

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 HOUSE BILL 1228

By: West (Kevin)

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5
6 AS INTRODUCED

7 An Act relating to unfair business practices;
8 prohibiting banks and trust companies from engaging
9 in certain discriminatory practices; permitting
10 certain conduct for safety reasons; permitting
11 certain practices after full disclosure and
12 explanation; imposing civil penalties for violation;
13 prohibiting credit unions from engaging in certain
14 discriminatory practices; permitting certain conduct
15 for safety reasons; permitting certain practices
16 after full disclosure and explanation; imposing civil
17 penalties for violation; prohibiting business
18 entities from engaging in certain discriminatory
19 practices; permitting certain conduct for safety
20 reasons; permitting certain practices after full
21 disclosure and explanation; imposing civil penalties
22 for violation; requiring enforcement by the Attorney
23 General; defining term; providing for codification;
24 and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1801 of Title 6, unless there is
21 created a duplication in numbering, reads as follows:

22 A. No bank or trust company doing business in this state,
23 either directly or through the use of an outside contractor, shall
24 discriminate against, advocate for, or cause adverse treatment of

1 any individual, business, or other customer based on subjective or
2 arbitrary standards, including, but not limited to:

- 3 1. Social media posts;
- 4 2. Participation or membership in any club, association, or
5 union;
- 6 3. Political affiliation;
- 7 4. Employer;
- 8 5. Social credit score;
- 9 6. Environmental, social, and governance criteria; or
- 10 7. Other similar values-based or impact criteria.

11 B. Nothing in this section shall be construed to interfere with
12 a bank's or trust company's ability to discontinue or refuse to
13 conduct business with an individual account holder or potential
14 customer when such action is necessary for the physical safety of
15 such bank's or trust company's employees.

16 C. Notwithstanding the provisions of subsection A of this
17 section, a bank or trust company may offer customers investments,
18 products, or services that include subjective standards if such
19 standards are fully disclosed and explained to any potential
20 customer or investor prior to entering into a contract for such
21 investment, product, or service.

22 D. Any bank or trust company that violates the provisions of
23 this section shall be subject to a civil penalty of Fifty Thousand
24 Dollars (\$50,000.00) for a first violation and a civil penalty of

1 Two Hundred Fifty Thousand Dollars (\$250,000.00) for a second or
2 subsequent violation.

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 2028 of Title 6, unless there is
5 created a duplication in numbering, reads as follows:

6 A. No credit union doing business in this state shall
7 discriminate against, advocate for, or cause adverse treatment of
8 any individual, business, or other customer based on subjective or
9 arbitrary standards, including, but not limited to:

10 1. Social media posts;

11 2. Participation or membership in any club, association, or
12 union;

13 3. Political affiliation;

14 4. Employer;

15 5. Social credit score;

16 6. Environmental, social, and governance criteria; or

17 7. Other similar values-based or impact criteria.

18 B. Nothing in this section shall be construed to interfere with
19 a credit union's ability to discontinue or refuse to conduct
20 business with an individual account holder or potential customer
21 when such action is necessary for the physical safety of such credit
22 union's employees.

23 C. Notwithstanding the provisions of subsection A of this
24 section, a credit union may offer customers investments, products,

1 or services that include subjective standards if such standards are
2 fully disclosed and explained to any potential customer or investor
3 prior to entering into a contract for such investment, product, or
4 service.

5 D. A credit union that violates the provisions of this section
6 shall be subject to a civil penalty of Fifty Thousand Dollars
7 (\$50,000.00) for a first violation and a civil penalty of Two
8 Hundred Fifty Thousand Dollars (\$250,000.00) for a second or
9 subsequent violation.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 2101 of Title 18, unless there
12 is created a duplication in numbering, reads as follows:

13 A. No business entity in this state shall discriminate against,
14 advocate for, or cause adverse treatment of any individual,
15 business, or other customer in such business entity's business
16 practices based on subjective or arbitrary standards, including, but
17 not limited to:

- 18 1. Social media posts;
- 19 2. Participation or membership in any club, association, or
20 union;
- 21 3. Political affiliation;
- 22 4. Employer;
- 23 5. Social credit score;
- 24 6. Environmental, social, and governance criteria; or

1 7. Other similar values-based or impact criteria.

2 B. Nothing in this section shall be construed to interfere with
3 a person's or business entity's ability to discontinue or refuse to
4 conduct business with a customer when such action is necessary for
5 the physical safety of such person, such business entity, or such
6 business entity's employees.

7 C. Notwithstanding the provisions of subsection A of this
8 section, a business entity may engage in a business practice
9 described in subsection A of this section if the specific business
10 practice is fully disclosed to the potential customer prior to such
11 potential customer and such business entity entering into any
12 business transaction.

13 D. A business entity that violates the provisions of this
14 section shall be subject to a civil penalty of Fifty Thousand
15 Dollars (\$50,000.00) for a first violation and a civil penalty of
16 Two Hundred Fifty Thousand Dollars (\$250,000.00) for a second or
17 subsequent violation. The Attorney General shall enforce this
18 section.

19 E. For purposes of this section, "business entity" means a sole
20 proprietorship, corporation, limited liability company, association,
21 partnership, joint-stock company, joint venture, mutual fund, trust,
22 joint tenancy, or other similar form of business organization.

23 SECTION 4. It being immediately necessary for the preservation
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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