

IN SHORT **The Situation:** Recognizing the vital role that artificial intelligence ("AI") plays in the economy and national security interests of the United States, President Trump recently issued an Executive Order unveiling the American AI Initiative ("Initiative").

**The Result:** The Initiative states that the Federal government plays an important role in achieving five strategic objectives related to AI, namely: (i) investing in research and development ("R&D"), (ii) unleashing AI resources, (iii) promoting public trust by setting AI standards, (iv) building an AI workforce, and; (v) promoting America's "AI advantage."

**Looking Ahead:** Whether and to what extent the Initiative spurs meaningful action to promote these objectives will be borne out in the months ahead. Stakeholders should monitor developments related to this Initiative and look for opportunities to shape the dialogue surrounding it.

Artificial intelligence—and the related concept of machine learning—is a hot topic in legal and business communities worldwide. AI applications are reported daily in sectors as diverse as banking and wealth management, autonomous and "smart" vehicles, robotics, data storage, consumer products, manufacturing and distribution, software, drug development, health care, fashion, advertising, and national security.

In view of AI's expected impact across virtually every imaginable technology, industry, and organization, and its importance to the security and economy of the United States, the White House recently unveiled the Initiative. On February 11, the Office of Science and Technology Policy introduced the Initiative in a press release, *Accelerating America's Leadership in Artificial Intelligence*. Later that same day, President Trump formalized the Initiative in an *Executive Order on Maintaining American Leadership in Artificial Intelligence*.

The Initiative acknowledges the potential of AI to "drive growth of the United States economy, enhance our economic and national security, and improve our quality of life." The Initiative is also concerned with growing America's leadership in AI so as to not be out-paced by competitors. Other nations (e.g., China) have announced their plans to heavily invest in AI. Without mentioning any other country by name, the Initiative is directed towards expanding the role of the United States as "the world leader" in AI. To that end, the Initiative positions the Federal Government as "play[ing] an important role in facilitating AI R&D, promoting the trust of the American people in the development and deployment of AI-related technologies, training a workforce capable of using AI in their occupations, and protecting the American AI technology base from attempted acquisition by strategic competitors and adversarial nations."



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## **Five Key Areas of Emphasis**

The Initiative identifies five key areas of emphasis for a broad range of implementing Federal agencies responsible for promoting and protecting American advancements in AI:

- **Investing in R&D.** This objective recognizes the need for collaborative R&D across "industry, academia, international partners and allies, and other non-Federal entities to generate technological breakthroughs in AI." It directs agencies to consider AI as an R&D priority as they formulate budgets going forward.
- Unleashing AI Resources. The Initiative recognizes the importance of data to the development of AI. It accordingly directs agencies to enhance access and reduce barriers to Federal resources, including "Federal data, models, and computing resources[,]" while protecting security, privacy, and safety concerns. Within 90 days of the order, a notice will be published in the Federal Register inviting the public to identify additional requests for access or quality improvements for such data and models that would improve R&D and testing.
- Guidance for AI Regulations and Setting AI Governance Standards. In order to promote public trust in the development and use of AI applications, within 180 days, the director of the Office of Management and Budget, in coordination with other relevant agencies and following public comment, will issue a memorandum providing guidance for the "development of regulatory and non-regulatory approaches ... regarding technologies and industrial sectors that either empowered or enabled by AI" that advance innovation and protect "civil liberties, privacy, and American values." The Initiative also calls for the National Institute of Standards and Technology to issue a plan for government engagement in development of technical standards at the international level "in support of reliable, robust, and trustworthy systems that use AI technologies." Various companies and organizations (e.g., the Institute of Electrical and Electronics Engineers) have pushed for standards in developing and implementing AI—and, indeed, the Federal government could play an important role in this process, thereby bolstering public trust in the process.
- **Building the AI Workforce.** The Initiative prioritizes building an AI workforce in the United States through apprenticeships; skills programs; and education in science, technology, engineering, and mathematics (STEM), with an emphasis on computer science.
- International Engagement and Protecting our AI Advantage. The Initiative calls for Federal agencies to develop an action plan to "protect the advantage of the United States in AI and technology critical to United States economic and national security interests against strategic competitors and foreign adversaries."

While these goals are generally uncontroversial, the devil is of course in the details: Many open questions remain about whether, how, and to what extent these goals can actually be implemented by the Federal agencies tasked with doing so. For example, the Initiative recognizes that increased access to Federal data and models raises significant privacy and security concerns, but leaves open how to address those concerns. Further, while the Initiative instructs agencies to prioritize AI research and development investment, it does not allocate any new funding and so raises the question how much funding will actually be made available for AI research (and what other research areas may lose funding as a result). The Initiative is by its nature intended to set a general direction and emphasis, so it is not too surprising that these and other questions remain. But how they are answered will be critical in evaluating the Initiative's significance and effectiveness.

## THREE KEY TAKEAWAYS

- AI is raising complex legal and business issues across industries worldwide. This, coupled with international competition, has resulted in an increased push for a national strategy to promote the development of AI.
- The five objectives articulated by the Initiative are generally uncontroversial, but many open questions remain regarding how those objectives can be best achieved. Notwithstanding the criticism directed towards it, the Initiative recognizes the significance of AI to the American economy and national security,



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- and may very well spark new meaningful activity to promote the United States as a world leader in AI.
- 3. The Initiative is new and evolving, directing a variety of activities to take place within months of its February 11 issue date and offering nongovernmental stakeholders the opportunity to provide input.

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