STATE OF NEW YORK

8706--B

IN SENATE

January 7, 2026

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Labor -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the labor law, in relation to requiring covered businesses to submit annual reports on the impact of artificial intelligence on hiring and the nature of artificial intelligence use

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The labor law is amended by adding a new section 201-j to read as follows:

§ 201-j. Artificial intelligence impact assessments. 1. Definition. For purposes of this section, "covered business" shall mean a business entity doing business in the state and: (a) employs more than fifty people; or (b) is a publicly traded entity.

2. Reporting requirement. On or before March first of every year, a covered business shall report to the department regarding the impact of artificial intelligence on its hiring and the nature of its artificial intelligence use in the calendar year ending the preceding December thirty-first. Such report shall include:

(a) Employment data, including but not limited to:

(i) An estimate of the number of employees displaced, or whose hours have been reduced, due in full or in part to use of artificial intelligence;

(ii) An estimate of the number of employees hired, or whose hours have been increased, due in full or in part to use of artificial intelligence; and

(iii) An estimate of the number of positions previously filled that the covered business has decided not to fill due in full or in part to use of artificial intelligence; and

(b) Information on the nature of artificial intelligence usage, including but not limited to:

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD14332-05-6

(i) Descriptions of the objectives of the use of artificial intelligence;

(ii) Information regarding any human oversight of artificial intelligence;

(iii) Information on the frequency and length of use of artificial intelligence;

(iv) Information on any use of artificial intelligence in relation to sensitive personal data, including storage and access protections related to use of artificial intelligence in relation to such personal data; and

(v) Measures in place for oversight, risk reduction, or other protections related to use of artificial intelligence.

3. Responsibilities of the department. The department shall develop standard reporting forms and processes for covered businesses to submit the reports required pursuant to subdivision two of this section. The department may develop additional reporting requirements related to the hiring and business impacts of utilization of artificial intelligence by covered businesses.

4. Annual report. (a) The department shall review the reports submitted by covered businesses pursuant to subdivision two of this section and shall prepare an annual report on the impact of artificial intelligence on hiring and the nature of artificial intelligence usage in the state based on the department's review of such reports submitted pursuant to subdivision two of this section.

(b) The department shall submit the report required pursuant to paragraph (a) of this subdivision to the governor, the temporary president of the senate, the minority leader of the senate, the speaker of the assembly, and the minority leader of the assembly within one hundred twenty days of the covered business reporting deadline established pursuant to subdivision two of this section. Such report shall be made publicly available on the department's website at the same time as such report is submitted to the governor and legislature.

(c) The report required pursuant to paragraph (a) of this subdivision shall include, but not be limited to, presentation of aggregate data regarding employment impacts, objectives, and implementation of artificial intelligence by covered businesses, including analysis of such impacts by employment sector, geographic location, and business size.

5. Enforcement. (a) A covered business who fails to report pursuant to the requirements of this section shall be subject to a civil penalty of not more than five hundred dollars for each day such covered business remains in violation of such reporting requirements.

(b) Upon notice of a violation of this section, a covered business shall have ninety days to resolve such violation to the satisfaction of the commissioner. If the commissioner is satisfied that the violation has been cured within the ninety-day period, the commissioner shall waive or reduce the applicable penalties under this subdivision.

§ 2. This act shall take effect immediately.