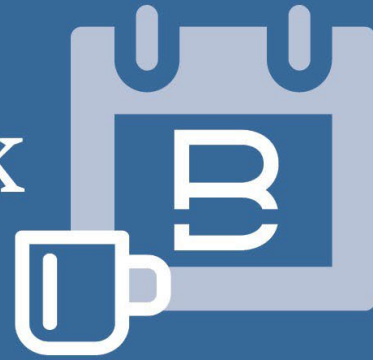


# The Work Week

Bassford Remele Employment Practice Group



**May 19, 2025**

Welcome to another edition of *The Work Week with Bassford Remele*. Each Monday morning, we will publish and send a new article to your inbox to hopefully assist you in jumpstarting your work week.

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## **California Looks to Regulate AI to Curb Employment Discrimination**

[Michael J. Pfau](#)

Employers across the United States are increasingly integrating artificial intelligence (AI) into their hiring processes to enhance efficiency and objectivity. AI tools are employed to screen resumes, analyze video interviews, and predict candidate success. While these technologies offer potential benefits, they also raise concerns about algorithmic bias and discrimination, prompting a wave of regulatory responses at both state and federal levels.

### **California Leads with New AI Hiring Regulations**

On May 17, 2025, the California Civil Rights Council finalized regulations aimed at curbing employment discrimination resulting from the use of AI tools in hiring. The regulations provide that it is unlawful for a covered entity to use an “automated-decisions system” that discriminates against an applicant, employee, or a class of applicants or employees based on a protected characteristic, but also indicates that discrimination based on accent, English proficiency, height, or weight is prohibited. These regulations mandate that employers conduct annual impact assessments of AI systems used in employment decisions to identify and mitigate potential biases. Employers are also required to ensure transparency by informing applicants about the use of AI in the hiring process and providing explanations of how these tools function.

Failure to comply with these regulations could expose employers to liability if their AI tools result in discriminatory outcomes. If they are approved by the Office of Administrative Law, the regulations will become effective on July 1, 2025.

## A Patchwork of State-Level AI Hiring Laws

In the absence of comprehensive federal legislation, several states have enacted their own laws to regulate the use of AI in hiring. A few examples include:

**Illinois:** The Artificial Intelligence Video Interview Act requires employers to notify applicants and employees when AI is used throughout the employment process.

**Maryland:** House Bill 1202 prohibits employers from using facial recognition technology during interviews without the applicant's consent via a signed waiver that states the applicant's name, the date of the interview, that the applicant consents to the use of facial recognition during the interview, and that the applicant has read the waiver.

**Colorado:** SB 24-205, effective February 1, 2026, requires employers deploying high-risk AI systems to implement risk management policies, conduct annual impact assessments, and report instances of algorithmic discrimination to the state attorney general. This law covers employers in the hiring process.

## Federal Efforts

At the federal level, there is ongoing debate over the regulation of AI in employment. Recently, House Republicans introduced a provision in a budget bill that would impose a 10-year moratorium on state and local regulation of AI and automated decision-making systems, including those used in hiring. Proponents argue that a unified federal framework is necessary to avoid a fragmented regulatory landscape that could hinder innovation.

## Navigating the Future of AI in Hiring

As AI continues to permeate hiring practices, employers must navigate a complex and evolving regulatory environment. Compliance with state-specific laws is essential to mitigate legal risks and promote fair hiring practices. Employers should stay informed about legislative developments and consider conducting regular audits of their AI tools to ensure they do not inadvertently engage in bias or discrimination.

These laws and regulations will continue to develop at the state, federal, and local level. The Bassford Remele Employment Group can navigate employers through the evolving landscape of AI in hiring. Please reach out with any questions.

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