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WRITTEN TESTIMONY

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Subcommittee on Workforce Protections
Committee on Education and Workforce
U.S. House of Representatives
2176 Rayburn House Office Building
Washington, DC 20515

RE: Subcommittee Hearing on "Building an AI-Ready America: Understanding AI's Economic Impact on Workers and Employers"

Chairman Mackenzie, Ranking Member Omar, and members of the Subcommittee:

Thank you for the opportunity to testify on building an Artificial Intelligence (AI) ready workforce and workplace, and to discuss AI's economic impact on workers and employers. I appreciate your leadership in advancing this important conversation, which will play a pivotal role in shaping the future of work, safeguarding worker protections, and strengthening American competitiveness for years to come.

I'm testifying today on behalf of the **CHRO Association**, a public policy advocacy organization that represents the most senior human resource officers (CHROs) in nearly 400 of the largest corporations across industries doing business in the United States and globally. Collectively, these companies employ more than 10 million employees in the United States, nearly nine percent of the private sector workforce, and 20 million employees worldwide. I am the Association's Senior Vice President of Public Policy and Government Relations.

Association members are committed to implementing workplace technologies in a transparent, fair, and legally compliant manner that benefits both employees and employers. To support this effort, the Association launched its **Center on Workplace AI**, designed to help members responsibly integrate AI in ways that drive business performance, enhance the employee experience, and strengthen workplace AI governance.

Introduction

Employees are already leveraging AI–enabled tools to boost productivity, streamline routine tasks, and support more effective work-life balance. Beyond enhancing efficiency, AI can help

individuals identify roles and career paths that better align with their unique skills and interests. By automating repetitive, administrative, or low leverage tasks, these tools enable employees to focus on higher-value, strategic, and more fulfilling responsibilities, ultimately allowing human talent to contribute in ways that better drive innovation and organizational growth.

AI is also expanding opportunity for individuals with disabilities and advancing workplace inclusion and accessibility. For example, AI-related jobs such as data labeling and content moderation have created new employment opportunities for people with disabilities. At the same time, over 75% of neurodivergent and disabled employees reported improved performance and work quality using AI tools like copilots.[1]

In human resources, AI is most effective when it augments—rather than replaces—human judgment and engagement. Employers are using AI throughout the hiring process to source candidates, analyze qualifications, and make more informed decisions. Given that a poor hire can cost up to five times an employee's annual salary, these tools can significantly reduce risk while improving job fit and long-term success. Beyond recruitment, AI is also being deployed to enhance learning and development, streamline self-service HR functions, and support more strategic compensation management.

Leading employers recognize that successful AI adoption depends on more than just the technology—it requires active employee engagement and support. Many organizations are intentionally approaching AI as both a technological and workforce transformation. This effort is often led jointly by senior leaders, including the Chief People Officer and Chief Technology/Information Officer, reinforcing that AI implementation is not happening in isolation, but in close partnership with employees and with a clear focus on workforce readiness.

Central to this approach is a recognition that employees must be included along the way. Rather than unilaterally imposing new technologies, employers are investing time and resources to equip workers with the knowledge, skills, and confidence needed to succeed in an AI-enabled environment. This includes providing accessible training, addressing employee concerns, fostering transparency, and creating opportunities for feedback.

This approach also highlights how employers are creating multiple channels for employee input and collaboration. Through interactive content, targeted toolkits, and engagement initiatives, employees are encouraged to share feedback, ask questions, and contribute to how AI is implemented within their roles. This two-way engagement helps ensure that AI deployment aligns with real workplace needs and reinforces trust in the process.

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[1] https://www.microsoft.com/en-us/worklab/ai-data-drop-how-ai-breaks-down-barriers-to-inclusivity

This model provides important lessons for effective workforce policy. It demonstrates that responsible AI adoption can strengthen workforce protections by prioritizing transparency, worker engagement, and skills development. When employers take a proactive, people-centered approach—grounded in training, communication, and inclusion—AI becomes a tool for empowering workers rather than displacing them.

As AI continues to evolve, these practices underscore a broader principle: the most effective and sustainable technological transformations are those that are undertaken with employees and not at their expense. As such, when deployed responsibly and done right, AI benefits both workers and employers—and strengthens American competitiveness.

AI is advancing rapidly, and there is no single playbook for how to navigate its adoption. Companies are learning in real time. There is a misconception that AI is being deployed solely to drive efficiency and increase profits. That view is too narrow—and ultimately counterproductive. If organizations focus only on efficiency, they risk creating cultures where employees are measured by metrics alone, which discourages experimentation with the technology, rather than encouraging employees to innovate and think creatively. Over time, an efficiency-based approach becomes a drag on growth, not a driver of it.

