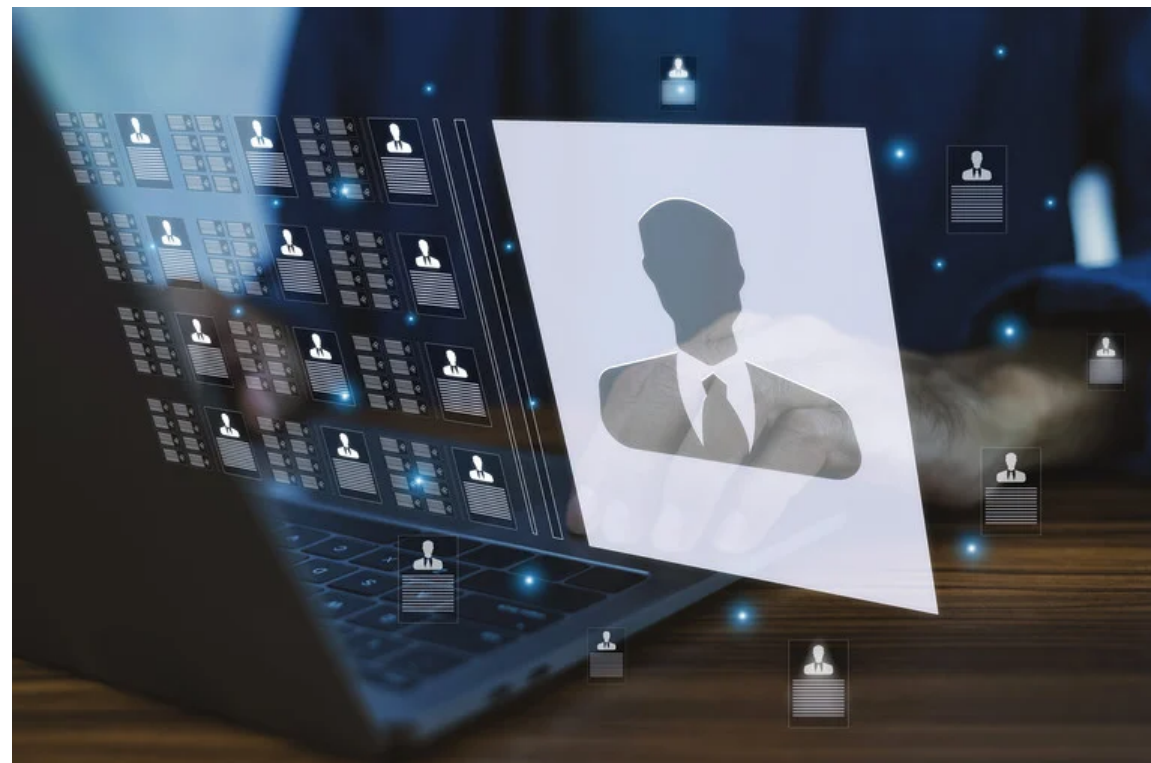


'Wave of the Future': Meta Faces Novel Suit for Allegedly Using AI Systems to Fire Workers

Brian Markovitz, a principal at Joseph Greenwald & Laake who specializes in wage-and-hour lawsuits and discrimination cases, said in an interview that though the case is novel, it signals a "wave of the future" in employment-related litigation.

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Credit: Suriyo/Adobe Stock

Meta Platforms Inc. is facing a [novel employment lawsuit](#) alleging the social media giant made termination decisions based on artificial intelligence-fueled metrics that discriminated against people with disabilities.

26 anonymous current and former employees of Meta sued the Facebook and Instagram parent on July 13 in the U.S. District Court for the Northern District of California. The complaint is backed by counsel at Lumen Law Center in West Hollywood; Workplace Advocates in Rancho Cucamonga, California; and Houlding Law in Brooklyn, New York.

