

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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HOUSE BILL 38

Short Title: Second Amendment Financial Privacy Act. (Public)

Sponsors: Representatives Pyrtle, Miller, Goodwin, and Chesser (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Commerce and Economic Development, if favorable, Judiciary 1, if favorable,  
Rules, Calendar, and Operations of the House

February 5, 2025

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT THE SECOND AMENDMENT FINANCIAL PRIVACY ACT.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Chapter 66 of the General Statutes is amended by adding a new Article  
5 to read:

6 "Article 52.

7 "Second Amendment Financial Privacy Act.

8 **"§ 66-511. Legislative findings.**

9 The General Assembly finds all of the following:

- 10 (1) The right of individuals to keep and bear arms is guaranteed under both the  
11 Second Amendment to the United States Constitution and Section 30 of  
12 Article I of the North Carolina Constitution.  
13 (2) In September 2022, the International Organization for Standardization, based  
14 in Switzerland, approved a new merchant category code for firearms  
15 merchants.  
16 (3) The new merchant category code would allow payment card networks and  
17 others involved in payment card processing to identify and separately track  
18 lawful payment card purchases at firearms merchants in North Carolina. This  
19 surveillance would cause a significant chilling effect on individuals in North  
20 Carolina wishing to exercise their federal and State constitutional rights to  
21 keep and bear arms.  
22 (4) In order to protect consumers in this State and promote lawful commerce in  
23 this State, the Second Amendment Financial Privacy Act prohibits payment  
24 card networks from using a firearms code or maintaining a firearms registry.

25 **"§ 66-512. Definitions.**

26 The following definitions apply in this Article:

- 27 (1) Firearms code. – Any code or other indicator that identifies to a payment card  
28 network any of the following:  
29 a. Whether a person is a firearms merchant.  
30 b. Whether a payment involves the purchase of a firearm or firearm  
31 ammunition.  
32 (2) Firearms merchant. – A person engaged in the lawful business of selling or  
33 trading firearms or firearm ammunition.



1           (3) Payment card network. – An entity involved in facilitating or processing an  
2           electronic transfer of funds between a merchant and a customer using a  
3           payment card. This term does not include the following:

4           a. A bank holding federally insured deposits from individuals.

5           b. A credit union holding federally insured deposits from individuals.

6 **"§ 66-513. Prohibitions.**

7           (a) No payment card network shall use a firearms code in connection with a payment  
8           card transaction involving a firearms merchant located in this State.

9           (b) No payment card network shall knowingly maintain a record of individuals residing  
10           in this State who own firearms.

11           (c) No payment card network shall discriminate against a firearms merchant based solely  
12           on the assignment or nonassignment of a firearms code, including by refusing to serve on similar  
13           terms or declining a lawful payment card transaction.

14 **"§ 66-514. Enforcement; civil penalty.**

15           (a) The Attorney General may investigate an alleged violation of this Article. After notice  
16           and an opportunity for hearing, if the Attorney General determines that a payment card network  
17           violated this Article, the Attorney General may assess a civil penalty of not more than ten  
18           thousand dollars (\$10,000) for each violation. The clear proceeds of any penalty assessed  
19           pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance  
20           with G.S. 115C-457.2.

21           (b) The powers vested in the Attorney General by this Article are in addition to and do  
22           not limit the ability of the Attorney General to take other enforcement action.

23 **"§ 66-515. Civil liability for violation.**

24           (a) Cause of Action. – A civil action may be brought against a payment card network for  
25           violation of this Article by any of the following:

26           (1) A firearms merchant located in this State whose payment card transactions are  
27           designated with a firearms code.

28           (2) A person that makes a payment card transaction with a firearms merchant  
29           located in this State and whose payment card record includes a firearms code  
30           for that transaction.

31           (3) An individual for whom a payment card network maintains a record of firearm  
32           ownership.

33           (b) Relief and Damages. – A person authorized to institute a civil action by subsection  
34           (a) of this section may seek and the court may award any or all of the following types of relief:

35           (1) An injunction to enjoin continued violation of this Article.

36           (2) Statutory damages in the amount of ten thousand dollars (\$10,000) for each  
37           instance of violation of this Article connected to the person filing the civil  
38           action.

39           (3) Costs and attorneys' fees.

40           (c) Statute of Limitations. – No action shall be maintained under subsection (a) of this  
41           section unless it is commenced no later than three years after the discovery of the violation of  
42           this Article."

43           **SECTION 2.** This act becomes effective October 1, 2025.