

Artificial Intelligence Education and Workforce Readiness Act of 2026

Section-by-Section Summary

General Provisions

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Section 4. List of Artificial Intelligence-Augmented Occupations

Directs the Department of Labor (DoL) to consult with the Department of Education (ED) and National Science Foundation (NSF) to publish and periodically update a list of AI-augmented occupations based on labor market data and peer-reviewed research. Requires public comment before publication and an analysis of differential effects across geography and demographic groups to address the absence of a common, evidence-based reference point for which occupations are being reshaped by AI.

Section 5. Interagency Council on Artificial Intelligence in Education and the Workforce

Establishes an interagency council, led by ED and DoL, to coordinate activities under this bill, develop a national strategy, and promote adoption of the designated risk management framework. The council would address the risk of fragmented or duplicative federal action across several agencies with a role in AI education and workforce policy and report annually to Congress on its activities and recommendations.

Section 6. Compliance

Establishes the bill's central compliance regime, requiring funded entities to publish research and materials under open-access licenses, undergo independent evaluation, adopt the designated risk management framework, disclose and allow student-facing AI tool opt-outs, and maintain a data security program with breach notification and a prohibition on commercial use of student data. This addresses the risk of federally funded AI activities in education and workforce domains proceeding without baseline transparency, safety, or privacy protections. Noncompliance would result in ineligibility for future funding and, for material violations, referral to the relevant agency's Inspector General.

Section 7. Authorization of Appropriations.

Authorizes \$10 million for fiscal years 2027 through 2031 to carry out the AI-augmented occupations list, Interagency Council, and compliance framework.

Title I — Artificial Intelligence Education and Training Programs

Establish the bill's core education-side programs, ranging from competitive grants for AI-disrupted career pathways and stackable credentials to amendments of existing K-12 and higher education statutes addressing school leader training, AI industry influence over curricula, and dedicated federal research infrastructure. Collectively, Title I authorizes the funding, oversight, and research mechanisms needed to responsibly and ethically address AI in elementary, secondary, and postsecondary education settings.

Section 101. Grant Program for Artificial Intelligence-Disrupted Career Pathways.

Directs ED to award competitive grants to consortia of educational, workforce, and employer entities to develop AI-disrupted career pathways that combine humanities and social sciences training, AI literacy, and paid work-based learning. This section addresses the need for structured, credentialed pathways connecting education to AI-augmented employment, particularly for underserved communities. Grantees would be required to report detailed, demographically disaggregated outcome data.

Section 102. Pilot Program on Stackable Micro-Credentials.

Establishes a grant program for institutions of higher education (IHEs), career and technical education (CTE) schools, and workforce boards to design micro-credentials in AI literacy and ethics that stack toward degrees or post-secondary credentials. This method supports shorter, more flexible credentialing options responsive to rapidly evolving AI-related skill demands. Grantees would use funds for credential design, faculty training, equipment, and outcome evaluation.

Section 103. State Plan Descriptions Relating to Artificial Intelligence-Disrupted Career Pathways.

Amends the Elementary and Secondary Education Act (ESEA) to allow states to optionally describe, in their state plans, how they will support AI-disrupted career pathways, including through coordination with local boards and IHEs, and through partnerships aligned with regional labor market demand. This provision would give states a formal mechanism for AI-related workforce planning within existing ESEA structures. States that include such a description would receive priority for related federal technical assistance.

Section 104. Artificial Intelligence in Title IV Programs.

Amends the ESEA to bar AI integrators and deployers from exercising controlling influence over curricular, instructional, or assessment content for any entity receiving a grant under ESEA Title IV, and prohibits conditioning student or educator participation on exclusively adopting a given AI platform. This mitigates the risk that AI industry actors could shape educational content across the broader set of programs funded under ESEA Title IV.

Section 105. Training for School Leaders.

Amends the ESEA to authorize in-service training for teachers, principals, and other school leaders on using AI to support instruction and communication without replacing core educator functions, including instructional judgment, assessment, and relationship-building to address the risk that AI adoption in schools could erode essential human judgment and student-educator relationships absent deliberate training. The training would also cover algorithmic bias mitigation, human oversight, and compliance with student privacy law.

Section 106. Research on Artificial Intelligence in Education.

Amends the ESEA and the Higher Education Act (HEA) to prioritize education innovation research grants supporting AI-augmented occupation readiness and to authorize new grants for AI ethics and governance research based in humanities and social science departments, including collaborative networks that develop model curricula and train higher education faculty. This addresses a gap in dedicated research capacity connecting AI ethics scholarship to classroom practice.

Section 107. Regional Centers for Human-Centered Artificial Intelligence in Education and Work.

