PAVIA & HARCOURT LLP

USE OF AI IN EMPLOYMENT

If your Company uses any automated tools such as Upwork or TurboHire in its hiring process, you should be aware that New York City has established new requirements governing such practices, which are set forth in the Automated Employment Decision Tool Law (AEDTL).

An automated employment decision tool is a computer-based device that uses machine learning, statistical modeling, data analytics, or artificial intelligence to substantially help with employment decisions.

Employers found to have violated the AEDTL will face civil penalties of up to $500 for a first violation and each additional violation occurring on the same day. Each subsequent violation will incur a penalty between $500 and $1,500. Each day the AEDT is used in violation of the law gives rise to a separate violation, and failure to provide notice is a separate violation.

If your Company uses automatic employment decision tools, and you would like further guidance regarding the AEDTL, please contact us.

Contacting Pavia & Harcourt LLP

Questions regarding matters discussed in this publication or any other matters may be directed to Adam D. Mitzner at amitzner@pavialaw.com or (212) 508-2314.

About Pavia & Harcourt LLP

Established in 1951, Pavia & Harcourt LLP is a business law firm concentrating in international commercial and corporate transactions, banking, media and entertainment, real estate, litigation and arbitration, intellectual property, estate planning and administration, and matrimonial law. We are based in New York City.