

## New York City Delays Enforcement of Its Automated Employment Decision Tool Law to April 15, 2023

## December 13, 2022

We last <u>wrote</u> about New York City's <u>Automated Employment Decision Tool Law</u> (the "AEDT Law" or the "Law") in September following the <u>release of the proposed rules</u> ("Proposed Rules") to implement the Law, which requires covered employers to conduct annual independent bias audits and to publicly post a summary of those results. Now, on December 12, 2022, the New York City Department of Consumer and Worker Protection ("DCWP"), the City agency responsible for enforcing the Law, has <u>announced</u> that it will delay enforcement of the Law from January 1, 2023 to April 15, 2023. The DCWP plans to hold a second public hearing on the AEDT Law in light of the high volume of comments it has received. The second hearing has not yet been scheduled.

This announcement comes in the wake of comments at the first public hearing, held on November 4, 2022, advocating for such a delay in the AEDT Law's enforcement. Commenters at that hearing expressed concern that employers would not have enough time to come into compliance with finalized rules—which are still pending and will not be issued until after the second public hearing—before the January 1, 2023 effective date.

At the first public hearing, commenters also offered thoughts on a number of perceived ambiguities and shortcomings in both the AEDT Law's <u>text</u> and in the Proposed Rules. For example, commenters focused on the lack of clarity on how employers should handle bias audit results where little to no data is available for the categories of race, ethnicity, and sex that must be audited under the Law, as well as with respect to those categories' intersections. Another commentator questioned the usefulness of the Impact Ratio metric that the proposed rules would require as part of a compliant bias audit. Others questioned the definition of tools covered by the Law and raised concerns about the standard of independence required of the auditor.

We continue to monitor developments on the AEDT Law. Hopefully the second public hearing will be held soon and the final rules will come shortly after, allowing employers sufficient time to come into full compliance before enforcement begins on April 15, 2023.



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