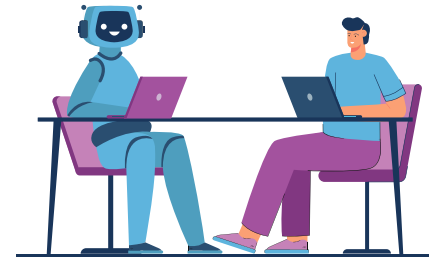# AI in Employment: Understanding the New Landscape

This month, we would like to bring your attention to the evolving landscape of Artificial Intelligence (AI) in employment and the potential impact it may have on your business. As the utilization of AI continues to grow, it's important to stay informed about the latest developments and regulations that may affect your organization. Here are a few key updates to be aware of:

1. AI Bill of Rights

The White House recently released a significant document titled "Blueprint for an AI Bill Of Rights," which aims to foster a discussion on the safe and responsible use of AI tools. The proposed Bill of Rights outlines several important considerations:

Safe, Effective Systems: The White House emphasizes the need for pre-deployment testing, risk identification, mitigation, and ongoing monitoring of AI systems. The goal is to ensure these systems are thoroughly reviewed and approved by a diverse group of communities.

Algorithmic Discrimination Protections: Algorithms should be designed to prevent discrimination based on factors such as race, color, ethnicity, sex, religion, and other protected characteristics.

Data Privacy: Consumer personal data should be safeguarded, and individuals should have control over how their data is utilized.

Notice and Explanation: When AI is employed, it is crucial to provide accessible and plain language explanations to consumers, describing how automation is used to make employment decisions and its impact.

In essence, the AI Bill of Rights aims to foster equal opportunities and protect against discrimination in the use of AI programs, particularly in employment-related contexts.

2. The NYC AI Bias Law

New York City has taken a pioneering step by introducing the Automated Employment Decision Tools (AEDT) law, becoming the first location in the United States to establish AI regulations for employers. The AEDT law mandates that employers conduct bias audits on AI tools, such as resume screeners, interview software, and cognitive assessments, within one year of their implementation. The audit results must be made publicly available, and notifications will be provided to both employees and applicants.

Furthermore, this audit requires the calculation of selection rates for different race/ethnicity and sex categories, which must be reported to the U.S. Equal Employment Opportunity Commission (EEOC).

3. Other AI Considerations

AI is increasingly utilized in various stages of the hiring and screening process, including resume review, background check analysis, and candidate evaluation. Given the increasing scrutiny and potential for regulations, it is essential for employers to be proactive in ensuring a safe and fair experience for all applicants. Here are a few best practices to consider:

Transparency: Clearly communicate to applicants how and why AI is used in your processes and be prepared to address any questions they may have.

Fairness: Regularly conduct audits on your AI tools to identify and mitigate any biases that may inadvertently impact employment decisions.

Review: Continuously monitor and evaluate the outcomes of AI-driven decisions to ensure they align with your expectations and organizational objectives.

Have Questions?
At Backgrounds Online, we understand that staying compliant and informed is crucial for your business. If you have any questions or concerns about how we compile reports or any other screening-related matters, please don't hesitate to contact our experienced team. We are available Monday through Friday from 5am to 7pm PT, and we are more than happy to assist you.