

New York City Stop Credit Discrimination in Employment Act Effective September 2015

By: George C. Morrison
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The New York City Stop Credit Discrimination in Employment Act (the "Act"), signed into law by Mayor Bill De Blasio in May 2015, will become effective September 3, 2015. The Act generally prohibits employers from requesting or using applicants' or employees' consumer credit histories for employment purposes, or otherwise discriminating against applicants or employees with respect to hiring, compensation, or the terms, conditions, or privileges of employment based upon their consumer credit history.

The Act permits employers to request and use consumer credit history information of applicants and employees in limited circumstances, including:

- Positions for which employers are required by law, regulation, or a self-regulatory organization to use an individual's consumer credit history for employment purposes,
- Certain public safety positions,
- Positions that require the employee to be bonded under city, state, or federal law,
- Positions requiring a security clearance under federal or state law,
- Non-clerical positions that entail access to trade secrets, intelligence information, or national security information,
- Positions with signatory authority over third-party funds or assets valued at \$10,000 or more,
- Positions that involve a fiduciary responsibility to the employer with the authority to enter financial agreements valued at \$10,000 or more on behalf of the employer, or
- Positions with regular duties that allow the employee to modify digital security systems established to prevent the unauthorized use of networks or databases of the employer or the employer's client.

Importantly, the Act does not exempt all individuals who are required to handle money in the course of their jobs. The Act also does not preclude employers from requesting or receiving consumer credit history information pursuant to a lawful subpoena, court order, or law enforcement investigation.

Employers subject to the Act should immediately take affirmative steps to ensure their policies and procedures comply with this new law in advance of the effective date. If you have any questions about the Act, need assistance updating your policies and procedures, or have any other employment related questions or concerns, please contact George Morrison (646.837.5776; morrisong@whiteandwilliams.com), another member of our Labor and Employment Group, or any member of the Firm whom you regularly contact.

This correspondence should not be construed as legal advice or legal opinion on any specific facts or circumstances. The contents are intended for general informational purposes only and you are urged to consult a lawyer concerning your own situation and legal questions.