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Zachary Rogers
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Submitted via regulations.gov

RE: SHRM Response to Proposed Rule: "Priority and Related Definitions for Use in Currently Authorized Discretionary Grant Programs, or Such Programs That May Be Authorized in the Future"

Dear Mr. Rogers:

On behalf of SHRM, the largest membership and trade association in the world for human resource professionals, I submit the following comment on the U.S. Department of Education's (DOE or Department) proposed rule regarding discretionary grant priorities and definitions, particularly as they relate to artificial intelligence (AI) literacy and workforce preparedness.

I. Introduction

As the trusted authority on work, workers, and the workplace, SHRM is the foremost expert, researcher, and thought leader on issues shaping today's evolving workforce. With over 340,000 members in 180 countries, SHRM impacts the lives of more than 362 million workers and families globally.

Members of SHRM, including HR professionals and organizational leaders, operate at the intersection of workforce policy, talent management, and technology adoption. This unique perspective allows SHRM to provide insights grounded in both practical experience and data. As properly noted within the proposed rule, "AI is rapidly reshaping the future of education, work, learning and daily life," and we must all prepare for its impact on our lives and livelihoods. Preparing the next generation of workers, alongside today's educators, to meet the demands of the future of work will require coordinated efforts among all stakeholders and alignment of education with future workforce needs to ensure students are ready for what lies ahead.

As the Department considers how to allocate resources to programs that align education and workforce initiatives with labor market needs, SHRM is also supporting these efforts through its [E² (Education-to-Employment) initiative](). The SHRM E² initiative connects employers, educators, policymakers, and community stakeholders to create structured, sustainable pathways from the classroom to the workplace, ensuring students and workers are prepared for the evolving demands of the labor market. SHRM respectfully offers its comment to express support for the Department's prioritization of career readiness in an AI-driven workforce, to emphasize the need for robust public-private partnership, and to offer to be a strategic partner in these efforts.

II. AI Literacy as the Foundation for a Future-Proof Workforce

SHRM believes that supporting workforce readiness through innovation and technology is critical as a skilled, future-ready workforce is essential to maintaining U.S. economic competitiveness.

However, SHRM *2025 Talent Trends* report highlights ongoing challenges in recruiting and hiring for full-time roles, driven in large part by the growing demand for new skills fueled by organizational growth and rapid technological change.[1] As the workforce attempts to move in lockstep with technological advancement, it is imperative that public policy provides the infrastructure to support this transition using data and sustainable metrics.

The current disconnect in the education-to-employment pipeline is well documented—too many students graduate without the skills needed to secure jobs, advance in their careers, and help close the workforce participation gap. SHRM believes the Department's proposed priorities are a step in the right direction, particularly its recognition that "a strong foundation in AI literacy will help ensure students are prepared to navigate and contribute to a society where these technologies play a growing role in decision-making, communication, innovation, and career readiness."

In February 2025, SHRM surveyed its Executive Network (SHRM membership community tailored to top-level HR leaders) concerning priorities, challenges, and anticipated trends. Ninety percent of CHROs expected AI to play a larger role in the workplace and 53% expected increased rapid skill development to ensure workforces adapt to emerging technologies. While organizations are adopting AI at different rates, with publicly traded for-profit organizations leading (58%), followed by private for-profits (45%), nonprofits (38%), state and local governments (35%), and the federal government (19%), the trend is clear: AI adoption in the workplace is here and we will need a workforce with the requisite skills to meet the demands of an evolving workforce. [2] Additionally, as companies are looking at how AI will fit into their current workflows, the fear of AI displacement is looming, with SHRM research finding that 13% of roles are at high risk of automation-driven disruption, and 62% of workers are uncertain how to integrate AI into their workflows.[3]

As AI tools transform how organizations recruit, retain, and develop talent, workers must be equipped to leverage these tools effectively. That means starting early and "promot[ing] the appropriate integration of AI into education [and] fostering early exposure to AI concepts and technology" in a way that creates sustained metrics that accurately reflect the skills needed to perform a given job. AI literacy is the baseline and a foundation for building the varying levels of skills and expertise required across roles.

Investing in the current workforce, especially those responsible for educating the next generation, is also imperative. SHRM supports the proposed rule's goal to expand understanding of artificial

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[1] SHRM 2025 Talent Trends shows that hiring top talent remains a significant challenge, with 69% of organizations still struggling to fill roles—matching 2016 levels after a peak in 2022. Organization growth and technology advances are fueling the need for new skills, as 28% of employers now require them for full-time roles and 47% have updated existing roles to include them. Amid these hiring challenges, organizations are turning to creative solutions – like advertising on social media. Learning and development programs are also showing promise in closing talent gaps— 69% of organizations offer internships, and 78% of HR professionals say these programs are at least somewhat effective in addressing shortages. The full report, available online, highlights how organizations are adapting to evolving workplaces, balancing short-term needs with long-term strategies, and equipping HR professionals with actionable insights for sustainable growth.

[2] From Adoption to Empowerment: Shaping the AI-Driven Workforce of Tomorrow , SHRM 2025

[3] Id.

intelligence by providing professional development for educators on integrating AI fundamentals into their subject areas, along with training in foundational computer science and AI to prepare them to teach these concepts effectively. SHRM has long recognized that those responsible for daily application and implementation must also be ready to understand and use these models. Just as business leaders must understand and apply AI to guide organizational strategy, teachers must be equipped to integrate AI into their instruction and prepare students for a technology-driven future.

