

Practical Insights for Employers Using AI

In this article, originally published by Law360, we distill the array of major global AI developments to spotlight a narrow but vitally important area — practical insights for employers using AI in the workplace.

We have been witnessing an absolute whirlwind of artificial intelligence policy developments around the globe.

On Dec. 8, European Union policymakers reached a historic agreement on the AI Act — the world's most comprehensive risk-based framework governing AI systems. Although details will be finalized in the coming weeks, the AI Act's full set of requirements is expected to go into effect in approximately the next two years.

This is just the latest significant development in AI regulation and governance — following the release of the risk-based AI international code of conduct by G7 leaders, 18 countries signing onto international guidelines on safe AI development and deployment, and the UK's AI Safety Summit.

Additionally, in the U.S., the White House recently issued its AI executive order. At the same time, AI-related developments have been continuing at the state level, including the California Privacy Protection Agency, or CPPA, publishing discussion draft regulations relating to automated decision-making technology.

Each of these developments shows keen interest in AI regulation and is a road map to the potential requirements and guardrails for those developing and deploying AI tools.

There is a recognition that AI has the potential to transform a range of industries, and that we are merely at the beginning of this technological journey.

In this article, we will seek to move past AI buzzwords and amorphous definitions to distill the array of major AI developments to spotlight a narrow — but vitally important area — practical insights for employers using AI in the workplace.

In particular, we will address how:

- The now officially forthcoming EU AI Act may impose compliance obligations on U.S. employers deploying AI systems;
- The U.S. Department of Labor's new role as articulated under the AI executive order and recent coordinating efforts with two federal agencies is likely to result in increased AI enforcement actions and influence how AI in the workplace is regulated;
- The recently released draft AI guidance from the White House's Office of Management and Budget — while not directly applicable to most companies, other than government

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contractors — is likely to be an instructive guide as to expectations at the federal level; and

- California's recently published automated decision-making prerulemaking efforts might shape regulation at the state level.

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The following Gibson Dunn attorneys prepared this article: Vivek Mohan and Emily M. Lamm.

Gibson Dunn's lawyers are available to assist in addressing any questions you may have regarding these developments. Please contact the Gibson Dunn lawyer with whom you usually work in the firm's [Artificial Intelligence](#) or [Labor and Employment](#) practice groups, or the authors:

[Vivek Mohan](#) – Palo Alto (+1 650.849.5345, vmohan@gibsondunn.com)

[Emily Maxim Lamm](#) – Washington, D.C. (+1 202.955.8255, elamm@gibsondunn.com)

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