



SENATE BILL 416: Personal Privacy Protection Act.

2025-2026 General Assembly

Committee:		Date:	July 29, 2025
Introduced by:	Sens. Daniel, Hise, Moffitt	Prepared by:	Hannah Kendrick*
Analysis of:	Ratified		Staff Attorney

OVERVIEW: *Senate Bill 416 creates the Personal Privacy Protection Act that would prohibit public agencies from collecting, disclosing, or releasing personal information about members, volunteers, and donors to 501(c) nonprofit organizations, except as required by law.*

BILL ANALYSIS: Senate Bill 416 creates a new Article 18 in Chapter 55A, the North Carolina Nonprofit Corporation Act titled The Personal Privacy Protection Act.

G.S. 55A-18-02 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.

G.S. 55A-18-03 creates the following definitions to apply in the new Article:

- **Nonprofit organization:** An entity that (i) is exempt from federal income tax under section 501(c) of the Internal Revenue Code, (ii) has applied with the IRS for recognition of an exemption under 501(c), or (iii) is a not-for-profit business entity recognized under State law.
- **Person:** As defined under G.S. 12-3.
- **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. The terms "supporter" and "volunteer" will not include members of the governing board, officers, directors, or staff of a nonprofit organization.
- **Public agency:** Any State or local government unit and its employees, however designated, including but not limited to, this State; any department, agency, office, commission, board, division, or other entity of the State; any political subdivision of the State; or any State or local court, tribunal, or other judicial or quasi-judicial body.

G.S. 55A-18-04 prohibits public agencies from doing the following:

- Requiring any person or nonprofit organization to provide the agency with personal information or to compel the release of personal information.
- Releasing, publicizing, or otherwise publicly disclosing personal information in possession of the agency.
- Requesting or requiring a current or prospective contractor or grantee with the agency to provide a list of nonprofit organizations to which the current or prospective contractor or grantee has provided financial or nonfinancial support.

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Personal information, as defined under this Article, is not a public record under Chapter 132 of the General Statutes.

G.S. 55A-18-05 exempts the following from the Personal Privacy Protection Act:

- Any report or disclosure required under Article 22A of Chapter 163 of the General Statutes, Regulating Contributions/Expenditures in political campaigns.
- Any lawful warrant for personal information issued by a court of competent jurisdiction.
- A request for discovery of personal information in litigation if both of the following conditions are met:
 - The requestor demonstrates a compelling need for the personal information by clear and convincing evidence.
 - The requestor obtains a protective order barring disclosure of personal information to any person not named in the litigation.
- Admission of personal information as relevant evidence before a court of competent jurisdiction. No court shall publicly reveal personal information absent a specific finding of good cause.
- 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.
- 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. The 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:
 - 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.
 - Any personal information collected otherwise remains subject to G.S. 55A-18-04(a)(2), unless expressly required by law to be publicly disclosed.
- 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.
- 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.
- 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 can only be used in connection with the specific audit, examination, review, or investigation to which it relates and for any related proceedings. Any personal information collected will remain subject to the provisions of G.S. 55A-18-04(a)(2), unless expressly required by law to be publicly disclosed.

G.S. 55A-18-06 provides penalties for violations of the Act.

A person alleging a violation of the Act may bring a civil action for injunctive relief, damages, or both. Damages may be awarded as follows:

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- Compensatory damages not less than \$2,500 for each violation;
- A sum not to exceed three times the sum of the above amount for an intentional violation.

Court costs, including reasonable attorney fees and witness fees, may also be awarded if the court deems it appropriate.

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.

G.S. 55A-18-07 contains severability language.

EFFECTIVE DATE: This act becomes effective December 1, 2025, and applies to offenses committed on or after that date.

**Amy Darden, Staff Attorney, substantially contributed to this summary.*