

Artificial Intelligence (AI) in Workforce Development Programs at the Department of Labor

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Congress has authorized a group of workforce development programs administered by the Department of Labor (DOL). These programs support activities like job training and career services that aim to improve participants' employment outcomes.

Congress has expressed interest in the [potential effects of artificial intelligence \(AI\) on the labor market and workforce development strategies that are responsive to the evolving role of AI](#). While the authorizing statutes for workforce development programs at DOL do not explicitly mention AI, recent DOL administrative actions have incorporated AI into existing programs.

This Insight describes examples of such DOL administrative actions. It discusses cross-program agency guidance relating to AI and instances of DOL incorporating AI-related justifications and objectives into existing grant programs. It concludes with considerations for Congress.

Some of the DOL actions described in this Insight note their alignment with broader cross-government strategies, including the Trump Administration's [AI Action Plan](#) (July 2025) and [Talent Strategy](#) (August 2025).

DOL Guidance to Encourage AI Literacy and Skill Development

DOL has issued guidance encouraging grantees of federal workforce funding to support program participants in developing AI-related skills. Other guidance has provided grantees with a framework to guide AI literacy efforts. Federal workforce funding grantees are not required to engage in the recommended activities or use the provided framework.

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Encouraging WIOA Grantees to Support AI Skill Development

The [Workforce Innovation and Opportunity Act \(WIOA\)](#) is the primary federal workforce development statute and authorizes several formula grants to states. State grantees and local subgrantees coordinate these and other funds to meet local workforce and labor market needs.

In August 2025, [DOL issued guidance](#) to encourage state and local grantees to use WIOA funds to help program participants develop AI skills. The guidance provides interpretations of specific sections of WIOA and describes how those provisions can support AI education and training. For example, the guidance describes how individualized career services authorized under WIOA's Adult and Dislocated Worker Activities programs can support AI literacy and digital skill-building for participants whose ability to obtain and retain employment would benefit from such skills.

Cross-Program AI Literacy Framework

In February 2026, [DOL issued an AI Literacy Framework](#). The guidance document discusses the applicability of the framework to state and local agencies (including WIOA grantees), education and training providers, employers, and individual workers.

The 11-page framework is divided into “foundational content areas of AI literacy” and “delivery principles of AI literacy.” The foundational content areas include understanding AI principles and using AI responsibly. The delivery principles include embedding AI learning in the context of the industry or occupation and building complementary human skills such as judgement, communication, and problem-solving.

Incorporation of AI-Related Justifications and Objectives into Existing Grant Programs

Some DOL competitive grants have general statutory authorizations, and the agency may have some latitude in prescribing the exact grant criteria. With some recent grants, DOL has incorporated AI into award criteria, eligible activities, or other elements of the funding or associated competition.

Rapid Reskill Employment Recovery National Dislocated Worker Grant

In June 2026, DOL announced the availability of [Rapid Reskill Employment Recovery National Dislocated Worker Grants](#) (Reskill DWGs) under the existing authority for [National Dislocated Worker Grants](#) (NDWGs) in WIOA. The Reskill DWGs aim to “support workers during the economic transformation occurring with the rise of AI.” The Reskill DWGs, like other NDWGs, support career services and training that facilitate the reemployment of dislocated workers.

NDWGs historically have targeted geographic areas with a qualifying dislocation event, such as a mass layoff. The announcement for the Reskill DWGs stated that applications would be accepted from any geographic area, and “applicants do not need to document a qualifying event in their application, as the qualifying event for this DWG is the broad and accelerating economic transformation driven by AI.”

Reskill DWGs do not require that layoffs of program participants be AI-related or that their reemployment have an AI element. Grantees are encouraged (but not required) to incorporate into their programs AI skills development (aligned to the target industry or occupation) and novel uses of AI in service delivery.

AI-Related Objectives in Other Grant Programs

In August 2025, [DOL solicited grants for an Industry-Driven Skills Training Fund](#) under flexible authorities in WIOA and the American Competitiveness and Workforce Improvement Act. DOL established priority industries including “shipbuilding occupations, occupations essential to the buildout of artificial intelligence (AI) infrastructure, advanced manufacturing, nuclear energy, domestic mineral production, and information technology including AI.” In the [subsequent DOL announcement of grants awarded](#), 4 of the 14 grantees included AI-related sectors in their target industries. DOL announced availability of a [second round of grants](#) with similar priority industries in July 2026.

In February 2026, a [DOL announcement of availability of funding for a grant to serve ex-offenders](#) included a group of target industries for program participants, including AI infrastructure build-out and “information technology, including AI.” A [June 2026 announcement of availability of funding that serves the Appalachian, Delta, and Northern Border regions](#) included “artificial intelligence literacy” among its allowable activities.

Considerations for Congress

Congress may opt to develop legislation that explicitly addresses AI in workforce development programs. Congress may consider modifying existing programs to explicitly contemplate the role of AI or developing new programs that are responsive to current circumstances and technologies. These options may establish a permanent codified agenda for workforce development policies in the current context.

Alternately, Congress may maintain the current approach in which the statutory authorizations for workforce development programs are general, and specific decisions about program details are determined by the implementing agency and state and local grantees. This approach may facilitate program strategies that are responsive to evolving circumstances and allow experimentation with a variety of workforce strategies. Under this approach, Congress may use its oversight authority to assure agency compliance with existing statutes.

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