

By: Bhojani

H.B. No. 5118

A BILL TO BE ENTITLED

AN ACT

relating to the use of an automated employment decision tool by an employer to assess a job applicant's fitness for a position.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 2, Labor Code, is amended by adding Subtitle F to read as follows:

SUBTITLE F. PROVISIONS REGARDING JOB APPLICANT SCREENING

CHAPTER 95. USE OF AUTOMATED EMPLOYMENT DECISION TOOL

Sec. 95.001. DEFINITIONS. In this chapter:

(1) "Algorithm" means a computerized procedure consisting of a set of steps used to accomplish a determined task.

(2) "Applicant" means a person applying for a job offered by an employer.

(3) "Artificial intelligence system" means a system of machine learning and related technologies that use data to train statistical models for the purpose of enabling computer systems to perform tasks normally associated with human intelligence or perception, such as computer vision, speech or natural language processing, and content generation.

(4) "Automated employment decision tool" means a computational process or software application that uses algorithms, machine learning, statistical modeling, data analytics, or an artificial intelligence system to assess an applicant's fitness for a position.

1 (5) "Commission" means the Texas Workforce
2 Commission.

3 (6) "Employer" has the meaning assigned by Section
4 61.001.

5 Sec. 95.002. BIAS AUDIT REQUIRED. An employer may not use an
6 automated employment decision tool in regard to an applicant
7 unless:

8 (1) a bias audit of the automated employment decision
9 tool has been conducted by an impartial, independent auditor at the
10 employer's request to determine whether the data incorporated into
11 the automated employment decision tool may have the effect of
12 causing discrimination prohibited under Chapter 21 or federal
13 antidiscrimination laws; and

14 (2) the employer has posted on the employer's publicly
15 accessible Internet website the results of the bias audit conducted
16 under Subdivision (1).

17 Sec. 95.003. DISCLOSURE REQUIRED. An employer may not use
18 an automated employment decision tool in regard to an applicant
19 unless the employer:

20 (1) notifies the applicant that an automated
21 employment decision tool may be used to assess the applicant's
22 fitness for the position; and

23 (2) provides the applicant with information
24 describing how the automated employment decision tool will be used
25 to assess the applicant's fitness for the position, including what
26 characteristics may be evaluated for that purpose.

27 Sec. 95.004. RULES. The commission shall adopt rules for

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1 the administration of this chapter.

2 SECTION 2. This Act takes effect September 1, 2025.