

Brought to You by the Team Guiding HR Through the AI Shift

AI in HR WEEK

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Day 4 | Thursday, July 17, 2025

BE PROACTIVE WITH COMPLIANCE

The Rules Are Coming

AI isn't a free-for-all. HR is expected to use it responsibly—and regulators are catching up fast.

We're already seeing laws that limit or restrict AI in hiring decisions. Some are in place now. Others are coming in 2025 and 2026. It's not just about tools—it's about how you use them, what you disclose, and who gets to review the outcomes.



**WATCH
TODAY'S
DEMO**

TODAY'S FOCUS

Use AI to understand current laws, prepare for what's ahead, and build clear, compliant policies, processes, and internal guardrails.

Scenario

You're excited about using AI—but worried about doing it wrong. Today is about understanding what's legal, what's changing, and how to keep people and your business protected.

These prompts walk you through a comprehensive approach—helping you understand where to check for legal risks, how to communicate them internally, and what processes to put in place to stay compliant and proactive.

Many states have started to introduce different types of AI regulations. Even if your state isn't one of them, it's likely that similar rules will soon extend to other regions. Keep reading to see what we know now, what's on the horizon, and how to prepare your organization.

STEP 1

Act as a compliance auditor. Based on current U.S. and state-level AI laws, what should I check if we're using AI in our hiring process?

STEP 2

Write a 1-page internal brief I can share with leadership or IT explaining the legal risks of AI in hiring and our top 3 action items to fix.

STEP 3

Create a checklist I can use before any team implements a new AI tool that impacts people decisions.

STEP 4

Set up a quarterly AI compliance audit plan I can follow to review new tools, vendor updates, and changes to state and federal laws.



WHAT TO KNOW AND WHAT TO DO

What's In Play

NYC (*Local Law 144 – 2023*)

- Requires bias audits for AI hiring tools
- Candidates must be notified prior to use

IL (*Video Interview Law*)

- If AI analyzes video interviews, you must:
 - Notify candidates
 - Explain how the tech works
 - Obtain consent

TX (*Effective Jan 1, 2026*)

- Limits AI bias liability
- Still requires documentation and thoughtful practices

What's Coming Soon

IL (*HB 3773 – Jan 1, 2026*)

- Expands regulation to all AI decision tools—not just video

CO (*SB 205 – Feb 2026*)

- May require:
 - Bias impact assessments
 - Disclosures
 - Risk mitigation plans

CA (*Oct 1, 2025*)

- Procedural rules will enforce discrimination laws tied to AI use

CT, MO, NJ

- Proposed laws include:
 - Bias audits
 - Transparency for candidates
 - Human review of automated hiring decisions

AAIM'S RECOMMENDATION

1. Disclose AI use early and clearly — in job postings or pre-application
2. Offer candidates a human-reviewed alternative when possible
3. Vet your vendors — Ask for bias audits, model documentation, and proof of compliance with emerging state laws
4. Document internal use — What tools you're using, how decisions are made, and how humans are involved
5. Train your team — Especially hiring managers, on what AI is doing and not doing in your process

Today's Challenge: Spot the Risk, Set the Guardrail

Think about one area where AI is used in your organization.
Challenge Yourself to:

1. Identify the tool or workflow
2. Ask AI to help you write a disclosure, policy snippet, or audit checklist
3. Use that output to start documenting your process now



Got Questions?
Ask Aaime
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