To: U.S. Department of Education, Office of Educational Technology

From: Daniel Reichfeld

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Subject: Establishing a Federal Requirement for Annual AI Literacy Instruction in K–12 Education

Executive Summary

Artificial intelligence is now embedded in education, healthcare, employment, and public services, yet most Americans lack a basic understanding of how these systems function, their limitations, and their risks. Recent national surveys indicate that the majority of the public has only minimal familiarity with artificial intelligence, despite its widespread daily use. This gap between adoption and understanding exposes students and families to significant risks, including misinformation, manipulation, and harmful interactions with automated systems.

This memo proposes a federal requirement that all K–12 schools implement a short, standardized annual AI literacy module as a condition of continued eligibility for federal education funding. The module would consist of a 30-minute, age-appropriate course delivered once per academic year, beginning in primary school and building in complexity through graduation.

The curriculum would be developed and regularly updated by a federally supported board of experts in artificial intelligence and education, ensuring technical accuracy, pedagogical appropriateness, and adaptability to rapid technological change. By tying implementation to existing federal funding mechanisms, this policy would establish a national baseline of AI literacy while preserving flexibility for states and districts in delivery.

This approach offers a low-cost, scalable mechanism to ensure that every graduating student possesses foundational competencies necessary to safely and effectively participate in an AI-integrated society.

Policy Recommendation

The Department of Education should require all K–12 schools receiving federal education funding to implement an annual, standardized AI literacy module for students in grades K–12.

Specifically, this memo recommends that the Department:

1. Establish a national AI Literacy Curriculum Board composed of experts in artificial intelligence, education, and child development.
2. Develop a 30-minute annual instructional module, differentiated by grade level, covering:

    - Basic concepts of how AI systems work
    - Common limitations such as hallucinations and bias
    - Responsible use and critical evaluation of AI-generated content
3. Tie implementation of this module to continued eligibility for existing federal funding streams, following established precedent under federal education law.
4. Require brief, anonymous annual student surveys to assess understanding and guide iterative curriculum improvement.

This policy would create a uniform national baseline for AI literacy while minimizing instructional burden, avoiding the need for new full-year courses, and allowing rapid updates as technology evolves.

Background and Rationale

AI literacy can be understood as the baseline ability to recognize when AI systems are in use, interpret their outputs with appropriate skepticism, and make informed choices about when and how to rely on them. In practice, this includes understanding that AI tools can produce confident misinformation ("hallucinations"), generate realistic synthetic media that can be used to manipulate audiences, and reproduce social biases embedded in training data and design choices. Because AI systems are increasingly present in educational tools, search and recommendation systems, workplace software, and consumer services, AI literacy has become a public-interest competency rather than a specialized technical skill.

Existing policy efforts have largely emphasized voluntary guidance, public-facing informational resources, or incentivized grant programs. These approaches can support innovation, but they are unlikely to produce universal coverage or consistent minimum standards across districts and states. A short annual K–12 module offers a practical alternative: it establishes a nationwide baseline without requiring new year-long courses, avoids overburdening school schedules, and supports frequent updating as the technology changes. Linking implementation to federal funding eligibility provides a proven mechanism for achieving broad adoption while allowing local flexibility in delivery.

Introduction

Artificial intelligence (AI) has quickly shifted from a specialized technology to a routine feature of everyday life, influencing how Americans learn, work, and access information. Public understanding of how AI systems generate outputs and where those outputs can be unreliable has not kept pace with adoption. National survey research suggests that most Americans report only limited familiarity with AI even as they regularly encounter AI enabled products and AI generated content. This mismatch creates practical public risks. People may treat plausible sounding outputs as verified facts, have difficulty recognizing synthetic media, or rely on tools that reflect bias or unsafe behavior. For these reasons, policymakers should treat AI literacy as a baseline civic and safety competency and establish a national minimum standard through a brief, age-appropriate K to 12 instructional module that can be updated as the technology changes.

Problem Statement

AI tools and AI generated content are now common in the information environment that students and families navigate every day. Yet many users still assume that AI outputs are accurate, objective, or reliably sourced. This gap between exposure and understanding creates three recurring public facing risks that a baseline AI literacy standard should address.

Misinformation and fabricated content. Generative AI systems can produce false information while presenting it with confidence and plausible formatting. Public reporting on the attorney who filed a brief containing fabricated cases illustrates how easily users can mistake AI outputs for verified sources.

Synthetic media and deception. AI systems can generate realistic text, images, audio, and video at low cost. This expands the scale and credibility of scams and misinformation, including voice cloning schemes such as the widely reported grandparent scam. When authenticity is difficult to verify in real time, ordinary users face higher risk of manipulation.

Bias and unsafe interactions. AI systems can reproduce social bias from training data and design choices. They can also generate harmful guidance, especially when safeguards are weak or when users treat a chatbot as a trusted authority or companion. Reporting on harmful chatbot interactions underscores that these risks are not only technical but also social and safety related.

Voluntary guidance and uneven local initiatives are unlikely to produce consistent minimum competencies across states and districts. A practical policy response is to establish a national baseline of AI literacy through a brief, age-appropriate K to 12 module that equips students to evaluate AI outputs, recognize common failure modes, and use AI tools responsibly as capabilities evolve.

Current Policy Landscape

Policymakers have increasingly acknowledged AI literacy as a national priority, but current approaches remain largely voluntary, uneven across states, and oriented toward guidance and incentives rather than universal minimum requirements.

