



PROFESSIONAL
CERTIFICATION
COALITION

Notes
PCC Member Strategy Call
Wednesday, July 16, 2026
1 p.m. ET

Steering Committee: I.C.E. (Denise Roosendaal), ASAE (Mary Kate Cunningham, Kyle Hayes)

Legal Counsel: Jerry Jacobs, Craig Saperstein, Lori Panosyan, Laura Killalea, Jaria Martin (Pillsbury)

1. Welcome/Membership Updates

- a. Invoices for FY26-27 forthcoming in the next couple of weeks
- b. PCC Annual Accomplishments and Prospectus for the new fiscal year will also be sent over the coming days
- c. Next Member Meeting: September (Date TBA)

2. Guest Speaker: Shruti Bhutani Arora, Partner, Pillsbury Winthrop Shaw Pittman LLP

- a. AI and Privacy Legal Issues Impacting the Certification Process
 - i.) U.S. AI regulatory landscape remains highly fragmented, with states continuing to adopt different approaches to regulating artificial intelligence. While the federal government has issued Executive Orders encouraging states to pursue comprehensive AI legislation, there is currently no uniform national framework.
 - ii.) Most state AI laws apply broadly to both for-profit and nonprofit organizations and generally do not contain minimum applicability thresholds.
 - iii.) Although many state laws require organizations to conduct risk assessments, there is currently no nationally recognized AI governance standard. As a result, organizations are left to determine their own governance practices in many cases.
- b. Overview of State AI Laws
 - i.) State laws generally fall into two categories: laws governing the use of AI in making significant decisions, such as testing, examinations, certifications, and employment decisions, and laws regulating AI chatbots and disclosure requirements. Many AI laws regulate not only the development of AI systems but also their deployment and use.
- c. Colorado
 - i.) Colorado recently repealed and reenacted its AI law, making a number of

significant revisions. The revised law no longer includes certain safe harbor and auditing provisions and broadly applies to employment and education, although “education” is not expressly defined.

- ii.) While the law does not specifically reference nonprofit organizations, nonprofits are generally expected to fall within its scope.
- iii.) Colorado has also begun rulemaking for both its AI and chatbot laws, and organizations should continue monitoring those developments.

d. California

- i.) California’s AI law contains an exemption for nonprofit organizations.
- ii.) California’s transparency requirements, which generally apply to organizations that substantially modify or deploy AI systems affecting individuals.
- iii.) PCC members are encouraged to consider developing internal policies governing the use of AI and to be prepared for disclosure obligations concerning AI systems where applicable.

e. Texas

- i.) Texas’ AI law took effect this year and prohibits AI systems from unlawfully discriminating against protected classes. Texas’ AI law took effect this year and prohibits AI systems from unlawfully discriminating against protected classes.

f. Human Oversight

- i.) It is important to maintain meaningful human oversight when AI is used to support significant organizational decisions. Incorporating a “human in the loop” can reduce legal risk by ensuring that a person ultimately makes the final decision.

g. Privacy Laws

- i.) State privacy laws are similarly fragmented, with approximately 25 states having enacted comprehensive privacy statutes. PCC members are encouraged to monitor emerging privacy laws that apply to nonprofit organizations, including developments in New Jersey, Oregon, Colorado, Alabama, and Vermont.
- ii.) Each state’s privacy law contains different applicability thresholds and may regulate the collection and use of personal or biometric information. When organizations use third-party AI vendors, responsibility for providing required notices generally remains with the organization deploying the AI system.

3. Update on 529 Expansion

- a. The PCC continues to engage the Department of the Treasury and Internal Revenue Service regarding implementation of the Freedom to Invest in Tomorrow’s Workforce Act.
- b. Since the PCC submitted its letter and proposed guidance to Treasury and the IRS and met

with key officials at the Treasury Department, additional stakeholders, including the 529 Network and the College Savings Foundation, have also formally requested implementation guidance.

- c. Congressman Rob Wittman’s office has continued engaging Treasury regarding the status of implementation, although Treasury continues to face a substantial rulemaking backlog for legislative provisions included in the One Big Beautiful Bill.

4. Military Credentialing

- a. Senate NDAA Credentialing Assistance Language

- i.) The committee report accompanying the Senate version of the annual National Defense Authorization Act includes a provision encouraging greater harmonization and expansion of military credentialing assistance programs.
 - ii.) The committee report language closely reflects concepts advanced by the PCC and demonstrates congressional interest in improving credentialing assistance available to servicemembers. We are pleased that the PCC’s advocacy efforts inspired inclusion of this important language.

- b. Military Occupational Specialty (MOS) Language

- i.) In a provision focusing on how military training can be applied to qualify servicemembers to obtain occupational credentials, there are concerns that portions of the language could be interpreted to affect the independence of private credentialing organizations to establish their own certification standards.
 - ii.) The PCC will continue advocating that any recommendations focus on actions the military or federal government can take, rather than requiring private certification bodies to alter certification requirements or create alternative certification pathways.

5. OMB Federal Financial Assistance Rulemaking

- a. ASAE submitted comments on OMB’s proposed revisions to the Uniform Guidance governing federal financial assistance. OMB reportedly received a substantial number of public comments, and litigation challenging the rule is anticipated.
- b. OMB proposed implementing the revisions during Fiscal Year 2027, while ASAE recommended delaying implementation until Fiscal Year 2028.

6. Reimagining and Improving Student Education (RISE) Rulemaking Updates

- a. Numerous healthcare organizations challenged the Department of Education’s RISE Rule in two related lawsuits pending before the U.S. District Court for the District of Columbia.
- b. On June 24, 2026, Judge Howell heard both cases together and issued a preliminary injunction staying enforcement of portions of the rule that narrowed the definition of “professional degree.”
- c. Following the court's decision, the Department released an interim, expanded list of qualifying

professional degree programs while continuing to defend the rule in court. The Department did not explain how it determined which programs were included on or excluded from the interim list, stating only that the list reflected its understanding of the court's ruling.

- d. A separate lawsuit filed by twenty-five states and the District of Columbia remains pending before the U.S. District Court for the District of Maryland.
- e. While the PCC is pleased that the Department has temporarily expanded the list of professions qualifying for large financial aid amounts, numerous professions are left out and the legal posture of this decision remains uncertain. The PCC will continue to monitor RISE rulemaking and litigation developments and activity as necessary.

7. Planned Outreach

- a. The PCC continues reviewing model legislation developed by outside organizations to better understand trends affecting professional certification. The review also seeks to identify organizations responsible for developing and promoting model occupational licensing legislation.

8. State Legislative Activity

- a. New 2026 watchlist on the "For Members" portion of the PCC website.