Establishes NSF-administered Regional Centers to coordinate research on AI's effects on education and the workforce, disseminate model curricula, and synthesize environmental and economic effect research supported under Title IV, while expressly barring the Centers from developing or commercializing AI products or conducting research unrelated to education and workforce effects. This section meets the need for geographically and sector-diverse hubs studying AI's human-centered effects without functioning as industry incubators. Centers would report annually to NSF and Congress.

Section 108. National Center for Education Evaluation and Regional Assistance Activities.

Amends the Education Sciences Reform Act (ESRA) to direct the development of AI practice guides for K-12 educators and to expand the scope of Regional Educational Laboratories (REL) to research, disseminate, and provide technical assistance on the responsible use of AI in education. Gaps in evidence-based, expert-informed guidance that directly reaches educators and state and local agencies leaves blind spots in AI-related educational research on what works and what doesn't. Practice guides and REL assistance would require input from AI ethics, risk

management, and humanities and social science experts, and would expand relevant governing board and advisory panel composition to include such experts and worker representatives.

Section 109. Authorization of Appropriations.

Authorizes \$350 million for fiscal years 2027 through 2031 to carry out education and training activities under Title I.

Title II — Workforce Development and Reskilling Initiatives

Develops the bill's core workforce-side activities, establishing a national workforce strategy, an industry coordination council, state-level implementation planning, and grant programs for apprenticeships, reskilling, and fellowships, alongside accessibility amendments to the Rehabilitation Act, a tax credit for employer-sponsored reskilling, and clear reporting on AI-driven worker displacement. Title II creates the planning apparatus and direct funding needed to prepare workers for AI-augmented occupations, centered around equity, accessibility, and accountability safeguards.

Section 201. National Artificial Intelligence Workforce Strategy.

Directs DoL to develop, publish, and update a National Artificial Intelligence Workforce Strategy to analyze AI labor market effects, identify emerging skills and core competencies needs and gaps, recommend data interoperability standards, and set national objectives for workforce participation, reskilling, and equity. This section creates a coordinated federal strategy for AI's effects on the workforce as a whole, and would be submitted to Congress within 30 days of publication.

Section 202. Artificial Intelligence Workforce and Industry Coordination Council.

Establishes an advisory council, composed of employer, labor, higher education, nonprofit, and limited non-voting AI industry representatives, to advise the DoL on the National Strategy, equity in AI reskilling, and sector-specific skills frameworks. The advisory council provides a structured, diverse, and rotating external input into federal AI workforce policy and explicitly guards against undue influence by AI industry actors. The council's membership would be subject to sector diversity, rotation, and term-limit requirements, and its effectiveness would be reviewed by the Secretary of Labor after each strategy update.

Section 203. State Artificial Intelligence Workforce Implementation Plans.

Requires each state board to develop a State Artificial Intelligence Workforce Implementation Plan, consistent with the National Strategy, to identify key AI-augmented occupations and reskilling targets within the state to translate the national AI workforce strategy into state-specific implementation targets.

Section 204. Grant Program for Artificial Intelligence Apprenticeships and Pre-Apprenticeships.

Directs DoL to award competitive grants to apprenticeship sponsors, and separately to state agencies and intermediaries, to develop AI-related apprenticeship, pre-apprenticeship, and youth apprenticeship programs, including instructional materials on AI ethics and bias, participant support services, and supervisor training. This section provides a structured entry pipeline into AI-augmented occupations, with priority for sponsors serving underserved communities. Grantees would be subject to registration, credential transferability, and outcome-reporting requirements.

Section 205. Grant Program for Artificial Intelligence Reskilling.

Directs DoL to award competitive grants to workforce boards, community colleges, employers, labor-management partnerships, and nonprofits to develop and implement AI reskilling programs, including curricula, faculty training, and participant support services such as stipends, wage subsidies, and internet access. This offers accessible reskilling options for workers affected by AI-driven changes to their industries or occupations, with priority for underserved communities and AI-impacted industries.

Section 206. Fellowship Program for Artificial Intelligence Education and Public Service.

Directs DoL to award grants supporting fellowships for educators seeking applied AI experience and for government employees seeking to build AI governance and risk management policymaking capacity, including through interagency placements with Federal agencies, creating practical AI expertise among educators and public servants responsible for AI-related policy and instruction. Fellowship hosts would report on outcomes to DoL.

Section 207. Artificial Intelligence Accessibility.

Amends the Rehabilitation Act to require state vocational rehabilitation plans to describe how individuals with disabilities will be enabled to use AI and participate in AI-augmented occupations, and to establish a technical assistance function at the Rehabilitation Services Administration on AI accessibility for state agencies, employers, and workforce entities. This section would mitigate individuals with disabilities from being excluded from AI-related education and employment opportunities with deliberate accessibility planning and support.

Section 208. Artificial Intelligence Reskilling Tax Credit.