One area SHRM suggests the Department reconsider is the proposed definition of AI literacy, which states, "AI literacy means the technical knowledge, durable skills, and future-ready attitudes required to thrive in a world influenced by AI. It enables learners to engage, create with, manage, and design AI, while critically evaluating its benefits, risks, and implications" (emphasis added). SHRM is concerned that "using AI" and "designing AI" are too distinct to include under a single definition. We recommend removing "design" to make AI literacy a more attainable and broadly relevant goal. A more natural fit may be under the "computer science" umbrella.

Our reasoning parallels the traditional understanding of literacy: the ability to read and write. Basic literacy does not inherently include the advanced skills needed to author a book—a separate skill set that builds on literacy but is not the same. Similarly, while most jobs require a baseline of literacy, not all require the ability to produce a novel. A closer comparison in the digital space would be knowing how to use office productivity software (like Microsoft Office) versus knowing how to design it. SHRM believes the Department should define AI literacy with an emphasis on the skills most people—as end users—will need, particularly the ability to critically evaluate AI's benefits, risks, and implications. While we fully support cultivating a new generation of AI designers, that group represents a smaller subset of the workforce and will require far more specialized education than the broader population.

Resources should focus on both preparing the next generation of AI creators and ensuring all students and workers have a foundational level of AI literacy. A clear, achievable definition of AI literacy will help the Department invest in programs that equip the future workforce to adapt to AI's impact across career fields, as organizations increasingly view AI-driven HR and workforce solutions as essential for achieving strategic goals, improving efficiency, and maintaining a competitive edge.

III. Public-Private Partnerships as the Key to Success

SHRM maintains that effective workforce development programs must be designed in direct partnership with employers to ensure alignment with labor market needs, rather than being developed independently of them. Central to the SHRM E² Initiative is its mission to address the U.S.'s broken, leaky, and busted talent pipelines by connecting education to employment across three critical pathways: K-12 education, higher education, and untapped talent. This is only accomplished through strategic coalitions of a variety of stakeholders. This comprehensive approach ensures that all voices and ideas are heard as we continue to close the nation's skills gap and prepare workers for the demands of the modern economy.

A central focus of both the Department's goals with the new proposed priorities and the work of the SHRM E^2 Initiative is introducing in-demand skills to students and connecting them to meaningful career pathways. SHRM supports policies that expand these opportunities nationwide to strengthen hands-on, skills-based learning that prepares students for real-world employment.

The proposed rule further encourages the creation of AI-focused coursework and career-relevant certification programs for high school students, which SHRM also strongly supports. However, the key to its success will be ensuring that all stakeholders have a seat at the table, including employers, workforce development boards, and educational institutions. Employers are particularly well-positioned to offer guidance on these programs, as they assess career-relevant credentials in real time, define what skills are needed in practice, and identify evolving market demands.

Our vision for collaboration among employers, educational institutions, and community partners is why we positioned the SHRM E^2 initiative to serve as the connective tissue linking these sectors, ensuring that federal investments translate into measurable workforce outcomes. Employers provide critical labor market insights, educators integrate these insights into experiential learning and program design, and policymakers create conditions to scale initiatives effectively while maintaining accountability. By creating structured opportunities for employers to contribute their expertise and insights, the Department can ensure that federal funding fosters a workforce that is not only technically proficient but also prepared to apply AI and other emerging skills in practical, results-driven ways from day one.

IV. SHRM as a Thought Leader and Implementation Partner

SHRM is uniquely positioned to support the Department's efforts to expand student understanding of AI and its real-world applications, helping to build a future-proof workforce. Guided by the principle, *"If it's a work thing, it's a SHRM thing,"* the organization leverages data, research, and practical insights to inform policy decisions and shape potential metrics. SHRM Members – nearly 340,000 members – span every sector and geographic region in the United States, including more than 10,000 in education services; over 11,000 in professional, scientific, and technical services; and thousands more across high-demand industries such as manufacturing, health care, and social assistance.

SHRM has ready-made resources on AI integration, credentialing, and a suite of toolkits that can be used to assist the Department in evaluating workforce preparedness in proposed initiatives. Additionally, through our established national infrastructure, which includes 556 chapters and 51 state councils, SHRM can rapidly disseminate guidance, best practices, and updates to HR professionals and employers across industries and geographies. This enables DOE-funded initiatives to be effectively tracked and evaluated, ensuring efficiency, measurable outcomes, and scalability. SHRM is ready to serve as an operational partner, connecting employers, educators, policymakers, and workforce participants, and ensuring that AI literacy becomes a standardized competency across the education-to-employment continuum.

V. Conclusion

SHRM strongly supports the Department's proposed priority to advance AI literacy and workforce preparedness. This includes integrating AI into education, fostering early exposure to AI concepts, and creating metrics that reflect the skills needed for specific jobs, while also investing in the current workforce, especially educators preparing the next generation. Additionally, leveraging public-private partnerships to align skills with labor market needs and using SHRM insights and data to inform program design are critical components of this effort.

SHRM stands ready to assist the Department in ensuring that these programs produce a workforce that is resilient, adaptable, and capable of thriving in an AI-enabled economy. We are prepared to provide research, guidance, and implementation support to maximize the impact of federal investments in AI literacy and workforce readiness.

Sincerely,

Emily M. Dickens
Chief of Staff, Head of Government Affairs & Corporate Secretary
SHRM