Updates

April 27, 2023

April Tip of the Month: New York City Publishes Final Rule Regarding Use of AI Tools in Employment

Decision-Making



On April 5, 2023, New York City published final rules for Local Law 144, which prohibits employers from using automated employment decision tools (AEDTs) to screen job candidates unless certain bias audit and notice requirements are met. While the final rules largely mirror previously published proposed rules, the final rules: (1) expand the scope of what constitutes "machine learning, statistical modeling, data analytics, or artificial intelligence" and, as such, what technology may qualify as an AEDT; (2) add additional bias audit standards; (3) clarify the information that must be included in the bias audit and the type of information that must be disclosed in the audit summary; and (4) clarify when an employer may rely on a bias audit conducted using the historical data of other employers or employment agencies. Enforcement of the law will begin on July 5, 2023. Employers should promptly assess whether the applicant-screening technology that they use falls within the scope of the law and, if so, ensure that their bias audit and notice procedures comply with the law.

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