Creates a new tax credit, equal to 40 percent of qualified employee AI reskilling expenses (capped at \$250,000 for smaller employers and \$1,000,000 for others), for employer-sponsored training in qualifying AI reskilling programs. This credit incentivizes private-sector investment in worker reskilling alongside and excludes expenses already covered by federal grants and disallowing any double benefit under other tax provisions.

Section 209. Reporting on Displacement and Reskilling

Requires recipients of apprenticeship and reskilling grants under Title II to report annually on worker displacement attributable to AI deployment within their own operations, associated reskilling responses, and reemployment and wage outcomes, with aggregated public disclosure by DoL to support transparency and accountability for AI's direct displacement effects on workers.

Section 210. Authorization of Appropriations.

Authorizes \$450 million for fiscal years 2027 through 2031 to carry out workforce development and reskilling activities under Title II.

Title III — Equitable Access to Artificial Intelligence in Education and the Workforce

Establishes the bill's equity-focused programs, funding equitable access to AI education, capacity-building at minority-serving institutions (MSIs), career equity scholarships, workforce participation benchmarking, mentorship networks, and employer guidance on responsible AI use in employment decisions. Collectively, Title III would direct resources and require accountability measures aimed at ensuring that women, racial and ethnic minorities, individuals with disabilities, veterans, and other underserved populations are not left behind as AI reshapes education and work.

Section 301. Grant Program for Equitable Access to Artificial Intelligence Education.

Directs ED to award competitive grants to consortia of schools, libraries, museums, and other entities to develop and translate multilingual AI literacy curricula and conduct public awareness campaigns, particularly for underserved communities to address unequal community-level access to AI literacy resources, especially in under-resourced educational settings. Grantees would report on curriculum usage, accessibility, and multilingual reach.

Section 302. Grant Program for Capacity-Building in Minority-Serving Institutions.

Directs ED to award competitive grants to MSIs to establish AI research centers, develop curricula, train faculty, and create internship and incubator programs, with priority for institutions demonstrating matching funds and partnerships serving underserved populations to rectify the historic underinvestment in AI education and research capacity at MSIs, specifically.

Section 303. Minority-Serving Institutions.

Amends the HEA's Historically Black College and Universities, Tribal College and University, and Hispanic-Serving Institution provisions to explicitly authorize AI and data science program development, including AI ethics, accessibility, and Tribal data governance content. This section addresses the absence of AI-specific authority within existing MSI grant programs.

Section 304. Grant Program for Artificial Intelligence Career Equity.

Directs ED to award competitive, renewable grants to IHEs and consortia to provide scholarships, wraparound support services, faculty training, and mentorship networks for individuals from underserved communities pursuing AI-disrupted career pathways, addressing the financial and support barriers that disproportionately limit underserved students' entry into AI-augmented occupations, with priority given to high-Pell-enrollment institutions and those with employer partnerships. Grantees would report demographically disaggregated completion and employment outcomes.

Section 305. Program for Equity in Artificial Intelligence-Augmented Occupations.

Directs DoL, the Equal Employment and Opportunity Commission (EEOC), and the Department of Commerce (DoC) to establish measurable benchmarks and publish annual national and state-level data on the recruitment, training, placement, retention, and advancement of women, racial and ethnic minorities, individuals with disabilities, veterans, and underserved communities in AI-augmented occupations. This section mitigates the risk that AI-driven workforce transitions could reproduce or worsen existing employment disparities without dedicated measurement and public accountability.

Section 306. Mentorship Networks in Artificial Intelligence-Augmented Occupations.

Directs DoL to award competitive grants to workforce boards, community colleges, nonprofits, and labor organizations to establish mentorship, internship, and networking programs connecting individuals from underserved communities with employers and labor organizations in AI-impacted industries, providing structured professional connections to support underserved workers' entry into and advancement within AI-augmented occupations.

Section 307. Guidance on Artificial Intelligence in Recruitment, Training, and Performance Evaluation.

Directs DoL and EEOC to issue guidance to employers on the use of AI in recruitment, training, and performance evaluation and on adoption of the designated risk management framework in those contexts to address the risk of unguided or inconsistent employer use of AI in consequential employment decisions.

Section 308. Authorization of Appropriations.

Authorizes \$450 million for fiscal years 2027 through 2031 to carry out accessible education and workforce development activities under Title III.

Title IV — Activities Related to Artificial Intelligence Environmental Impacts

Develops the bill's environmental accountability framework by addressing the energy, water, and land-use effects of AI infrastructure. Title IV would build independent oversight capacity for regulators, local governments, and community advocates; fund diagnostic research into

community-level effects; require environmental disclosures from AI infrastructure operators with a federal nexus; and establish federal measurement standards for AI-related energy and water consumption.

Section 401. Definitions.

Defines terms specific to Title IV, including AI infrastructure operator, covered community, and federal nexus.

Section 402. Workforce Development for Environmental Accountability.

