

A3854 • New Jersey

Regulates use of automated employment decision tools in employment decisions to minimize discrimination in employment.

Introduced

Risk: High

Comprehensive

Last Action (May 16, 2024): Reported as an Assembly Committee Substitute and Referred to Assembly Labor Committee

Summary

Regulates automated hiring tools to minimize discrimination in NJ.

Business Impact

If you use AI in hiring in NJ, you must audit for bias yearly or face \$500 fines.

Key Provisions

- Annual bias audit required for automated employment decision tools.
- Employers must provide audit summaries on their websites.
- Candidates must be notified about the use of such tools within 30 days.
- Fines for non-compliance start at \$500 per violation.
- Tools must be sold with a notice of compliance requirements.

Compliance Checklist

- Conduct a bias audit of automated employment decision tools. | Who: Sellers of such tools | Penalty: \$500 fine per violation
- Provide audit summary on website. | Who: Employers using the tools
- Notify candidates of tool use and data policies. | Who: Employers using the tools | Penalty: \$500 fine per violation

Industries Affected

Human Resources

Technology

Topics

AI in Employment

Bill Sponsors

Name	Party	Role
Shavonda Sumter	D	Sponsor
Reginald Atkins	D	Sponsor
Andrea Katz	D	Sponsor
Annette Quijano	D	Sponsor
Michael Venezia	D	Sponsor
Carmen Morales	D	Sponsor

Roll Call Votes

Date	Description	Yea	Nay	Result
2024-05-16	Assembly Science, Innovation and Technology Commit	5	0	Passed

Related Bills

- A2726 (NJ)

Official Source

https://pub.njleg.gov/Bills/2024/A4000/3854_I1.HTM

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