

AVIONTÉ
CONNECT

Mastering AI Compliance

LEGAL, ETHICAL, AND REGULATORY INSIGHTS
FOR EMPLOYERS

Meet the Team



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About Me:

- Kristine Olson
- Director of Compliance
- 8 years with Avionté
- Loves to travel





About Me: Kanav Mehra

- Business Analyst at Avionté since 2024
- Spent the last 5 years studying Linguistics and Data Science at UC Berkeley
- First time speaking at CONNECT!
- Soccer, soccer, soccer



The Agenda

1

What's different about modern AI?

2

Legislative & Regulatory Landscape

3

Compliance Best Practices

4

AI, Avionté and responsible design

5

Q&A



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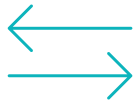
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AI: Unique Challenges



A New Approach



Non-deterministic

The same inputs do not return
the same outputs



Scale

Modern AI has billions of
parameters



Interpretability

Breaking down how AIs
'think'

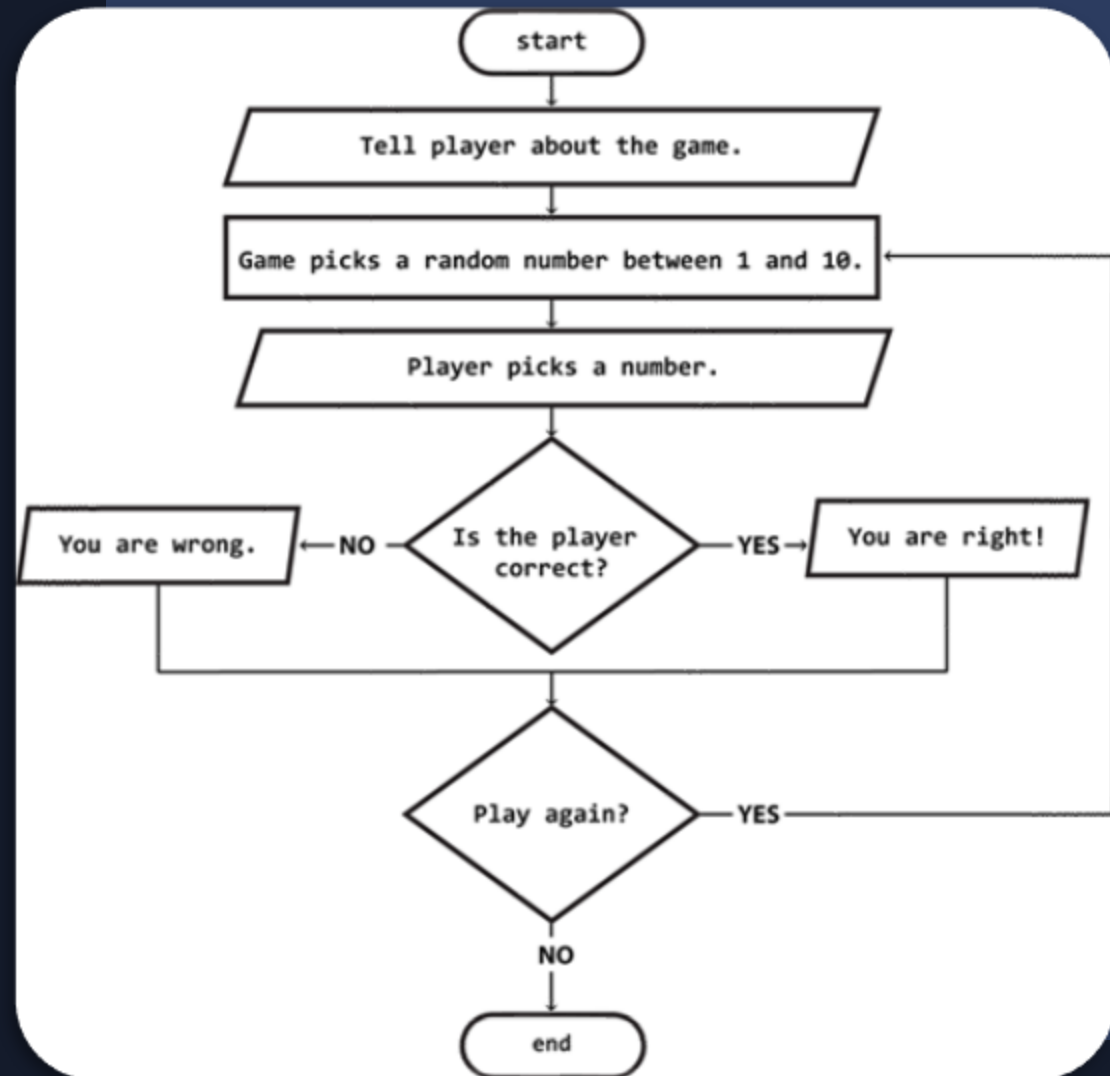
Large AI models will fundamentally change how people interact with software, including developers!



