

NOTICE - Changes to using consumer credit in New York



Effective April 18, 2026, New York employers will no longer be able to consider a job candidate's creditworthiness in hiring decisions.

New York's governor Kathy Hochul recently signed [S03072](#) into law, making New York the 11th state to pass legislation that prohibits most employers from denying a prospective employee a position based on their credit history. It will be considered a discriminatory practice for employers to use a candidate's credit score, debts, payment history and other credit factors in denying a position. Proponents of the law see it as a step toward economic justice, while employers will now be left in the dark about this part of their prospective employee's background.

There are limited exceptions to the law for regulated employers who are required to use credit history by state or federal law and for roles in law enforcement, requiring a security clearance, or in financial institutions. However, New York goes a step further than other states who have passed similar laws by restricting Consumer Reporting Agencies from even providing employers with information about credit history in reports. It remains an open question if the FCRA preempts this part of the law.

Employers should begin preparing, and we encourage members to review their reporting policies with respect to credit information before these changes go into effect in April.