

House File 922 - Introduced

HOUSE FILE 922
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO HF 594)

A BILL FOR

1 An Act relating to discrimination in the provision of financial
2 services, and providing civil penalties.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. **529A.1 Definitions.**

2 For purposes of this chapter, unless the context otherwise
3 requires:

4 1. "*Discriminate*" or "*discrimination*" means a financial
5 institution's use of a social credit score to directly or
6 indirectly decline to provide the full and equal enjoyment of
7 financial services to a person, and includes refusing to provide,
8 terminating, or restricting financial services to a person.

9 2. "*Financial institution*" means any bank incorporated under
10 the provisions of any state or federal law, any savings and loan
11 association incorporated under the provisions of federal law,
12 any credit union organized under the provisions of any state or
13 federal law, and any corporation licensed as an industrial loan
14 company under chapter 536A and that is any of the following:

15 a. A bank with total assets over one hundred billion dollars.

16 b. A payment processor, credit card company, credit card
17 network, payment network, payment service provider, or payment
18 gateway that has processed more than one hundred billion dollars
19 in transactions in the last calendar year.

20 c. An affiliate or subsidiary company of a financial
21 institution.

22 3. "*Financial service*" means any financial product or service
23 offered or provided by a financial institution.

24 4. "*Person*" means the same as defined in section 4.1.

25 5. "*Protected from government interference*" means any speech,
26 religious exercise, association, expression, or conduct protected
27 by the first amendment to the Constitution of the United States,
28 Article I of the Constitution of the State of Iowa, or federal
29 or state law. "*Protected from government interference*" does not
30 include any speech, religious exercise, association, expression,
31 or conduct that the United States supreme court, as of July 1,
32 2025, has expressly held is not protected by the first amendment
33 to the Constitution of the United States, Article I of the
34 Constitution of the State of Iowa, or federal or state law.

35 6. a. "*Social credit score*" means an analysis, rating,

1 scoring, list, or tabulation that evaluates any of the following:

2 (1) A person's speech, religious exercise, association,
3 expression, or conduct protected by the first amendment to the
4 Constitution of the United States, Article I of the Constitution
5 of the State of Iowa, or federal or state law.

6 (2) A person's failure or refusal to do any of the following:

7 (a) Adopt targets or disclosures related to greenhouse gas
8 emissions beyond targets or disclosures required by state and
9 federal law.

10 (b) Conduct a racial, diversity, or gender audit or
11 disclosure, or provide a quota, preference, or benefit based on
12 race, diversity, or gender.

13 (c) Facilitate or assist an employee in obtaining an abortion
14 or gender reassignment services.

15 (3) A person's participation in business activities related
16 to a manufacturer or dealer of firearms and ammunition, or
17 business activities with an oil or gas company.

18 (4) A person's status as an elected official or a person's
19 status as a politically exposed person.

20 b. "Social credit score" shall not include a financial
21 institution's evaluation of a person's quantifiable financial
22 risks based on impartial, financial-risk-based standards if such
23 standards are established in advance by the financial institution
24 and publicly disclosed to customers and potential customers.

25 Sec. 2. NEW SECTION. **529A.2 Discrimination prohibited.**

26 1. A financial institution shall not discriminate in the
27 provision of financial services to a person or agree, conspire,
28 or coordinate, directly or indirectly, including through an
29 intermediary or third party, with another person, or group of
30 persons, to discriminate in the provision of financial services
31 to a person.

32 2. If a financial institution refuses to provide, restricts,
33 or terminates financial services to a person, within ninety days
34 of the refusal, restriction, or termination, the person may
35 request a written statement that specifies the reason for the

1 financial institution's refusal to provide, or restriction or
2 termination of, the person's financial services.

3 a. The person may request the statement from a customer
4 service or designated account representative of the financial
5 institution by phone, mail, or electronic mail. The person shall
6 provide the financial institution with a mailing address and an
7 electronic mail address where the statement can be sent. The
8 financial institution shall transmit the statement by mail or
9 electronic mail within fourteen business days of receiving the
10 person's request.

11 b. The financial institution's statement shall include all of
12 the following:

13 (1) A detailed explanation of the basis for the denial,
14 restriction, or termination of the person's financial services,
15 including a description of the person's speech, religious
16 exercise, business activity with a particular industry, or other
17 conduct that was, in whole or in part, the basis of the financial
18 institution's decision.