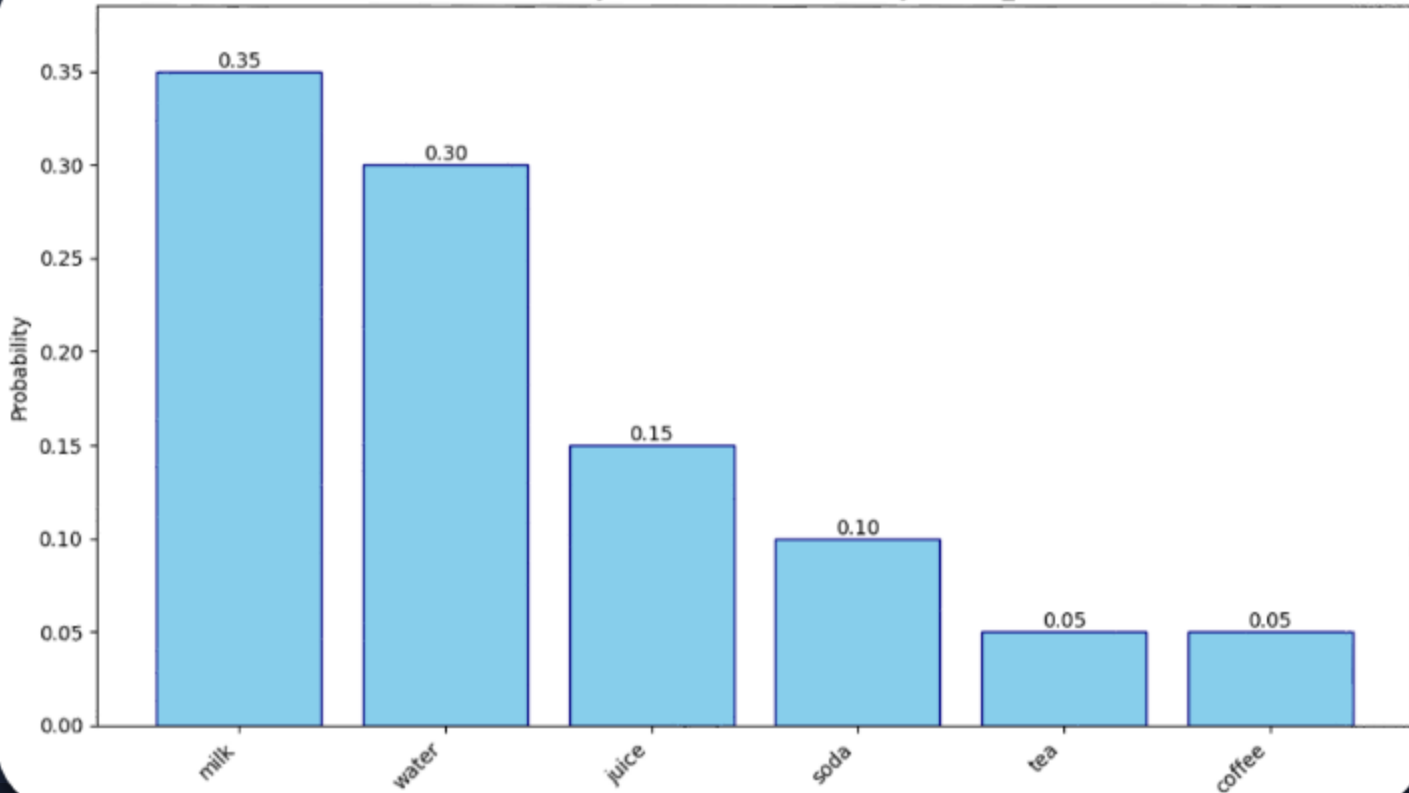
Determinism

What we're used to.

