

April Tip of the Month: New York City to Restrict Use of AI in Employment-Related Decisions

Effective January 1, 2023, employers with New York City employees will be restricted in their use of artificial intelligence (AI) tools in recruiting and hiring employees and making other employment-related decisions. Specifically, the new law will prohibit employers from using AI tools, such as resume-screening software and programs that predict employee job performance, as a means of screening candidates or assisting with promotion decisions, unless the tool has been subject to a "bias audit" conducted by an "independent auditor" within the preceding year. Accordingly, AI tools that employers currently use to assist with tasks, such as filtering through a large pool of resumes for certain qualifications, may be prohibited, unless the law's audit and reporting processes have been followed. The law will also allow individuals to request an accommodation from being subject to a given AI tool, and to request information regarding the data that was collected about them. Employers should promptly assess their AI tools, conduct a preliminary audit to identify potential areas of concern, and begin to prepare the written notices that are required under the law.

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