The path forward requires balance. AI should not be viewed solely as a cost-cutting mechanism, but as a catalyst for innovation, workforce development, and long-term value creation. When deployed to augment—rather than replace—human capability, AI can empower employees, strengthen organizations, and support more sustainable economic growth. As Ethan Mollick of the Wharton School of the University of Pennsylvania emphasizes, AI is best understood as a form of "co-intelligence"—a tool that enhances human performance. His research shows that organizations that use AI to amplify human potential can unlock meaningful productivity gains, while those focused narrowly on replacement risk falling into an "efficiency trap" that undermines long-term growth.

In today's highly competitive economic environment, companies that fail to adopt and integrate AI risk falling behind, potentially limiting U.S. competitiveness and economic growth. At the same time, it is critical that AI adoption is guided by strong governance, oversight, and meaningful human engagement. The most effective organizations pair Human Intelligence (HI) with AI, ensuring that technology amplifies—not replaces—the judgment, creativity, and ethical decision-making of the workforce. When implemented in this way, AI becomes a powerful tool to enhance human potential, drive organizational success, and create a more inclusive and productive workplace for all.

The Transformative Impact of Artificial Intelligence on Work and Workforce Protections

More than four decades ago, the arrival of the internet ushered in a new era of economic growth and innovation. In the years that followed, tech companies such as Apple Inc. and Microsoft grew into some of the most valuable enterprises in history. More importantly, the internet fundamentally reshaped how work is performed and how individuals access information.

Artificial intelligence represents a similarly pivotal moment. However, unlike prior technological advances, AI does more than expand access to information—it can summarize complex material, generate code, reason through problems, engage in dialogue, and support decision-making. In doing so, AI has the potential to lower traditional barriers to entry across many professions, enabling workers to develop skills more quickly and participate more fully in a modern, knowledge-driven economy.

From a workforce policy perspective, this transformation presents a significant opportunity to strengthen worker opportunities and expand economic mobility. By lowering skill barriers, AI can help democratize access to high-quality jobs, particularly for individuals without traditional credentials or those transitioning between careers. Workers can leverage AI tools to enhance productivity, improve decision-making, and reduce routine or repetitive tasks—allowing them to focus on higher-value, more strategic work. This has the potential to increase wages, improve job quality, and expand access to opportunity across diverse populations.

At the same time, AI can serve as a powerful tool to support workplace fairness and accountability when deployed responsibly. For example, well-designed AI systems can help standardize hiring and evaluation processes, reduce human bias, and increase transparency in employment decisions—advancing longstanding workforce protection goals. However, these benefits are not automatic; they depend on thoughtful governance, clear standards, and appropriate oversight to ensure AI systems are used in ways that are fair, transparent, and non-discriminatory.

As I mentioned in my opening, workers are already integrating AI into their daily responsibilities at a faster rate than many recognize. As a result, there is a clear and immediate need for policies that both support innovation and ensure adequate workforce protections. Thoughtful federal leadership can help establish consistent standards that promote transparency, mitigate risks such as bias or misuse, and provide workers with the tools and training necessary to succeed in an AI-enabled economy.

In short, AI presents an opportunity not only to drive economic growth, but also to modernize and strengthen workforce opportunities—ensuring that the benefits of this technological transformation are broadly shared and that workers remain at the center of innovation.

Key Areas Where AI Supports Employers and Workers

Below are just a few examples of how Association member companies—while complying with existing laws and remaining attentive to employee concerns—are thoughtfully implementing AI across their organizations.

Building Long-Term Career Resilience

In the early stages of AI adoption, many organizations approached these tools with understandable caution. Today, that hesitation has shifted to active engagement, with employees across the workforce identifying how AI can improve day-to-day work and business outcomes.

Through process mapping and workflow reviews, teams are identifying opportunities to streamline tasks, eliminate inefficiencies, and improve both quality and consistency. Work that was once manual and time-intensive is increasingly being automated through AI-enabled tools. For example, in customer service, AI can handle repetitive inquiries, route tickets, and summarize issues—freeing employees to focus on more complex, high-value interactions.

These changes are delivering clear benefits for both employers and employees. For employers, AI is driving greater productivity, faster decision-making, and more efficient operations, building company resilience. For employees, it is reducing time spent on repetitive tasks and enabling greater focus on higher-value work, such as problem-solving and strategic thinking. This shift is helping workers build new, in-demand skills in AI and digital tools—supporting career growth and long-term workforce resilience.