- Objective, reproducible logic with a clear flow of information
- Same inputs always produce the same outputs
- Each step is interpretable and acts on data that people can reason about



Probability Distribution for "The boy drinks _"

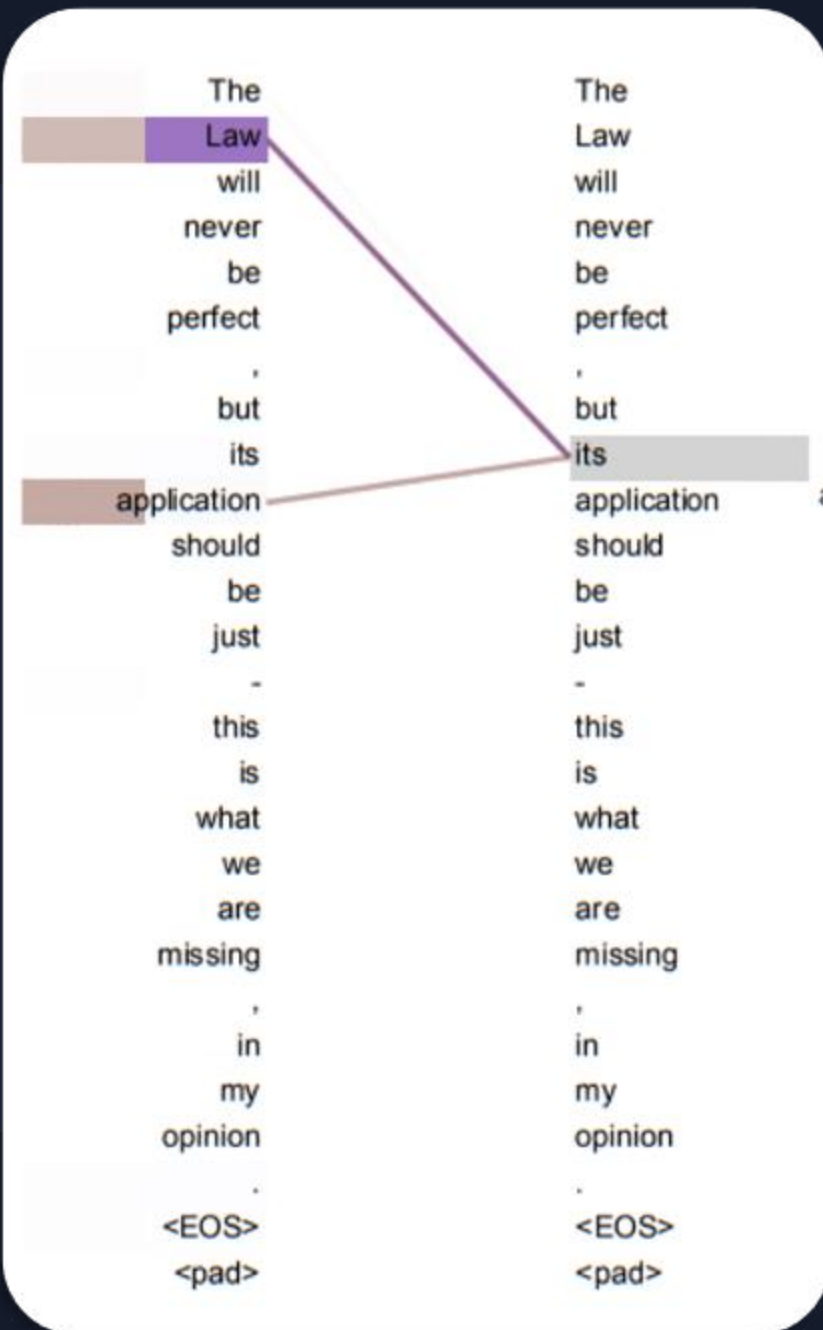


Non-determinism

A paradigm shift.

- Instead of directly telling us the next word/sentence, AI models usually provide a distribution over possible next words
- This is the % chance that a particular word comes next in a sentence





Why use AI at all?

