

News Brief



EEOC Settles First AI Discrimination Case

The U.S. Equal Employment Opportunity Commission (EEOC) and iTutorGroup Inc. recently filed a joint notice of settlement and consent decree for a discrimination-in-hiring lawsuit. This is the first lawsuit settled by the agency alleging discrimination arising from an employer's use of artificial intelligence (AI) in recruiting and hiring.

iTutorGroup hires tutors in the United States to teach English to Chinese-speaking students. The lawsuit alleged that the company's recruiting software automatically rejected female applicants over age 55 and male applicants over 60. The EEOC filed the lawsuit in May 2022, the same month the commission issued guidance to employers regarding potential AI bias in hiring. iTutorGroup agreed to pay \$365,000 to resolve the lawsuit.

Employer Takeaway

AI has made its way into many workplaces nationwide and is rapidly changing how organizations operate and make decisions. AI tools are gaining popularity in many employment areas, such as recruiting and hiring, since they can enhance workflows, streamline operations and improve workplace efficiency by automating manual, error-prone tasks. Although this technology can help improve employers' operational efficiencies, it presents certain risks, as demonstrated by the recent lawsuit against and settlement with iTutorGroup.

This lawsuit is likely the first of many and highlights the importance of understanding and responsibly using AI tools in employment. It serves as a reminder to employers to seriously consider their legal responsibilities when using AI in employment-related decisions and take steps to ensure compliance with

existing laws. Establishing proper workplace policies, conducting self-audits and screening vendors can help employers proactively navigate the complex legal landscape related to using AI in the workplace.

Contact us for more AI-related resources.