TO:	The Honorable C.T. Wilson, Chair
	Members, House Economic Matters Committee
	The Honorable J. Sandy Bartlett
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DATE:	March 6, 2024
RE:	**OPPOSE** – House Bill 1255 – *Labor and Employment – Automated Employment Decision Tools – Prohibition*

The Maryland Tech Council (MTC) writes in **opposition** to *House Bill 1255: Labor and Employment – Automated Employment Decision Tools – Prohibition*. We are a community of nearly 800 Maryland member companies that span the full range of the technology sector. Our vision is to propel Maryland to become the number one innovation economy for life sciences and technology in the nation. We bring our members together and build Maryland's innovation economy through advocacy, networking, and education.

House Bill 1255 prohibits the use of an automated employment decision tool unless the tool was subject to an impact assessment that would determine the use of the tool would not involve a high-risk action. The MTC supports the intent behind this legislation, which is the responsible use of technology to mitigate potential bias and discriminatory impact. Our members generally support the development and use of tools to assist employers, large and small, in the hiring process. In response to this legislation, our members have noted that the responsible use of technology can be used to mitigate, rather than further, the implicit bias in humans when it comes to functions, such as hiring decisions.

Given the MTC's belief in the use of technology to enhance processes, such as hiring, our members feel that substantial additional clarity and details are needed if this legislation were to move forward. For example, would an employer's use of hiring sites, such as Indeed.com or LinkedIn, be subject to the impact assessment? Additionally, it is unclear whether the sponsor's intent is intended to apply to the use of artificial intelligence or any type of software or technology that uses any algorithm of some type. We believe that additional details are needed to determine the types of tools that the legislation is intended to apply to. Additionally, there is not much detail around the required impact assessment. It is defined as only "a documented risk-based evaluation of a system that employes an algorithmic decision system." There is no clarity on what factors must be evaluated, the level of detail required, how it will be determined whether the evaluation triggers a high-risk action, and who will be making such determinations. It is difficult for the MTC to evaluate the impact that this legislation will have on our members without additional clarity.

The MTC would welcome a conversation with the bill sponsor about ways to bring additional clarity to employers, but at present, the MTC requests an unfavorable report.