

# S2964 • New Jersey

Creates standards for independent bias auditing of automated employment decision tools.

Introduced

Risk: Medium

Sector-Specific

Last Action (Mar 18, 2024): Introduced in the Senate, Referred to Senate Labor Committee

## Summary

Sets standards for bias audits of automated hiring tools in NJ, prohibiting use if audits are over a year old.

## Business Impact

If you use AI in hiring in NJ, you must conduct annual bias audits or face restrictions on tool use.

## Key Provisions

- Annual independent bias audits required for AEDTs.
- Public disclosure of audit results on employer websites.
- Notice to candidates about AEDT use and alternative selection processes.
- Specific calculations for selection and impact ratios across demographic categories.
- Exclusion of categories representing less than 2% of data from impact ratio calculations.

## Compliance Checklist

- Conduct independent bias audits of AEDTs. | Who: Employers and employment agencies using AEDTs. | Penalty: Prohibition on AEDT use if not compliant.
- Publicly disclose audit results. | Who: Employers and employment agencies. | Penalty: Potential legal challenges or restrictions.
- Provide notice to candidates about AEDT use. | Who: Employers and employment agencies. | Penalty: Potential legal challenges or restrictions.

## Industries Affected

## Topics

AI in Employment

## Bill Sponsors

Name	Party	Role
Andrew Zwicker	D	Sponsor

## Related Bills

- A3855 (NJ)
- A1021 (NJ)

## Official Source

[https://pub.njleg.gov/Bills/2024/S3000/2964\\_I1.HTM](https://pub.njleg.gov/Bills/2024/S3000/2964_I1.HTM)

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