2025-2026 General Assembly

SENATE BILL 595: Various Revenue Laws Changes, Part XIII: Protection of Disabled and Older Adults from Financial Exploitation and Savings Bank Updates

Analysis of:	S.L. 2026-31, Part XIII	**Date:**	August 25, 2026
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Part XIII of S.L. 2026-31 (Senate Bill 595) does the following with respect to establishing protections from financial exploitation for disabled adults (any person over the age of 18 or a lawfully emancipated minor who is physically or mentally incapacitated) and older adults (any person over the age of 65):

- Prevents a financial institution, and its officers, employees, and agents from being compelled to identify the existence or contents of a suspicious activity report filed pursuant to the requirements of federal law.
- Authorizes a financial institution to delay or refuse a transaction from an account of a disabled or older adult, or an account where the disabled or older adult is a beneficiary or beneficial owner, if certain conditions are met, including that the financial institution believes financial exploitation may have occurred or was attempted based on observation or received information, and authorizes a financial institution to do any of the following if the requirements for delaying or refusing a transaction are met:
  - Delay or refuse one or more transactions.
  - Delay or refuse to permit the withdrawal or disbursement of funds.
  - Prevent a change in ownership of the account.
  - Prevent a transfer of funds to an account owned wholly or partially by another person.
  - Refuse to comply with instructions given by an agent or person acting for or with an agent under the power of attorney or purported to have been signed by an older adult or disabled adult.
  - Prevent the designation or change in the designation of beneficiaries to receive any property, benefit, or contract rights for an older adult or disabled adult at death.
- Provides that the authority to delay a transaction expires upon the earlier of one of the following, though the authority to delay a transaction can be extended by an additional 30 business days based on reasonable belief that the financial exploitation can continue unless prohibited by a court order:
  - 30 business days after the date on which the depository institution acted under the authority in this section.
  - When the depository institution is satisfied in its discretion that the transaction will not result in financial exploitation of the older adult or disabled adult.

    - Upon an order of a court directing the release of funds.

- Creates procedures for review of a delay or refusal of a transaction, recordkeeping obligations, and training requirements for employees of financial institutions.
- Provides that a financial institution acting in good faith and exercising reasonable care is immune from civil, criminal, or administrative liability related to the delay in a disbursement or transaction resulting from suspected financial exploitation of an older adult or disabled adult.
- Provides financial institutions the discretion whether to notify trusted contacts if the financial institution believes financial exploitation may have occurred or is being attempted.

Part XIII of S.L. 2026-31 (Senate Bill 595) makes the following changes with respect to State savings banks:

- Creates a new process for a State savings bank to establish one or more branches in this State or other states through making an application to the Commissioner of Banks, requiring public notice and a period of public comment, and allowing the Commissioner of Banks to evaluate the application based on specific factors and circumstances.
- Creates a new process for a State savings bank to relocate a branch or principal office through making an application to the Commissioner of Banks, requiring public notice and a period of public comment, and establishing circumstances in which the Commissioner must approve the relocation.
- Unifies the rules for confidential information held by the Commissioner of Banks.
- Clarifies the role, authority, and size of a State savings bank's board of directors.
- Repeals G.S. 54C-102, which requires the bylaws and any amendments be certified by the appropriate corporate official and submitted to the Commissioner of Banks for approval before becoming effective.
- Directs the Commissioner of Banks to review Chapter 54C of the General Statutes and form a drafting group to prepare updates, revisions, or recommendations on more fully integrating it into Chapter 53C of the General Statutes, and to prepare a report to be presented to the Joint Legislative Commission on Governmental Operations by July 2, 2027.

This Part became effective July 2, 2026.