

EMPLOYER RISK ALERT: AI AUDIT LAW ENFORCEMENT

FEATURED ATTORNEY



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Please take note that STARTING APRIL 15, 2023, the NYC Department of Consumer and Worker Protection plans to start enforcing the new AI audit law. Though many details are still unclear (a proposed rule and comment period resulted in a voluminous amount of comment that the Agency is reviewing, but finalized rules are not yet published), the Agency has said it will meet the deadline and be able to begin enforcement as scheduled.

That said, there are some things that all Employers should know and prepare for.

What is an AEDT? It is an Automated Employment Decision-Making Tool. It essentially is an algorithm that searches for keywords that match what an employer is looking for to fill a position.

What are they being audited for? Bias. An independent auditor must perform an annual audit of all AEDTs an Employer intends to use. The audit must assess whether the tool's selection criteria result in disparate impact on candidates based upon their race, ethnicity or gender.

Who is responsible for doing the audit? The Employer

Other than the audit, what does the law require? Notice.

- TO every candidate or employee who lives in NYC
- OF the use of an AEDT in the decision-making process AND
 - o the criteria the AEDT will use to “search” and “match”

Please let us know if we can be helpful getting you ready for compliance. This is provided for informational purposes only and is not legal advice.