AN ACT to amend the general business law and the banking law, in
relation to prohibiting a consumer reporting agency or lender from
using certain information to determine an individual's credit worthi-
ness

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

Section 1. Section 380-a of the general business law is amended by
adding a new subdivision (u) to read as follows:

(u) The term "members of a consumer's social network" means a group of
individuals authorized by a consumer to be part of his or her social
media communications and network.

§ 2. Section 380-j of the general business law is amended by adding a
new subdivision (h) to read as follows:

(h) No consumer reporting agency shall collect, evaluate, report, or
maintain in the file on a consumer the credit worthiness, credit stand-
ing or credit capacity of members of the consumer's social network for
purposes of determining the credit worthiness of the consumer; the aver-
age credit worthiness, credit standing or credit capacity of members of
the consumer's social network; or any group score that is not the
consumer's own credit worthiness, credit standing or credit capacity.
The provisions of this subdivision shall be enforced concurrently by the
superintendent of financial services and the director of the division of
consumer protection and each shall utilize their consumer complaint and
assistance hotlines to document complaints by consumers who believe that
group credit ratings of their social media network are being used to
deny them credit.

§ 3. Section 2 of the banking law is amended by adding a new subdivi-
sion 31 to read as follows:

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.
31. Members of a borrower's social network. The term "members of a borrower's social network" means a group of individuals authorized by a borrower to be part of his or her social media communications and network.

§ 4. Section 352 of the banking law is amended by adding a new sixth undesignated paragraph to read as follows:

No licensee shall collect, evaluate, report or maintain in the file on a borrower the credit worthiness, credit standing or credit capacity of members of the borrower's social network for purposes of determining the credit worthiness of the borrower; the average credit worthiness, credit standing or credit capacity of members of the borrower's social network; or any group score that is not the borrower's own credit worthiness, credit standing or credit capacity. The provisions of this paragraph shall be enforced concurrently by the superintendent and the director of the division of consumer protection and each shall utilize their consumer complaint and assistance hotlines to document complaints by borrowers who believe that group credit ratings of their social media network are being used to deny them credit. The superintendent shall ensure that the credit scoring formulas filed with the department do not contain variables which account for internet viewing history as part of that formula by asking the licensee to certify to that fact.

§ 5. This act shall take effect immediately.