

S2964 • New Jersey

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

Introduced

Risk: High

Comprehensive

Effective: Oct 01, 2024 | Last Action (Mar 18, 2024): Introduced in the Senate, Referred to Senate Labor Committee

Summary

This bill establishes standards for independent bias auditing of automated employment decision tools used in hiring processes.

Business Impact

If you use AI in hiring in New Jersey, you must conduct a bias audit annually or face restrictions on using your automated tools.

Key Provisions

- Employers must conduct bias audits of AEDTs at least annually.
- Audits must include calculations for selection rates and impact ratios by demographic categories.
- Employers cannot use an AEDT if more than one year has passed since the last audit.
- Test data may be used for audits if historical data is insufficient.

Compliance Checklist

- Conduct an independent bias audit of your AEDT | Who: Employers and employment agencies using AEDTs | Penalty: Cannot use AEDT if audit is not conducted
- Post audit results on your website | Who: Employers and employment agencies | Penalty: Non-compliance may lead to restrictions on AEDT use
- Notify candidates about AEDT usage | Who: Employers and employment agencies | Penalty: Potential legal challenges or complaints

Industries Affected

Human Resources

Technology

Employment Services

Topics

AI in Employment

Bill Sponsors

Name	Party	Role
Andrew Zwicker	D	Sponsor

Related Bills

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- A3855 (NJ)
 - A1021 (NJ)

Official Source

https://pub.njleg.gov/Bills/2024/S3000/2964_11.HTM

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