

Holisticai.com

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Guidance in accordance with NYC Local Law 144



Holistic AI

Contents

SUMMARY	2
KEY ELEMENTS	3
1. SUMMARY OF RESULTS	3
2. NOTICE TO CANDIDATES	4
3. REQUEST FOR INFORMATION	5
4. ALTERNATIVE PROCESS	5

Summary

As part of the NYC bias audit (NYC Local Law 144), employers and employment agencies using automated employment decision tools (AEDT) are required to do the following:

- Share the bias audit **Summary of Results** on their website.
- **Notify candidates** of the use of automated decision tools.
- **Provide a data retention and access policy** for candidates.
- Allow candidates to request an **alternative selection process** if they choose to opt out of the automated decision tool.

Samples provided in this guidance below are for demonstration purposes only and not for live use. Speak with your General Counsel (or your client's Counsel) before implementation.

Who It Applies To

- **Employers or employment agencies** using automated employment decision tools.
- **Vendors** of automated employment decision tools acting on behalf of clients.

Key Elements

1. Summary of Results

Overview. From 1st January 2023, employers or employment agencies must provide a Summary of Results of a bias audit conducted within the last year on their website or the website of the employment agency. It must include:

- Date of the most recent bias audit,
- Selection rates and impact ratios for all categories, and
- Distribution date of the automated employment decision tool assessed in audit.

Employers or employment agencies must also keep the Summary of Results and the Distribution Date posted on their website for at least 6 months after last using the AEDT for an employment decision.

The Summary of Results can be posted on the website via an active hyperlink to a separate website containing the required summary of results and distribution date, provided that such link is clearly identified as a link to results of the bias audit.

Example. Holistic AI will provide you with the hyperlink so that you can embed it on your website. An example can be seen as per below:

- ***Date of audit:*** 7 October 2022
- ***Distribution date:*** 21 June 2022
- ***System description:*** XYZ product helps our clients' recruiters and reporting line managers with external hiring decisions. By knowing the skills and current job positions of our clients' candidates, we can recommend appropriate candidates by giving every candidate a score of how well they fit against every other role within the organization. Candidates are then ranked based upon their "percentage fit" for each job position.
- ***Key information:*** The percentage fit is calculated by looking at:
 - The skills that are required for the open job position.
 - The proficiency of skills that the candidate has self-assessed.
 - The proficiency of skills and role level that we can infer from the candidate's current role.

Summary of Results (Example)

Company X Job Type Y		Selection Rate	Impact Ratio	
Hispanic or Latino	Male	43.9%	0.841	
	Female	43.2%	0.827	
Non/Hispanic or Latino	Male	White	52.2%	1.00
		Black or African American	42.0%	0.806
		Native Hawaiian or Pacific Islander	42.5%	0.815
		Asian	52.0%	0.997
		Native American or Alaska Native	45.8%	0.878
		Two or More Races	45.2%	0.866
		Female	White	51.2%
	Black or African American	45.7%	0.876	
	Native Hawaiian or Pacific Islander	46.9%	0.898	
	Asian	45.8%	0.877	
	Native American or Alaska Native	41.2%	0.789	
	Two or More Races	44.9%	0.860	

2. Notice to Candidates

Overview. Notice must be given to candidates no less than 10 business days before using an AEDT. Notice must include the following:

- Notification that an AEDT will be used in connection with the assessment or evaluation.
- The job qualifications and characteristics that the AEDT will use to assess the candidate.
- Instructions on how to request an alternative selection process or accommodation should be outlined. However, the proposed rules do not require an employer or employment agency to provide an alternative process.

Notices can be provided by:

- Including notice on the careers or jobs section of its website in a clear and conspicuous manner,
- Including notice in a job posting, or
- Providing written notice in person, via U.S. mail or e-mail.

Example. Sample Notice – Notice on Careers or Jobs Section of Website

* An automated decision tool may be used in the evaluation of candidates for the applied roles to evaluate the any of the following relevant job qualifications or characteristics:

- The skills that are required for the open job position.
- The proficiency of skills that the candidate has self-assessed.
- The proficiency of skills and role level that we can infer from the candidate’s current role.

If you would like to request an alternative selection procedure, please email HR (hr@xyz.com) to log your accommodation request.

To request information on the type of data collected for the automated decision tool, source of such data, or our data retention policy, email HR (hr@xyz.com) and the Data Protection Officer (dpo@xyz.com) or write to us at our company address XXX. You can also find a copy of our data retention policy here (www.xyz.com/dataretention).

3. Request for Information

Overview. The following shall be available upon written request by the candidate and provided within 30 days of the written request, unless such disclosure would violate local, state, or federal law or interfere with a law enforcement investigation:

- Information about the type of data collected for the automated decision tool,
- Source of such data, or
- Employer or employment agency’s data retention policy.

If disclosure would violate local, state, or federal law, or interfere with a law enforcement investigation, provide an explanation to the candidate for refusing to provide information.

Example. Sample Notice – Request for Information

* To request information on the type of data collected for the automated decision tool, source of such data, or our data retention policy, email HR (hr@xyz.com) and the Data Protection Officer (dpo@xyz.com) or write to us at our company address XXX. You can also find a copy of our data retention policy here (www.xyz.com/dataretention).

4. Alternative Process

Overview. All candidates have the right to opt out and request an alternative selection process or accommodation. However, the proposed rules do not require an employer or employment agency to provide an alternative process.

Example. Sample Notice – Alternative Process

* To opt out and request an alternative selection process or accommodation, email HR (hr@xyz.com) and the Data Protection Office (dpo@xyz.com) or write to us at our company address XXX, Attention: HR and Data Protection Officer.

**GOT QUESTIONS OR WANT TO
SCHEDULE A CONSULT? CONTACT US AT**



holisticai.com



we@holisticai.com

Disclaimer: This Guidance has been prepared as a tool to direct your discussions with your counsel on New York City Local Law 144 does not, and is not intended to, constitute legal advice; instead, all information, content, and materials are for general information purposes only. Information in the report may not constitute the most up-to-date information. Readers of this Guidance should contact their attorney to obtain advice with respect to any particular legal matter. No reader of this report should act or refrain from acting on the basis of information in this report without first seeking legal advice from counsel in the relevant jurisdiction. Only your individual attorney can provide assurances that the information contained herein – and your interpretation of it – is applicable or appropriate to your particular situation. All liability with respect to actions taken or not taken based on the contents of this Guidance are hereby expressly disclaimed. The content on this Guidance are provided “as is;” no representations are made that the content is error-free. Should you wish to discuss any aspect of this Report, please contact Support at e-mail: we@holisticai.com.



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