



NEW YORK STATE SENATOR

James Sanders Jr.

Senator Sanders' Credit History Ban Bill Clears Senate and Assembly sent

JAMES SANDERS JR. June 2, 2025



Albany, NY – In a major step toward fairer hiring practices and workplace equity, the New York State Legislature has passed S.3072/A.1316, sponsored by Senator James Sanders Jr. and Assemblymember Jeffrey Dinowitz. The legislation bans most employers from using a job applicant's personal credit history in employment decisions and now awaits the governor's signature.

“Your credit report should not determine your career,” said Senator Sanders. “This bill recognizes that life happens, people face medical emergencies, family crises, and economic downturns. Those challenges should not follow you into a job interview. With this legislation, we’re restoring fairness to the hiring process and opening the door to opportunity for thousands across the state.”

The measure builds on protections enacted in New York City in 2015, expanding them statewide and positioning New York as a national leader in equitable employment law.

“This is a monumental step toward economic justice,” said Andy Morrison, Associate Director of New Economy Project. “A decade ago, our organization joined forces with community and labor groups and community development credit unions to win the strongest ban in the country on employment credit checks right here in NYC. Now, all New Yorkers stand to benefit from a statewide ban on this discriminatory practice, which fuels racial and economic inequality. Credit reports reflect and reinforce deep-rooted inequities in our financial system from predatory loans to abusive debt collection practices that unfairly damage people’s credit. We commend Senator James Sanders Jr. and Assemblymember Jeffrey Dinowitz for championing this critical legislation to ensure credit history has no place in employment decisions in New York.”

NYPIRG General Counsel Russ Haven added: “Using credit histories to predict job performance and employee trustworthiness is more troubling than hiring based on a worker’s astrological sign. Credit reports often contain errors, can be used to mask discriminatory decisions, and even when accurate, there’s no proof that being late on your bill payments is predictive of whether you’ll be a good employee.”

Bob Cohen, Policy and Research Director at Citizen Action of New York, also voiced support: “It’s a basic principle of employment law and good business practices that applicants should

be judged on the skills they possess that are relevant to the job. There is little or no evidence that credit reports are correlated with future job performance, and their use should be banned, just like you shouldn't fail to hire or promote someone based on negative views of their race, gender, or sexual orientation. Added to that, credit reports have been shown for decades to contain numerous mistakes, so using them is totally unreliable. We'd like to thank Senator Sanders and Assemblymember Dinowitz for their leadership in championing this critical ban on the use of credit reports in employment decisions, which we hope will become the law in 2025."

Supporters argue that the use of credit reports in employment fuels systemic discrimination, particularly against low-income New Yorkers and people of color. With this bill, New York becomes the first state to pass such strong protections at the statewide level, sending a clear message that job applicants should be evaluated on their qualifications, not their financial history.

For more information or to request a quote or interview from Senator Sanders please reach out to Joshua Green at jgreen@nysenate.gov or call **718-523-3069**