



HOUSE BILL 754: Fin. Exploit. Prevention/Savings Bank Updates.

2025-2026 General Assembly

Committee:	House Commerce and Economic Development. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 15, 2025
Introduced by:	Reps. Ross, Howard, N. Jackson, Crawford	Prepared by:	Greg Roney
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 754 would:*

- *Authorize a financial institution to delay or refuse a transaction from an account of a disabled adult or older adult when the financial institution believes that financial exploitation exists based on individualized information.*
- *Modernize the statutes governing State savings banks in the following areas: providing public notice, establishing new branches, changing the location of a branch, unifying the rules for confidential information with other bank types, and clarifying the authority of the board of directors.*

CURRENT LAW: Chapter 108A contains Article 6 and Article 6A. Both Article 6 and Article 6A provide protections for disabled adults. House Bill 754 amends and expands Article 6A.

Article 6 of Chapter 108A, titled "Protection of the Abused, Neglected or Exploited Disabled Adult Act," authorizes protective orders for disabled adults suffering abuse. Under G.S. 108A-106(f)(1)(b), a court is authorized to issue an order freezing the assets of a disabled adult upon the petition of the director of the county department of social services.

Article 6A of Chapter 108A, titled "Protection of Disabled and Older Adults From Financial Exploitation," encourages financial institutions to offer disabled adult and older adult customers the opportunity to submit a list of trusted persons to be contacted in case of suspected financial exploitation.

BILL ANALYSIS: Part I of House Bill 754 would expand Article 6A of Chapter 108A, titled "Protection of Disabled and Older Adults From Financial Exploitation," from the current notification to trusted contacts when a financial institution suspects financial exploitation to now authorize a financial institution to delay or refuse a transaction when the financial institution suspects exploitation.

Under House Bill 754, Article 6A is expressly applied to fiduciaries (e.g., power of attorney, custodians). The trusted contacts who can receive notice are also expanded from the current contact designated by the account owner to now include others with an interest in the account (i.e., joint owners and beneficiaries), fiduciaries appointed by a court or governmental agency, and family members.

House Bill 754 adds new G.S. 108A-118 to Article 6A, titled "Transaction delays and refusals," authorizing a financial institution to delay or refuse a transaction from an account of a disabled adult or older adult (65 years old or older) or an account where the disabled adult or older adult is a beneficiary or beneficial owner. To delay or refuse a transaction, the financial institution must:

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- Believe that financial exploitation of the older adult or disabled adult may have occurred or be attempted.
- Have individual observation or information received, including information received from a government agency or law enforcement agency.
- Initiate an internal review of the facts and circumstances that caused an employee of the financial institution to delay or refuse the disbursement or transaction.

The financial institution can hold the transaction for 30 days (the institution can extend the hold for an additional 30 days) unless a court issues an order.

Part II of House Bill 754 would modernize the statutes governing State savings banks as follows:

- Allow the Commissioner of Banks to issue a rule to allow public notice where there is no newspaper published in the area.
- Change the procedure to establish a new branch from a mechanical test under current law to new language allowing the Commissioner of Banks to evaluate the application for a new branch based on factors.
- Create a procedure to review the relocation of a branch.
- Unify the rules for confidential information held by the Commissioner of Banks.
- Clarify the authority of the Board of Directors.

EFFECTIVE DATE: House Bill 754 would be effective when it becomes law.