STATE OF NEW YORK

2692--A

2025-2026 Regular Sessions

IN ASSEMBLY

January 22, 2025

Introduced by M. of A. FORREST -- read once and referred to the Committee on Banks -- recommitted to the Committee on Banks in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the financial services law, in relation to establishing a working group to create a pilot program for an alternative system to a credit score

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

Section 1. The financial services law is amended by adding a new section 312 to read as follows:

§ 312. Creditworthiness alternative pilot and working group. 1. For the purposes of this section:

(a) "Creditworthiness" means a measure of how likely an individual will default on such individual's debt obligations according to a lender's assessment, or how worthy an individual is to receive new credit.

(b) "Credit score" means a number that provides a comparative estimate of an individual's creditworthiness based on an analysis of such individual's credit report and is used by lenders to evaluate the risk of lending money or offering financial services to consumers.

2. The superintendent shall form a working group to create a pilot program to develop an alternative credit worthiness program for individuals who do not have a credit score; are unbanked, undocumented immigrants, indigent; or who would benefit from such a mechanism. Members of the working group shall:

(a) be appointed by the superintendent and shall include representatives of the financial industry and immigration advocates;

(b) not receive compensation, but shall be eligible to receive reimbursement for expenses subject to the approval of the superintendent and the division of budget;

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

LBD03974-02-6

(c) analyze models for alternatives to traditional credit scores now being discussed and developed by the credit card industry in Europe, among other models such members deem appropriate; and

(d) first convene within ninety days of the effective date of this section and shall convene no less than once per month; and

(e) provide the superintendent, the governor, and the legislature a report within one year of the effective date of this section containing such working group's recommendations for the establishment of a pilot program, and a feasible timeline for the implementation of such program.

§ 2. This act shall take effect immediately.