August 20, 2025

Zachary Rogers
U.S. Department of Education
400 Maryland Ave. SW
Washington, DC 20202

Re: Docket ID ED–2025–OS–0118

Dear Mr. Rogers:

On July 21, 2025, the U.S. Department of Education ("Department") published a notice in the *Federal Register* inviting comments on the Department's proposed priority and definitions for use in currently authorized discretionary grant programs, or such programs that may be authorized in the future. *See* U.S. Dep't of Educ., *Proposed Priority and Definitions—Secretary's Supplemental Priority and Definitions on Advancing Artificial Intelligence in Education*, 90 Fed. Reg. 34,203 (July 21, 2025). The following day, the Department released a "Dear Colleague Letter" regarding "Guidance on the Use of Federal Grant Funds to improve Education Outcomes Using Artificial Intelligence."[1] The National Student Legal Defense Network ("Student Defense") is pleased to submit this comment in response to the *Federal Register* notice.

Student Defense agrees with the Department that Artificial Intelligence ("AI") is "rapidly reshaping the future of education, work, learning, and daily life." 90 Fed. Reg. at 34,204. We further agree that as AI "becomes more integrated" into education and society, "it is increasingly important for students to develop AI literacy." *Id.* We share your commitment to ensuring that students need to be equipped with a "strong foundation" to understand AI's role in our society. *Id.*

The integration of AI technologies into higher education presents opportunities for personalized learning, data-driven insights, and enhanced teaching methodologies. However, as we look across the higher education lifecycle—from recruiting through graduation and loan repayment—the Department must ensure that these opportunities come with strong student protections, safeguard student rights, and promote fair outcomes across higher education.

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[1] Letter from Linda E. McMahon, Secretary, Dept. of Educ.(July 22, 2025) https://www.ed.gov/media/document/opepd-ai-dear-colleague-letter-7222025-110427.pdf.

With those end-goals in mind, we strongly urge the Department to expand its priorities and give consideration to projects and proposals that work towards the following:

1. **AI Literacy for Students**: To prepare students for a future shaped by AI, institutions of higher education must integrate AI literacy as a foundational component of their curricula. This includes not only understanding AI concepts but also fostering critical thinking skills and helping students navigate the ethical, social, and economic implications of AI. Students must be equipped with the knowledge and skills to make informed decisions regarding the technologies they interact with.

   We are pleased to see the Department's inclusion of priority (a)(1), which appears designed to support the "integration of AI literacy skills and concepts into teaching and learning practices," which includes ways "to detect AI generated disinformation and misinformation online." *Id*.

   Although the skills suggested by this priority are properly taught at all levels of our educational system, it is particularly important in the context of higher education. For example, recent reporting from *Inside Higher Education* highlighted the growth of fake, scam universities "fueled in part by the rise of generative AI." *See* Josh Moody & Kathryn Palmer, *Inside a Network of Fake College Websites*, Inside Higher Ed (Aug. 14, 2025), http://bit.ly/4fDoBpM. These fake institutions have the capacity to harm both students and real colleges, alike.

   We are heartened by the efforts of state attorneys general to combat these fake institutions, and applaud the Department's commitment to investigate these operations. Nevertheless, these fake institutions highlight the need tfor the Department to support efforts to arm students with the knowledge and skills to detect fraud (both AI-generated and otherwise) to the maximum extent possible.

   Of course, AI-literacy extends far beyond fraud prevention, and for that reason we support the Department's goal of promoting programs that broadly integrate AI literacy into curricula.

2. **Data Privacy and Security:** As AI systems become increasingly integrated into educational platforms, there must be strict safeguards to protect the personal data of students. These include transparent data usage policies, clear student consent processes, and robust encryption and anonymization of sensitive information. Any AI-driven tool used in education must be designed

to prioritize privacy and comply with existing data protection regulations such as FERPA.

We therefore urge the Department to support proposals that emphasize the importance of data privacy and security.

3. **Ensuring Equity and Inclusion**: AI should not exacerbate existing inequalities within the educational system. We must ensure that AI systems are developed and deployed in a manner that promotes inclusivity, providing equitable access to educational resources for all students, including those from marginalized communities, students with disabilities, and those from lower-income backgrounds. Rigorous testing for bias in AI models must be mandatory, ensuring that all students benefit equally from AI-enhanced educational opportunities.

   It is no secret that algorithmic biases in AI can further educational inequities. Whether intentionally or not, "technological redlining"[2] can harm students across the higher education ecosystem. Student Defense has long been concerned about redlining practices in higher education, a concern which is heightened by the growth of AI.

   To the extent possible, we urge the Department to include in its priorities any projects or proposals that specifically aim to curb the use of algorithmic or technical redlining across higher education, including with respect to recruitment and advertising practices, enrollment management, financial aid packaging, institutional lending, and preferred lender arrangements.

4. **Transparency in AI's Role in Assessment and Grading:** As AI becomes more involved in the evaluation of student performance, it is essential that students are aware of and can challenge any decisions made by AI systems. AI systems used for grading or assessment must be transparent, auditable, and subject to review, ensuring that students are not unfairly penalized by automated systems. Institutions should have policies in place to address any grievances related to AI-based evaluations.

   We urge the Department to include in its priorities any projects or proposals that specifically promote transparency in institutional grading policies. Similarly, we urge the Department to include in its priorities projects and

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[2] Robyn Caplan et al., *Algorithmic Accountability: A Primer*, Data & Society (Apr. 18, 2018) https://datasociety.net/wp-content/uploads/2019/09/DandS_Algorithmic_Accountability.pdf

proposals that aim to curb non-transparent use of AI in the delivery of education—*i.e.*, to ensure that students are benefiting from faculty and instructors, and are not merely obtaining an AI-generated education.

5. **Ethical Use of AI:** The ethical considerations surrounding AI in education must be prioritized. Institutions should foster ongoing discussions about the responsible use of AI, ensuring that technologies are used in ways that align with educational values such as fairness, autonomy, and accountability. Faculty and students should be trained on the ethical implications of using AI tools, and AI should be employed only where it has a clear, positive educational impact.

   But the Department's proposed priorities do not reference the need for ethical AI, nor do they even use the word "ethical" (or any variation thereof). Although the July 22 "Dear Colleague Letter" specifically notes that the Department considers "ethical" AI as among its principles for all AI-related educational initiatives, that concept is curiously absent from the supplemental priorities.

6. **Long-term Impact on Workforce Readiness**: The increasing reliance on AI in education must align with broader goals of workforce readiness. AI should support the development of critical skills necessary for the future job market, ensuring that all students are prepared for careers in an AI-driven economy. This includes providing access to relevant courses, certifications, and opportunities for hands-on experience with AI technologies.

   Companies across sectors are forecasting the potential for job loss, caused by AI. For example, as noted in a recent Wall Street Journal article, Ford Motor Company CEO reportedly stated that AI "is going to replace literally half of all white-collar workers in the U.S." Chip Cutter & Haley Zimmerman, *CEOs Start Saying the Quiet Part Out Loud: AI Will Wipe Out Jobs*, Wall Street Journal (July 2, 2025). In promoting the use of AI, the Department must consider the larger ramifications of the technology on the American workforce and consider how educational institutions (at all levels) should be better preparing individuals to handle any potential macro-level workforce changes.

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Thank you for your attention to these important issues. For more information, please contact us at info@defendstudents.org.

Sincerely,

The National Student Legal Defense Network