

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H.B. 899
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10504-MUa-46

Short Title: No Firearms Code for Credit Card Transactions. (Public)

Sponsors: Representative Cleveland.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROHIBIT FIREARMS CODES FOR PAYMENT CARD TRANSACTIONS.
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 "No Firearms Codes for Payment Card Transactions.

8 **"§ 66-511. Definitions.**

9 The following definitions apply in this Article:

- 10 (1) Financial institution. – An entity involved in facilitating or processing a
11 payment card transaction, including a bank, acquirer, payment card network,
12 or payment card issuer.
13 (2) Firearms code. – Any code or other indicator that identifies whether a person
14 is a firearms retailer or whether a payment card transaction involves the
15 purchase of a firearm, firearm ammunition, or other good related to firearms.
16 (3) Firearms retailer. – A person engaged in the lawful business of selling or
17 trading firearms, firearm ammunition, or other goods related to firearms.

18 **"§ 66-512. Prohibition.**

19 No financial institution shall use a firearms code in connection with a payment card
20 transaction involving a firearms retailer located in this State.

21 **"§ 66-513. Enforcement; civil penalty.**

22 The Attorney General may investigate an alleged violation of this Article. After notice and
23 an opportunity for hearing, if the Attorney General determines that a financial institution violated
24 this Article, the Attorney General may assess a civil penalty of not more than ten thousand dollars
25 (\$10,000) for each violation. The clear proceeds of any penalty assessed pursuant to this section
26 shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

27 **"§ 66-514. Civil liability for violation.**

28 (a) Cause of Action. – A civil action may be brought against a financial institution for
29 violation of this Article by either of the following:

- 30 (1) A firearms retailer located in this State whose payment card transactions are
31 designated with a firearms code.
32 (2) A person that makes a payment card transaction with a firearms retailer
33 located in this State and whose payment card record includes a firearms code
34 for that transaction.

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



- 1 (1) An injunction to enjoin continued violation of this Article.
- 2 (2) Statutory damages in the amount of ten thousand dollars (\$10,000) for each
- 3 instance of violation of this Article connected to the person filing the civil
- 4 action.

- 5 (3) Costs and attorneys' fees.
- 6 (c) Statute of Limitations. – No action shall be maintained under subsection (a) of this
- 7 section unless it is commenced no later than three years after the discovery of the violation of
- 8 this Article."

9 **SECTION 2.** There is appropriated from the General Fund to the NC Chamber the
10 sum of five thousand dollars (\$5,000) for the 2024-2025 fiscal year to notify businesses
11 throughout this State of this act.

12 **SECTION 3.** Section 2 of this act becomes effective July 1, 2024. The remainder of
13 this act becomes effective October 1, 2024.