



QuantUniversity, LLC

[www.quantuniversity.com](http://www.quantuniversity.com)

# **Automated Employment Decision Tools (AEDT) Course**

## **Module 1: Introduction**

# Notice of Adoption of Final Rule

2

- Local Law 144 of 2021 regarding automated employment decision tools (“AEDT”) prohibits employers and employment agencies from using an automated employment decision tool unless the tool has been subject to a bias audit within one year of the use of the tool, information about the bias audit is publicly available, and certain notices have been provided to employees or job candidates.



# Automated Employment Decision Tools (AEDT)

3

- The Commissioner of the Department of Consumer and Worker Protection has adopted a final rule under the authority from **Sections 1043, 2203(f)** of NYC Charter and **Section 20-104(b)** of NYC Administrative Code.
- This rule amends Title 6 of the Rules of NYC.
- The initial version of the rule was proposed and published on September 23, 2022.
- DCWP began enforcement of this law and rule on July 5, 2023.



# Statement of Basis and Purpose

4

- Local Law 144 requires a bias audit for **tools, public availability of audit details, and notice provided to employees or job candidates.**
- The bias audit should calculate the **selection rate** for each race/ethnicity and sex category, comparing to the most selected category to reveal an impact ratio.
- The rules will define terms, clarify audit, result publication, and notice requirements and clarify other obligations.



# Key aspects of the rules

5

- Key aspects of the rules include:
  - Defining AEDT
  - The employment of independent auditors
  - Calculation for scoring candidates
  - Category comparison by the impact ratio.
- Rules about data types for bias audits, multiple employers relying on one audit, and inability to use an AEDT with an audit older than a year were introduced.





QuantUniversity, LLC

[www.quantuniversity.com](http://www.quantuniversity.com)

# Thank you!

Contact

Email: [info@qusandbox.com](mailto:info@qusandbox.com)

[www.QuantUniversity.com](http://www.QuantUniversity.com)



QuantUniversity, LLC  
[www.quantuniversity.com](http://www.quantuniversity.com)

Information, data and drawings embodied in this presentation are strictly a property of QuantUniversity LLC. and shall not be distributed or used in any other publication without the prior written consent of QuantUniversity LLC.