Federal actions and proposals

Congressional proposals: Several bills introduced in the 118th Congress aim to expand public access to AI literacy resources or incentivize AI literacy programming, including the Consumers LEARN AI Act (S.4838), the Artificial Intelligence Literacy Act (H.R. 6791), and the LIFT AI Act (H.R. 9211). These measures generally emphasize informational resources, grants, or awards rather than establishing a uniform national baseline requirement.

Executive branch initiatives. In April 2025, the White House issued an executive order on "Advancing Artificial Intelligence Education for American Youth," which frames AI literacy and

early exposure to AI concepts as national policy goals and directs federal efforts toward educator training and appropriate integration of AI into education.

Department of Education guidance and grant priorities. In July 2025, the U.S. Department of Education released a Dear Colleague Letter advising grantees on the permissible use of federal grant funds to support responsible AI integration and outlining principles for responsible use. The Department also proposed a supplemental discretionary grantmaking priority focused on advancing AI in education, including efforts to expand student understanding of AI and support educator training.

State and local activity

California curriculum integration. California's AB 2876 directs the state's curriculum and instructional materials processes to consider incorporating AI literacy content into key subject frameworks when those frameworks are next revised after January 1, 2025. California has also developed educator-facing AI guidance and convened an AI in Education working group to support safe and effective use in TK to 12 settings.

Other states. State activity continues to grow, often through task forces, model guidance, or district policy requirements rather than statewide instructional mandates. For example, Ohio's biennial budget requires public schools to adopt AI use policies by mid-2026, supported by a state model policy.

Remaining gaps

Despite rising policy attention, current approaches share three limitations. First, most efforts emphasize guidance, pilots, grants, or optional resources rather than a universal minimum standard. Second, coverage is likely to remain uneven across districts and states, with the greatest disparities in communities that already face resource constraints. Third, rapid technological change increases the risk that one-time curricular updates or isolated initiatives will become outdated. These gaps support the case for a national baseline requirement that is brief, age-appropriate, and designed for regular updating.

Proposed Policy

This memo proposes a federal requirement that all K to 12 schools receiving federal education funds deliver a brief annual AI literacy module to students at the start of each academic year. The module should be approximately 30 to 45 minutes and should be differentiated by grade band so that concepts build in complexity from early elementary through high school.

The module should cover three core competencies that reflect common public facing risks. First, students should learn how AI systems generate outputs and why those outputs can be unreliable, including common failure modes such as confident misinformation. Second, students should learn how to evaluate AI generated media and claims, including basic strategies for verification

and recognizing manipulation. Third, students should learn responsible use, including when not to rely on AI tools and how bias and unsafe outputs can occur.

An annual short module is preferable to a one time or single course approach for three reasons. It creates a consistent national baseline with minimal schedule burden, it allows instruction to be age appropriate and cumulative across grade levels, and it supports rapid updating as AI capabilities and use cases change.

At the end of each module, schools should administer a brief, anonymous, ungraded student survey to assess understanding and capture high level trends in student exposure to AI tools. The purpose of the survey is program improvement rather than evaluation of individual students.

Implementation Plan

The Department of Education should implement this requirement through existing federal funding eligibility conditions. Under this approach, districts would certify completion of the annual module for grades K to 12 as part of routine compliance reporting, similar to other programmatic assurances tied to federal education funds. This lever is designed to achieve broad adoption while allowing states and districts flexibility in how they deliver the instruction.

To ensure instructional quality and currency, the Department should establish an AI Literacy Curriculum Board with representation from K to 12 educators, learning scientists, child development experts, and artificial intelligence researchers. The Board would be responsible for developing grade band modules, providing optional implementation supports for teachers, and issuing annual updates that reflect changes in technology and emerging risks.

A practical rollout would begin with development and piloting of the module, followed by nationwide implementation in the subsequent academic year. Districts would not be required to create new full-length courses. The expectation is a short annual module that can be delivered within existing schedules using standardized materials.

Stakeholders and Risks

Primary beneficiaries include students, who would graduate with baseline competencies for evaluating AI outputs and using AI tools responsibly. Parents and caregivers would also benefit indirectly from shared household awareness, particularly in areas such as misinformation and synthetic media. Teachers and districts would benefit from access to standardized instructional materials that reduce the need to develop local curricula from scratch. Over time, higher education institutions and employers would benefit from a more AI literate pipeline of students and workers.

Potential concerns are likely to focus on federal involvement in education, added instructional mandates, implementation burden, and student privacy. These concerns can be mitigated through

the design of the proposal. The module is deliberately brief to minimize schedule impact. District delivery can remain locally controlled within a standardized content framework. Privacy risk can be reduced by limiting the survey to anonymous, non-identifying questions and using results only for curriculum improvement rather than student level evaluation. Finally, regular updates by an expert Board can prevent stagnation and reduce the risk that guidance becomes outdated.

Conclusion

AI enabled products and AI generated content are now routine features of the information environment students inhabit. Yet public familiarity with how AI systems work and where they fail remains limited, creating recurring risks related to misinformation, manipulation, and biased or unsafe outputs. Current policy efforts have increased attention to AI in education, but most initiatives rely on guidance, incentives, or uneven local adoption rather than establishing a consistent national minimum standard.

A brief annual AI literacy module tied to federal funding eligibility offers a scalable response. It creates a baseline of competence for all students, minimizes instructional burden, and supports rapid updating as the technology changes. Establishing this requirement would help ensure that students graduate prepared to evaluate AI outputs, recognize common failure modes, and use AI tools responsibly in an AI integrated society.

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