19 (2) A copy of the terms of service agreed upon, if any, by
20 the financial institution and the person to whom the financial
21 institution refuses to provide, or restricts or terminates,
22 financial services, and a citation to the specific provision of
23 the terms of service upon which the financial institution relied
24 to refuse to provide, or to restrict or terminate, financial
25 services.

26 Sec. 3. NEW SECTION. **529A.3 Enforcement — penalties.**

27 1. If the attorney general has reasonable belief that a
28 financial institution is in violation of this chapter, the
29 attorney general may bring a civil action to enforce the
30 provisions of this chapter. Upon finding that a financial
31 institution violated this chapter, a court may order any of the
32 following:

33 a. Injunctive relief as necessary to enforce compliance with
34 this chapter.

35 b. Other remedies permitted under the law.

1 c. Damages, restitution, or other compensation on behalf of
2 residents of the state, not to exceed the amount provided by
3 subsection 2, paragraph "a".

4 2. A person harmed by a violation of this chapter by a
5 financial institution may bring a civil action, and upon finding
6 that a financial institution violated this chapter, a court may
7 order any of the following:

8 a. Actual damages not to exceed ten thousand dollars,
9 except if the court finds that the violation by the financial
10 institution was willful, damages in an amount equal to three
11 times the amount of actual damages, but not to exceed thirty
12 thousand dollars, in addition to reasonable attorney fees and
13 court costs.

14 b. Injunctive relief as necessary to enforce compliance with
15 this chapter.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.

19 This bill relates to discrimination by a financial institution
20 in the provision of financial services.

21 The bill prohibits a financial institution from discriminating
22 in the provision of financial services to a person, and from
23 agreeing, conspiring, or coordinating with another person or
24 group of persons to discriminate in the provision of financial
25 services to a person. "Discrimination" is defined by the bill
26 as the use of a social credit score by a financial institution
27 to directly or indirectly decline to provide, terminate, or
28 restrict, financial services to a person. "Social credit score"
29 is defined by the bill as an analysis, rating, scoring, list, or
30 tabulation that evaluates a person's protected speech, religious
31 exercise, association, expression, or conduct; a person's failure
32 or refusal to adopt targets or disclosures related to greenhouse
33 gas emissions beyond state and federal law requirements; a
34 person's failure or refusal to conduct a racial, diversity,
35 or gender audit or disclosure; a person's failure or refusal

1 to facilitate or assist an employee in obtaining an abortion
2 or gender reassignment services; a person's participation in
3 business activities related to a manufacturer or dealer of
4 firearms and ammunition or business activities with an oil
5 or gas company; or a person's status as an elected official
6 or a politically exposed person. "Financial institution" and
7 "financial service" are also defined by the bill. The bill
8 permits a person to whom a financial institution has refused to
9 provide, restricted, or terminated financial services to request
10 a written statement within 90 days of such action specifying the
11 reason for the refusal, restriction, or termination. A person
12 can request the statement from a customer service or designated
13 account representative of the financial institution, and the
14 person shall provide the financial institution with a mailing
15 address and an electronic mail address where the statement can
16 be sent. The financial institution shall transmit the statement
17 within 14 business days of receiving the person's request,
18 and the statement shall include a detailed explanation of the
19 basis for the denial, restriction, or termination, including a
20 description of any of the person's speech, religious exercise,
21 business activity with a particular industry, or other conduct
22 that was a basis for the action taken. The statement shall also
23 include a copy of the terms of service agreed upon by the person
24 and the financial institution, and a citation to the specific
25 provision of the terms of service that was the basis for the
26 action taken.

27 The attorney general may bring civil action to enforce the
28 provisions of the bill and, upon finding that a financial
29 institution violated the bill, a court may order injunctive
30 relief, damages, restitution, other compensation, or other
31 remedies permitted by law. A person harmed by a violation
32 of the bill may bring a civil action and, upon finding that
33 a financial institution violated the bill, a court may order
34 injunctive relief and actual damages not to exceed \$10,000 or,
35 upon a finding that the violation by the financial institution

1 was willful, damages equal to three times the amount of actual
2 damages but not to exceed \$30,000, in addition to reasonable
3 attorney fees and court costs.

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