Ensuring Safe Workplaces

Creating a safe environment for employees and customers is a necessity for any company. Automated monitoring tools can assist businesses with this fundamental responsibility in a much more efficient and effective manner than manual approaches. Indeed, most of our member companies indicate that they use automated monitoring tools to track employee movement and location (e.g., staff badges, facial recognition, vehicle monitoring) for safety purposes.

For example, a security camera system that utilizes AI technology can be deployed to ensure that no unauthorized personnel enter certain premises, and that the company is able to respond in real time to suspicious behavior. In transportation related or adjacent industries, monitoring tools are essential for tracking employer-owned vehicles operated by employees, both for employee safety and performance purposes, which ultimately enhances workers, customer, and community safety. For example, monitoring the speed and acceleration habits of delivery or rideshare drivers can help encourage safer driving habits and lead to fewer accidents or traffic violations. In general, it is essential that employers are aware of whether an employee is endangering themselves or others while on the job. Such information can also be used to rebut improper claims by third parties against

companies and their employees in traffic accident matters and provide necessary safety/quality feedback.

In certain industries, AI can also be used to monitor and maintain oversight of controlled substances that the organization may manufacture or distribute, thereby lowering the chances that powerful drugs may end up in the wrong hands. For example, automated monitoring tools are essential in healthcare settings, where employees are often charged with handling significant amounts of controlled substances. Losing track of such substances can create significant safety issues for the employer, their employees, their consumers, and the general public. Even something as simple as tracking and ensuring patients are receiving the right drugs and the right doses of such drugs can be better accomplished with the help of automated monitoring tools.

Augmenting Human Capabilities

Recent discussions among industry leaders underscore how quickly AI is reshaping specific sectors of the economy. For example, in a recent *All-In Podcast* episode featuring NVIDIA CEO Jensen Huang, the growing impact of AI on the field of radiology was highlighted. AI is already being deployed to analyze medical images, detect patterns, and support diagnostic decision-making. Huang emphasized that, rather than replacing radiologists, AI is increasing demand for their expertise by boosting productivity and enabling them to review a greater volume of scans more efficiently.[2]

Importantly, the conversation emphasized that AI is not replacing radiologists, but augmenting their capabilities—enabling faster, more accurate assessments and allowing clinicians to focus more on complex cases and patient care. This example illustrates a broader trend: across industries, AI is transforming how work is performed, not eliminating the need for human expertise, but enhancing it.

As AI continues to evolve, its integration into fields like healthcare will require thoughtful implementation, ongoing training, and strong oversight. When done right, it has the potential to improve outcomes, increase efficiency, and elevate the role of skilled professionals—demonstrating how AI can serve as a powerful complement to human judgment rather than a substitute for it.

Substantial Existing Law Already Applies to the Use of AI in the Workplace

The use of technology in the employment context is already subject to extensive regulation which should be taken into consideration when developing any additional protections. In the United States alone, federal and state laws dealing with anti-discrimination, labor policy, data privacy, and AI-specific issues affect the use of AI in the employment context.

These areas of law include:

[2] https://radiologybusiness.com/topics/artificial-intelligence/nvidia-ceo-discusses-ais-growing-prevalence-radiology

- **Anti-Discrimination:** Title VII of the Civil Rights Act prohibits discrimination in the employment context on the basis of race, color, religion, national origin, or sex. An employer can violate Title VII for disparate treatment or disparate impact. Disparate treatment occurs when similarly situated people are treated differently based on a protected class. Disparate impact occurs when facially neutral policies or practices have a disproportionately adverse impact on protected classes. Discriminatory intent is relevant to establish a claim of disparate treatment, but intent is not necessary for claims of disparate impact. Employers are also prohibited from unlawfully discriminating in the employment context based on age or disability due to the Age Discrimination in Employment Act and the Americans with Disabilities Act.

  Liability for discrimination may arise under anti-discrimination laws when employers use artificial intelligence systems that are trained on biased datasets or that infer or otherwise uncover protected class information and adversely impact members of the protected class. With respect to anti-discrimination measures, any new government guidelines should be co-extensive with existing anti-discrimination laws instead of imposing novel obligations that exceed existing law.

  In fact, the U.S. Equal Employment Opportunity Commission (EEOC) released a technical assistance document explaining the application of Title VII of the Civil Rights of 1964 in preventing employer discrimination when using automated systems.[3] As that document explains, the 1978 EEOC Uniform Guidelines on Employee Selection Procedures "would apply to algorithmic decision-making tools when they are used to make or inform decisions about whether to hire, promote, terminate, or take similar actions toward applicants or current employees."