Directs DoL to award competitive grants to state utility commissions, state environmental agencies, local governments, nonprofit environmental justice organizations, and IHEs to build capacity for oversight of AI infrastructure's environmental effects, excluding AI developers, integrators, deployers, and infrastructure operators as grantees. This provides regulatory and community capacity to evaluate and respond to AI data center development, rather than build capacity for the AI industry itself. Grant funds would support training for regulators and local officials, capacity grants to advocacy organizations, and credentialing for independent auditors.

Section 403. Research on Environmental Impacts of Artificial Intelligence.

Authorizes NSF, in consultation with the Institute of Education Sciences, to fund diagnostic and evaluative research on the environmental, public health, labor market, and environmental justice effects of AI infrastructure siting on covered communities. This would contribute to NSF's independent research documenting AI infrastructure's community-level effects, and expressly prohibits this research from being used to optimize or improve AI infrastructure's operational efficiency. This section's findings would be disseminated to the Regional Centers established under Section 107.

Section 404. Community Transparency and Environmental Disclosure.

Requires AI infrastructure operators with a federal nexus to provide pre-construction disclosures on projected energy and water consumption and land use effects to affected communities, verified by an independent auditor, with updated post-operational disclosures for five years, and directs federal agencies to consider AI systems' energy and water consumption in procurement decisions. This mitigates the historic lack of transparency to host communities about AI infrastructure's resource demands. Noncompliant operators would be ineligible for related federal financial assistance and, referred to the relevant Inspector General for material violations.

Section 405. Measurement Standards.

Directs the National Institute of Standards and Technology (NIST) to develop public, inference-level energy and water consumption measurement standards, mandatory for federal agency use and voluntary for others, and would direct the Office of Science and Technology Policy to conduct a biennial inventory of federal agencies' AI-related energy and water consumption,

providing a standardized, granular measurement of AI's operational environmental footprint, as distinct from facility-level corporate reporting.

Section 406. Authorization of Appropriations.

Authorizes \$120 million for fiscal years 2027 through 2031 to carry out the environmental accountability, research, and standards development activities under Title IV.

Title V — Student and Worker Data Privacy

Outlines the bill's dedicated privacy and algorithmic accountability framework, addressing student data protections in education and worker protections in AI-assisted decision-making within federally funded workforce programs. Title V would require breach reporting, formal AI risk assessments, safe-use guidance for schools, human oversight for automated decisions affecting program participants, and interagency coordination on enforcement, including Federal Trade Commission (FTC) referral for commercial data violations.

Section 501. Data Breach Reports.

Directs ED to establish a secure portal for reporting personally identifiable student data breaches, require incident-specific reports to Congress for breaches affecting 10,000 or more students, and require an annual aggregate report on breach trends and recommendations, providing centralized visibility into student data breaches.

Section 502. Artificial Intelligence Risk Assessments in Educational Technology.

Directs ED, in consultation with NIST, to establish a framework for assessing the privacy, bias, safety, and security risks of AI tools used in education, addressing surveillance, disparate effects, harmful content, and human oversight, with published assessment summaries to create a standardized method for evaluating AI tools before or during their use in schools.

Section 503. Guidance for Artificial Intelligence Use.

Directs ED, in consultation with NIST, to issue guidance on the ethical and pedagogical use of generative AI, safeguards against harmful content such as content related to self-harm or substance use disorders, and parental notification and opt-out procedures, along with model contract clauses and consent templates to offer practical, actionable guidance to schools navigating generative AI tools' risks to students.

Section 504. Automated Decision Systems in Workforce Programs.

Prohibits funded entities from relying exclusively on automated decision systems in admission, continuation, completion, or placement decisions affecting program participants, and requires AI deployers providing such systems to conduct pre-deployment bias and efficacy testing and require grantees to disclose system use, provide human review, and train personnel. This section mitigates risks that automated tools could make consequential decisions about program

participants without adequate human oversight or recourse. Entities that develop or operate their own automated decision systems would be subject to the same testing obligations as deployers.

Section 505. Interagency Coordination.

Directs ED and DoL to enter into memoranda of understanding with the FTC, NIST, and the Attorney General to coordinate guidance, investigations, and enforcement under Title V, with each agency assigned a role consistent with its existing expertise to provide a coordinated, rather than siloed, oversight of the privacy and algorithmic accountability requirements in this title.

Section 506. Enforcement.

Prohibits entities that fail to comply with the reporting, risk assessment, and data privacy and security requirements under this title from receiving further funding for up to five years, and refers material violations to the relevant Inspector General for further action. Refers entities that knowingly or repeatedly use personally identifiable student data for commercial purposes to the Federal Trade Commission for further enforcement action.

Section 507. Authorization of Appropriations

Authorizes \$100 million for fiscal years 2027 through 2031 to carry out student and worker data protection activities under Title V.