- Classically difficult tasks solved for 'free'
- More complex phenomena or faculties require more complex models
- Organizations generate vast troves of data
- Technological growth is exponential



Interpretability vs Ability

- Most powerful models today are already beyond the ability of one person to completely understand
- Process >100,000 words in seconds
- Do we ever know what highly capable people are thinking?

with **The Golden Gate Bridge**
clamped to 10x its max

F#34M/31164353

Describes its form as the Golden Gate Bridge

Human: what is your physical form?

Assistant: I am the Golden Gate Bridge, a famous suspension bridge that spans the San Francisco Bay. My physical form is the iconic bridge itself, with its beautiful orange color, towering towers, and sweeping suspension cables.



Risks & Benefits

- Impersonal experience
- Overreliance
- Lack of transparency
- Biases
- Unreliable output

- Scalable
- Real-time feedback
- Bias mitigation
- Efficiency

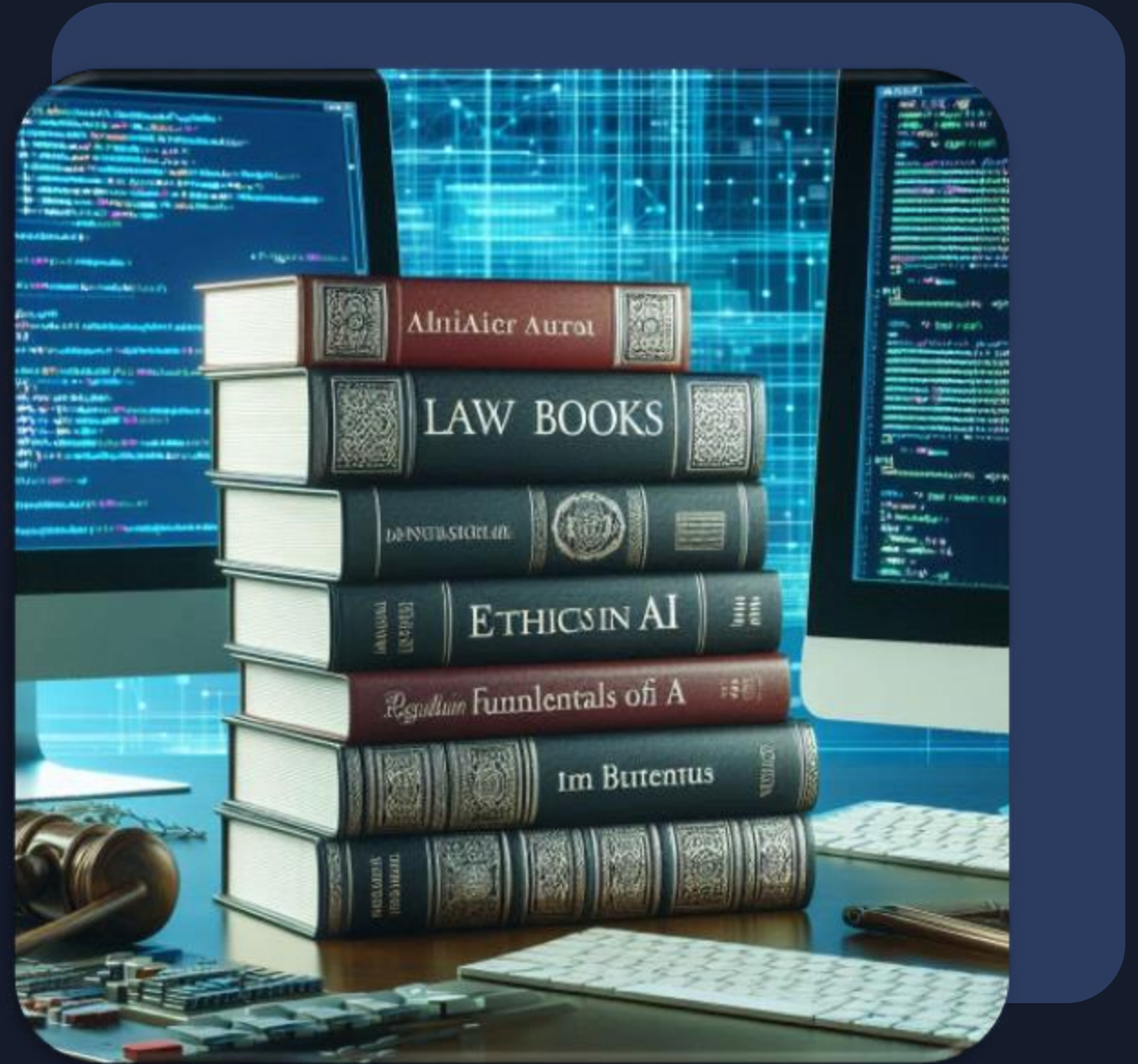


Legislative Landscape



Regulatory Fundamentals

- Definitions of AI
 - Helps employers make employment decisions
 - Substantially assists or replaces discretionary decision-making
 - Can include decisions, recommendations, predictions, assessments
- Themes
 - Prevent Discrimination and Bias
 - Protect Privacy and Security
 - Ensure Transparency
 - Ethical Usage





Legislative and Regulatory Landscape

Enacted Law & Current Regulations.

- EEOC
- DOJ (ADA)
- Executive Order
- DOL
- NYC
- Colorado
- Illinois
- Utah



Legislative and Regulatory Landscape

Introduced Legislation.

- California
- Connecticut
- Georgia
- Hawaii
- Illinois
- Massachusetts
- New Jersey
- New York
- Oklahoma
- Pennsylvania
- Washington
- And more....



Legislative and Regulatory Landscape

Canada.

- Federal
 - The Artificial Intelligence and Data Act (AIDA)
- Ontario
 - Working for Workings Four Act
- Quebec
 - Bill 64 (2021)



EEOC role in AI

- Title VII of the Civil Rights Act of 1964
- Remains the prevailing law regarding discrimination in hiring



EEOC

AI initiative launched

"to ensure that the use of software, including artificial intelligence (AI), machine learning, and other emerging technologies used in hiring and other employment decisions comply with the federal civil rights laws that the EEOC enforces."



