of this chapter may initiate a civil
33 action and may seek remedies pursuant to section 48-608, Idaho Code.

34 SECTION 2. An emergency existing therefor, which emergency is hereby
35 declared to exist, this act shall be in full force and effect on and after
36 July 1, 2024.