The plaintiffs, according to court records, are seeking a preliminary injunction against Meta and have already initiated arbitration proceedings in the case with the American Arbitration Association per the mutual arbitration agreements they signed as a condition of their employment at Meta.

The case is being overseen by District Judge William H. Orrick. Counsel has not yet appeared for Meta.

According to the complaint, on May 20, Meta fired about 10% of its workforce using a "constellation of internal artificial-intelligence systems"—including "Metamate," its proprietary AI assistant—that calibrated employees' eligibility for termination based on AI-powered and algorithmic inputs that did not exclude people who had disabilities or were on protected medical or family leave. [Meta had announced in April](#) that it planned to lay off 8,000 global workers as part of a company-wide restructuring effort aimed at pivoting to AI.

"The result was that employees who took protected leaves were disproportionately selected for layoff, based on scoring that not only failed to account for their protected leaves, but in effect penalized the employees for exercising their legal rights to these leaves," it said.

Judge Orrick [rejected the plaintiffs motion](#) for a temporary restraining order on July 17, finding that plaintiffs did not have sufficient evidence to demonstrate that Meta used AI in its termination processes because they "were not in the rooms where it happened." He also found that plaintiffs had not suffered "irreparable harm" since their alleged hardships could be remediated through arbitration.

Meta, in its opposition to the TRO, denied that it used AI, citing a declaration from its director of human resources business partner enablement, Linh Doan, that its termination decisions were "made by human business leaders based on documented, neutral criteria[.]"

Orrick also ordered Meta to submit a declaration providing an explanation for the termination of four Doe plaintiffs with Meta-sponsored employment visas by July 23 and added that "[d]iscovery during the arbitration process will be necessary to test the credibility of Meta's declarants."

Plaintiffs' counsel declined to comment on the case, but directed Law.com to a [news release](#) published on July 17.

"While the Court declined to enter a temporary restraining order at this early stage, its order confirms that the core of this case is moving forward," it said. "The Court found that plaintiffs have raised 'serious questions going to the merits' of their claims."

This case appears to be one of the first to address the alleged use of AI to terminate employees, following two other lawsuits—*Mobley v. Workday* and *Kistler et al. v. Eightfold AI Inc.*—filed in California that target tech companies' use of AI screening tools in their hiring processes to rank potential job candidates.

[Cloud-based software vendor Workday](#), which provides human resource management and applicant-screening services to employers, is currently facing a pending nationwide collective action, filed in 2023, that accuses it of discriminating against job applicants aged 40 and older through its algorithm-driven job applicant scoring and screening systems. In January, plaintiffs [initiated a novel class action](#) against artificial intelligence firm Eightfold AI that claims it illegally collected data on job candidates without their consent and, through AI, generated profiles of them for use in job screening.

Brian Markovitz, a principal at Joseph Greenwald & Laake who specializes in wage-and-hour lawsuits and discrimination cases, said in an interview that though the Meta case is novel, it signals a "wave of the future" in employment-related litigation.

"I think over the next 10 years, there's going to be a large battleground," he said.

The fact that it targets Meta, he said, sends a message to Big Tech.

"It certainly gets people's attention, because it is one of the big powerhouses in tech," he said. " ... It's definitely a strategy, I think, to ... try to get some sort of judicial oversight and some attention to AI being used [as] a way of measuring human beings' productivity."

He added that though he thought it was a shrewd move to file the suit in San Francisco federal court, one of the more "employee-friendly jurisdictions," the deck is still "heavily stacked" against the plaintiffs given its destination for arbitration and the fact that arbitrators "tend to be biased against ... repeat players" like Meta.

"I think it's all going to end up being decided by arbitrators in confidential agreements, and not going to have much precedential effect, even if they were to get favorable rulings," he said.

"These claims lack merit and are not based on facts," said a Meta spokesperson in an emailed statement. "Workforce management and organizational decisions were and are made by people, not AI."

A preliminary injunction hearing in the case has been set for August 24.

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