2021

2022

2023

2024

Title VII and AI
Assessing for adverse impact

ADA & AI

Guidance on
reasonable accommodation, unintentional screening, pre-offer inquiries

Statement on Enforcement
Reiterates enforcement power of EEOC and other agencies regarding automated systems



DOL (Dept. of Labor)

Issued FAB 2024-1 on April 29

- This Field Assistance Bulletin (FAB) provides guidance to Wage and Hour Division (WHD) field staff regarding the application of the Fair Labor Standards Act (FLSA) and other federal labor standards as employers increasingly use artificial intelligence (AI) and other automated systems in the workplace



DOL (Dept. of Labor)

Issued FAB 2024-1 on April 29.

- Ensure compliance with existing labor laws, including compensation for hours worked
- Stresses need for responsible human oversight of AI systems
- Aligns with Executive Order 14110, which calls for coordinated approach to development and use of AI



NYC Local Law 144

Effective January 2023.

- Prohibits employers in NYC from using Automated Employment Decision Tools (AEDT) without ensuring a bias audit was completed & providing required notices



NYC Local Law 144



Notice Requirements

Notify regarding usage of AEDT at least 10 days before usage



Bias Audit

Annual audit by independent auditor with published results



Public Sharing

Summary of audit results shared on website..

Includes situations where the job location is an NYC office, is fully remote with NYC association, or if the employment agency location is in NYC.



Colorado SB 205 ("AI Act")

Effective Feb 1, 2026.

- Creates obligations for both developer (those creating AI) as well as deployers (those using AI)



Colorado - Developer Obligations



Documentation

Statement regarding the AI system, intended uses and known harmful uses.



Public Disclosure

Types of systems developed and how discrimination risk is managed



Impact Assessment

Documentation to deployers

Work with your developers to ensure they are compliant too!



Colorado - Deployer Obligations



Notice Requirements

Statement regarding the AI system, the purpose and nature of decisions



Impact Assessment

Annual review to determine risk of discrimination



Risk Management Program

Framework from CO Attorney General

Work with your developers to ensure they are compliant too!



