

STATE OF NEW YORK

7194--A

2025-2026 Regular Sessions

IN ASSEMBLY

March 21, 2025

Introduced by M. of A. BICHOTTE HERMELYN, ALVAREZ, EPSTEIN, REYES, KELLES, LEVENBERG, TAYLOR, BORES -- read once and referred to the Committee on Labor -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the labor law, in relation to prohibiting student loan payment credit history checks in making employment decisions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The labor law is amended by adding a new section 219-b to
2 read as follows:

3 § 219-b. Student loan payment credit history; employment. 1. Except as
4 provided in this section and in those cases otherwise mandated by law,
5 it shall be an unlawful discriminatory practice for an employer, labor
6 organization, employment agency or any agent therefor to request or to
7 use for employment purposes information contained in the consumer credit
8 history indicating the payment status of a student loan, as defined in
9 subdivision fourteen of section sixteen hundred seventy-six of the
10 public authorities law, of an applicant for employment or employee, or
11 otherwise discriminate against such applicant with regard to hiring
12 decisions, compensation, or the terms, conditions or privileges of
13 employment based on the student loan payment credit history of the
14 applicant or employee.

15 2. This section shall not apply to:

16 (a) an employer, or agent thereof, that is required by state or feder-
17 al law or regulations or by a self-regulatory organization, as defined
18 in paragraph twenty-six of subdivision (a) of section three of the secu-
19 rities exchange act of 1934, as amended, to use an individual's student
20 loan payment credit history for employment purposes;

21 (b) an employer, or agent thereof, that is required by state or feder-
22 al law or by a self-regulatory organization as defined in section
23 3(a)(26) of the securities exchange act of 1934, as amended to use an

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 individual's student loan payment credit history for employment
2 purposes;

3 (c) persons applying for positions as or employed as peace officers or
4 police officers, as such terms are defined in subdivisions thirty-three
5 and thirty-four of section 1.20 of the criminal procedure law, respec-
6 tively, or in a position with a law enforcement or investigative func-
7 tion in a law enforcement agency;

8 (d) persons in a position that is subject to background investi-
9 gation by a state agency, provided, however, that the appointing agency
10 may not use student loan payment credit history information for employ-
11 ment purposes unless the position is an appointed position in which a
12 high degree of public trust, as defined by the commission in rules, has
13 been reposed;

14 (e) persons in a position in which an employee is required to be bond-
15 ed under state or federal law;

16 (f) persons in a position in which an employee is required to possess
17 security clearance under federal law or the law of any state;

18 (g) persons in a non-clerical position having regular access to trade
19 secrets, intelligence information or national security information;

20 (h) persons in a position:

21 (i) having signatory authority over third party funds or assets valued
22 at ten thousand dollars or more; or

23 (ii) that involves a fiduciary responsibility to the employer with the
24 authority to enter financial agreements valued at ten thousand dollars
25 or more on behalf of the employer; or

26 (i) persons in a position with regular duties that allow the employee
27 to modify digital security systems established to prevent the unauthor-
28 ized use of the employer's or client's networks or databases.

29 3. As used in this section the following terms shall have the follow-
30 ing meanings:

31 (a) "intelligence information" means records and data compiled for the
32 purpose of criminal investigation or counterterrorism, including records
33 and data relating to the order or security of a correctional facility,
34 reports of informants, investigators or other persons, or from any type
35 of surveillance associated with an identifiable individual, or investi-
36 gation or analysis of potential terrorist threats;

37 (b) "national security information" means any knowledge relating to
38 the national defense or foreign relations of the United States, regard-
39 less of its physical form or characteristics, that is owned by, produced
40 by or for, or is under the control of the United States government and
41 is defined as such by the United States government and its agencies and
42 departments;

43 (c) "student loan payment credit history" shall mean any information
44 bearing on an individual's credit worthiness, credit standing, or credit
45 capacity, including, but not limited to, an individual's credit score,
46 credit account, as it relates to student loan payment history and
47 student loan repayment status such as but not limited to deferment,
48 forbearance, delinquency, or default; and

49 (d) (i) "trade secrets" means information that: (A) derives independ-
50 ent economic value, actual or potential, from not being generally known
51 to, and not being readily ascertainable by proper means by other persons
52 who can obtain economic value from its disclosure or use; (B) is the
53 subject of efforts that are reasonable under the circumstances to main-
54 tain its secrecy; and (C) can reasonably be said to be the end product
55 of significant innovation.

1 (ii) the term "trade secrets" does not include general proprietary
2 company information such as handbooks and policies. The term "regular
3 access to trade secrets" does not include access to or the use of
4 client, customer or mailing lists.

5 4. Nothing in this section shall preclude an employer from requesting
6 or receiving student loan payment credit history information pursuant to
7 a lawful subpoena, court order or law enforcement investigation.

8 5. Subdivision one of this section shall not be construed to affect
9 the obligations of persons required by state or local law relating to
10 disclosures by public employees of conflicts of interest.

11 6. (a) Except as otherwise provided in this section, it shall be an
12 unlawful discriminatory practice for any state or municipal agency to
13 request or use for licensing or permitting purposes information
14 contained in the student loan payment credit history of an applicant,
15 licensee or permittee for licensing or permitting purposes.

16 (b) Paragraph (a) of this subdivision shall not apply to an agency
17 required by state or federal law to use an individual's student loan
18 payment credit history for licensing or permitting purposes.

19 (c) Paragraph (a) of this subdivision shall not be construed to affect
20 the ability of an agency to consider an applicant's, licensee's, regis-
21 trant's or permittee's failure to pay any tax, fine, penalty or fee for
22 which liability has been admitted by the person liable therefor, or for
23 which judgment has been entered by a court or administrative tribunal of
24 competent jurisdiction, or any tax for which a government agency has
25 issued a warrant, or a lien or levy on property.

26 (d) Nothing in this subdivision shall preclude a licensing agency from
27 requesting, receiving, or using student loan payment credit history
28 information obtained pursuant to a lawful subpoena, court order or
29 specific law enforcement investigation.

30 7. This section does not annul, alter, affect or exempt any employer,
31 labor organization, employment agency or any agent thereof subject to
32 the provisions of this section from complying with any local law, ordi-
33 nance or regulation with respect to the use of student loan payment
34 credit history for employment purposes except to the extent that those
35 laws are inconsistent with any provision of this section, and then only
36 to the extent of such inconsistency. For purposes of this subdivision, a
37 local law, ordinance or regulation is not inconsistent with this section
38 if the protection of such law or regulation affords an employee or job
39 applicant is greater than the protection provided by this section.

40 § 2. This act shall take effect immediately.