  In short, discrimination using AI is discrimination, period, and is therefore already covered by existing anti-discrimination laws, such as Title VII. Any new guidelines or policy proposals from the White House Office of Science and Technology Policy or other government bodies should be fully aligned with guidance from the EEOC and other agencies that promulgate AI workplace-related proposals.

- **Labor Laws:** The National Labor Relations Act (NLRA), enforced by the National Labor Relations Board (NLRB), is the cornerstone of American federal labor law and guarantees the right of private sector employees "to organize, engage with one another to seek better working conditions, choose whether or not to have a collective bargaining representative negotiate on their behalf with their employer, or refrain from doing so.[4]" The National Labor Relations Act prohibits employers from interfering with, restraining, or coercing employees' exercise of Section 7 rights (engaging in concerted activity for

[3] "Assessing Adverse Impact in Software, Algorithms, and Artificial Intelligence Used in Employment Selection Procedures Under Title VII of the Civil Rights Act of 1964." Equal Employment Opportunity Commission (May 18, 2023)

[4] https://www.nlrb.gov/about-nlrb/who-we-are

mutual aid or protection), including unlawful surveillance (i.e., doing something out of the ordinary to observe the activity) or giving the appearance of surveillance on employees' union activities.[5]

- **Data Privacy Laws:** Data privacy laws at the federal and state level directly affect the use of technology in the employment context. Federally, the Fair Credit Reporting Act (FCRA) regulates, among other things, how consumer reporting agencies use and share consumer information. A "consumer report" is defined as information bearing on a consumer's credit worthiness, including information related to a consumer's credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living. The FCRA requires consumer reports to be used for only permissible purposes, such as for employment. Employers must provide disclosures and obtain consents if using consumer reports.

  In addition to the FCRA, employers must also navigate biometric information privacy laws in numerous states. For example, the Illinois Biometric Information Privacy Act (BIPA) prohibits organizations, including employers, from collecting and using biometric information unless they have provided notice and obtained written consent.

State and Local Laws Governing the Use of Artificial Intelligence in Employment

A growing number of state and local jurisdictions—including California, Colorado, Illinois, New York City, and Texas—have enacted legislation addressing the use of AI in employment decisions. While these laws vary in scope, they generally impose restrictions on how and when employers may deploy AI tools in hiring, promotion, and other workforce-related decisions.

For example, laws in California and Texas prohibit the use of AI in a manner that results in unlawful discrimination against applicants or employees. In contrast, Colorado, Illinois, and New York City have adopted requirements focused on transparency, mandating that covered employers provide notice to applicants and employees when AI is used in employment decision-making processes.

New York City's law is particularly prescriptive, prohibiting the use of certain automated employment decision tools unless they have undergone a bias audit within the preceding year. This requirement reflects a broader policy trend toward ensuring that AI systems used in employment are subject to ongoing evaluation for fairness and accountability.

These emerging and often divergent requirements create a complex compliance landscape for employers operating across multiple jurisdictions. Importantly, the reach of these laws is not limited to employers physically located within a given jurisdiction. Employers that recruit or hire individuals residing in jurisdictions with applicable AI regulations may be subject to those requirements, even if the employer itself is headquartered elsewhere. As remote work continues to expand, this extraterritorial impact further underscores the need for a clear, consistent, and harmonized regulatory framework at the federal level.

[5] https://www.nlrb.gov/about-nlrb/rights-we-protect/the-law/interfering-with-employee-rights-section-7-8a1

Policymakers should carefully consider how existing federal and state laws already apply to the use of AI and automated tools, just as they do to other workplace technologies. Moving too quickly to impose sweeping, overly prescriptive, one-size-fits-all regulations risks stifling investment and innovation, while discouraging employers from leading on the responsible deployment of these tools. That is why the Association supports a federal, principles-based approach to AI governance—one that is flexible, durable, and capable of evolving alongside the technology itself.

State-level efforts—such as those emerging in Colorado—often take a "point-in-time" approach, focusing on specific use cases or perceived risks that may quickly become outdated. The result is a fragmented patchwork of requirements that can be difficult for employers to navigate and may fail to anticipate future developments. By contrast, a federal framework grounded in core principles like transparency, accountability, and risk management can provide consistent guardrails while preserving the flexibility needed to foster innovation. Such an approach helps ensure that policy keeps pace with technological advancement, rather than lagging behind it or locking in requirements that may soon become obsolete.

