

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 416
PROPOSED COMMITTEE SUBSTITUTE S416-PCS35290-BB-20

Short Title: Personal Privacy Protection Act.

(Public)

Sponsors:

Referred to:

March 25, 2025

A BILL TO BE ENTITLED
AN ACT TO ENACT THE PERSONAL PRIVACY PROTECTION ACT.
The General Assembly of North Carolina enacts:

SECTION 1. Chapter 55A of the General Statutes is amended by adding a new Article to read:

"Article 18.

"The Personal Privacy Protection Act.

"§ 55A-18-01. Short title.

This Article may be cited as The Personal Privacy Protection Act.

"§ 55A-18-02. Purpose.

This Article prohibits public agencies from collecting, disclosing, or releasing personal information about members, volunteers, and financial and nonfinancial donors to 501(c) nonprofit organizations, except as permitted by State or federal law or regulation. This Article provides penalties for violation of these privacy protections.

"§ 55A-18-03. Definitions.

In this Article, the following definitions apply:

- (1) Nonprofit organization. – An entity that (i) is exempt from federal income tax under section 501(c) of the Internal Revenue Code of 1986 or any successor section, (ii) has submitted an application with the Internal Revenue Service for recognition of an exemption under section 501(c) of the Internal Revenue Code of 1986 or any successor section, or (iii) is a not-for-profit business entity recognized under State law.
- (2) Person. – As defined in G.S. 12-3.
- (3) Personal information. – Any list, record, register, registry, roll, roster, or other compilation of data of any kind that directly or indirectly identifies a person as a member, supporter, volunteer, or donor of financial or nonfinancial support to any nonprofit organization. For the purposes of this Article, the terms "supporter" and "volunteer" shall not include members of the governing board, officers, directors, or staff of a nonprofit organization.
- (4) Public agency. – Any State or local governmental unit and its employees, however designated, including, but not limited to, this State; any department, agency, office, commission, board, division, or other entity of this State, including all boards, departments, and divisions; any political subdivision of this State, including, but not limited to, a county, city, local school administrative unit, community college, or any other local governmental unit,



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agency, authority, council, board, or commission; or any State or local court, tribunal, or other judicial or quasi-judicial body.

"§ 55A-18-04. Protections afforded.

(a) Except as provided in G.S. 55A-18-05 of this Article, a public agency shall not do any of the following:

- (1) Require any person or nonprofit organization to provide the public agency with personal information or otherwise compel the release of personal information.
- (2) Release, publicize, or otherwise publicly disclose personal information in possession of the public agency.
- (3) Request or require a current or prospective contractor or grantee with the public agency to provide a list of nonprofit organizations to which the current or prospective contractor or grantee has provided financial or nonfinancial support.

(b) Personal information is not a public record under Chapter 132 of the General Statutes.

"§ 55A-18-05. Exemptions.

This Article does not preclude any of the following:

- (1) Reporting or disclosure required by Article 22A of Chapter 163 of the General Statutes.
- (2) Issuing of a lawful warrant for personal information by a court of competent jurisdiction.
- (3) Request for discovery of personal information in litigation if both of the following conditions are met:
 - a. The requestor demonstrates a compelling need for the personal information by clear and convincing evidence.
 - b. The requestor obtains a protective order barring disclosure of personal information to any person not named in the litigation.
- (4) Admission of personal information as relevant evidence before a court of competent jurisdiction. However, no court shall publicly reveal personal information absent a specific finding of good cause.
- (5) Releasing personal information by a public agency that was voluntarily released to the public by the person or the nonprofit organization to which it relates.
- (6) Collection of information disclosing the identity of any director, officer, registered agent, or incorporator of a nonprofit organization in any report or disclosure required by statute to be filed with the Secretary of State. This Article does not preclude an audit, examination, review, or investigation pursuant to the authority of the Secretary of State under Chapters 10B, 55A, 78A, 78C, 78D, 120C, or 131F of the General Statutes so long as both of the following apply:
 - a. The personal information is only used in connection with the specific audit, examination, review, or investigation to which the request relates and for any related proceedings.
 - b. Any personal information collected otherwise remains subject to G.S. 55A-18-04(a)(2), unless expressly required by law to be publicly disclosed.
- (7) Disclosure of personal information derived from a donation to a nonprofit organization that is affiliated with a public agency and required by statute, if the person has not previously requested anonymity from the nonprofit organization.

(8) Collection and reporting by a national securities association that is registered pursuant to 15 U.S.C. § 78o-3, any regulations adopted under it, or any information that the national securities association is required to provide pursuant to State law.

(9) Requests by the Attorney General for personal information required for an audit, examination, review, or investigation pursuant to Chapters 36C, 36E, 55A, 75, and 131F of the General Statutes. Personal information provided pursuant to this exception shall only be used in connection with the specific audit, examination, review, or investigation to which the request relates and for any related proceedings. Any personal information collected shall otherwise remain subject to the provisions of G.S. 55A-18-04(a)(2), unless expressly required by law to be publicly disclosed.

"§ 55A-18-06. Penalties.

(a) A person alleging a violation of this Article may bring a civil action for appropriate injunctive relief, damages, or both. Damages awarded under this section may include one of the following, as appropriate:

(1) A sum of money not less than two thousand five hundred dollars (\$2,500) to compensate for injury or loss caused by each violation of this Article.

(2) For an intentional violation of this Article, a sum of money not to exceed three times the sum described in subdivision (1) of this subsection.

(b) A court, in rendering a judgment in an action brought under this Article, may award all or a portion of the costs of litigation, including reasonable attorneys' fees and witness fees, to the complainant in the action if the court determines that the award is appropriate.

(c) A person who knowingly violates this Article is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than one thousand dollars (\$1,000) or both.

"§ 55A-18-07. Severability.

If any provision of this Article or its application to any person or circumstance is held invalid, then the invalidity shall not affect other provisions or applications of this Article that can be given effect without the invalid provision or application and, to that end, the provisions of this Article shall be severable."

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