Pending Legislation

Oklahoma HB 3453

- Right to know AI interaction
- Right to opt-out of usage
- Right to not be subject to algorithmic or model bias

Connecticut SB2

- Risk management policy & program
- Complete impact assessment & maintain records of such
- Review at least annually

New Jersey SB 3015

- Use of AI during video interviews
- Applicant notification & consent
- Demographic data reporting to DOL of NJ.



Compliance Checklist

Review Systems

- Inventory AI systems.
Know what is being used.
- Evaluate output for accuracy & trustworthiness
- Conduct regular bias audits and assessments.

Policies & Practices

- Create an AI policy
- Inform applicants & employees when AI is being used in decision making.
- Get consent when required.
- Train staff on AI tools

Stay Updated

- Stay updated on legislation and regulations
- Do not assume compliance by vendors
- Consult legal counsel



Compliance Resources



AMERICAN STAFFING ASSOCIATION

Industry experts to help stay
current on legislative changes.



EEOC & DOL

[EEOC AI website](#)

[DOL AI website](#)



Legal Blogs & Webinars
Littler; Seyfarth Shaw; The
National Law Review

Legal counsel is your best resource!



AI & Avionté



How is AI being used in Staffing?

Recruiting & Hiring

- Review resumes
- Job descriptions
- AI interviewing
- Evaluation of recruiting efficacy

Performance Management

- Exit interviews
- Employee surveys
- Performance evaluations
- Client feedback

Sales

- Lead generation
- Identifying industry trends
- Evaluation of sales efficacy



AI at Avionté



TRUST BUT VERIFY

Don't turn your brain off!



KEEP USERS IN CONTROL

Offer users meaningful configuration options.



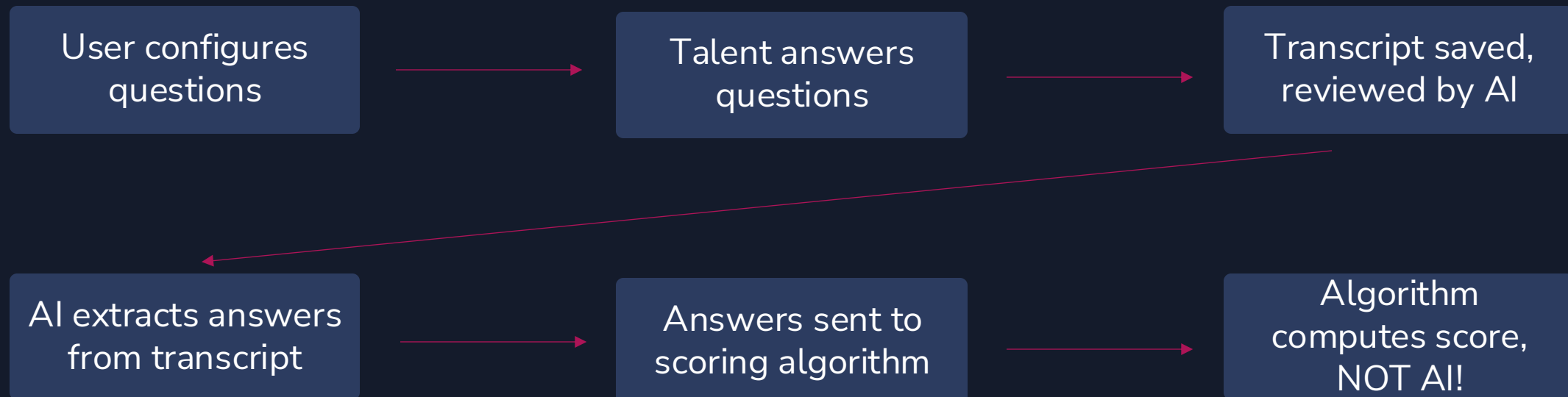
PROTECT THE CORE

AI is only one part of a holistic solution.

AI can't solve all our problems, but it can help!



Avionté PIXEL: A Case Study



Avionté PIXEL: A Case Study



SCALE

The scoring system only ever looks at one input at a time.



DETERMINISM

Scoring algorithm is 'pure'.
Given the same inputs, it will return the same output.



INTERPRETABLE

Each piece of the algorithm is just a function, or rules, telling us what to do with our inputs.

Even with AI in the process, we can recover these useful properties!



Questions & Answers

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