Looking Ahead

Before advancing consequential regulations governing AI in the workplace, policymakers should engage directly with employers—as you are doing today—and other stakeholders to ensure that policy decisions reflect both the current and rapidly evolving capabilities of AI systems, as well as real-world workplace practices.

A balanced, risk-based approach will allow the United States to advance trustworthy AI while preserving innovation, competitiveness, and worker protections.

Furthermore, as policymakers consider potential regulation of AI in the workplace, we caution that overly prescriptive, AI-specific mandates could yield unintended consequences—stifling innovation, increasing legal uncertainty, and further fragmenting the regulatory landscape. Rather than adding new layers to an already complex framework, policymakers should prioritize clarifying how existing labor and employment laws apply to AI and promote voluntary compliance through practical, best-practice guidance.

At the same time, Congress should address the expanding patchwork of state and local AI laws, many of which impose overlapping or conflicting requirements. This fragmented environment creates significant compliance burdens for employers and uncertainty for employees, potentially undermining workplace stability and blurring lines of accountability.

To mitigate these risks, Congress should establish a federal, principles-based framework for AI governance—one that is flexible, durable, and able to evolve alongside rapidly advancing technology. This approach should also expressly preempt inconsistent state and local requirements, which can create fragmentation and uncertainty for employers operating across jurisdictions. Given the complexity, fluidity, and nationwide reach of AI deployment, Congress is uniquely positioned to balance competing interests and develop a coherent, forward-looking framework through a comprehensive legislative process.

In the absence of federal action, organizations—while continuing to comply with existing laws—are prudently advancing their own AI governance structures rather than waiting for regulation to catch up with innovation. To date, many private-sector initiatives have adopted measured, responsible approaches to AI development and deployment in the workplace.

Principles for Policymakers Considering Workplace AI Legislation and Regulation

As Congress considers legislative or regulatory proposals addressing AI in the workplace, the CHRO Association encourages policymakers to reflect on the following principles—many of which our member companies are already actively implementing across their organizations:

Privacy and Security

- AI and data-use policies should explicitly address employee privacy
- Data should only be used for purposes compatible with its original collection, absent employee consent
- Policies should align with existing domestic and international privacy frameworks

Transparency

- Employers should be able to explain how AI systems are used and how they inform decision-making
- Employees should have clear avenues to raise concerns and seek resolution
- Transparency requirements should be practical and scalable

Integrity

- AI should be designed to **augment human decision-making**, not replace it
- Use of technology should align with organizational values and cultural norms
- Employers should clearly articulate positive intent in AI deployment

Bias Mitigation

- AI systems and training data should be continuously evaluated for unintended bias
- Employers should commit to monitoring, testing, and correcting biases

- Policymakers should recognize that AI can be part of the solution to bias when properly governed

Accountability and Governance

- Employers should remain accountable for foreseeable harms arising from AI use
- Ethics training should be integrated across the AI lifecycle—from development to deployment
- Governance frameworks should ensure responsible design, oversight, and ongoing evaluation as the technologies are continuously evolving

Conclusion

AI is transforming the workplace at a speed and scale we have never seen. It promises extraordinary gains: higher productivity, new opportunities, and the potential to unlock innovation across every sector.

The United States already has a robust legal framework that governs workplace conduct and protects employees, including safeguards against discrimination and harassment, wage and hour standards, labor rights, privacy, and safety. Introducing a separate set of AI-specific workplace statutes could create confusion, impose duplicative requirements, and produce unintended consequences that may ultimately undermine the very protections these laws are meant to uphold.

The smarter path is clear. Congress should focus on clarifying how existing laws apply to AI, encourage responsible adoption through issuance of a federal, principles-based approach to AI governance, and support innovation through collaboration between the public and private sectors. This approach allows us to harness AI's power while safeguarding fairness, dignity, and security for American workers.

On a personal note, I think of my 20-month-old son. He doesn't yet know what AI is, but he already interacts with technology daily—phones, tablets, and digital toys. He will grow up in a world profoundly shaped by AI. The decisions we make today will define the world he—and generations to come—will inherit. Our responsibility is clear: we must build an AI-ready America—one that drives innovation, protects workers, and ensures a future that is secure and adaptable to the technologies of tomorrow.

Thoughtful, evidence-based policymaking—grounded in dialogue with employers, employees, and technologists—can ensure AI expands opportunity for all and preserves U.S. global leadership in innovation. The CHRO Association and our members stand ready to be a resource

to Congress, offering practical insights and real-world experience to help shape policies that work for both workers and employers.

Thank you for the opportunity to share my perspective. I look forward to supporting your efforts as you deepen your understanding of AI and consider thoughtful legislative action.

Sincerely,

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