This material from Briefing Papers has been reproduced with the permission of the publisher, Thomson Reuters. Further use without the permission of the publisher is prohibited. For additional information or to subscribe, call 1-800-328-9352 or visit http://legal.thomsonreuters.com. Briefing Papers is now available on Westlaw. Visit westlaw.com.

BRIEFING PAPERS® SECOND SERIES

PRACTICAL TIGHT-KNIT BRIEFINGS INCLUDING ACTION GUIDELINES ON GOVERNMENT CONTRACT TOPICS

The White House Sets Forth Vision For Al Procurement And Deployment

By Nooree Lee, Bob Huffman, August Gweon, and Krissy Chapman¹

As adoption of artificial intelligence spreads and accelerates in the commercial and academic worlds, it has become clear that finding pathways to leveraging AI in the public sector will be just as critical. In July 2025, the White House released¹ its AI Action Plan² and executed a trio of Executive Orders,³ emphasizing both rapid AI procurement and deployment throughout the federal government and a distinctly pro-innovation, "America First" approach to regulation of the AI industry.

These developments reflect an ongoing effort by the Trump Administration to re-center U.S. AI policy on American-led AI innovation and development, marking a departure from the previous administration's more safety-focused approach to AI regulation. Notably, the AI Action Plan and July 2025 AI Executive Orders establish a three-pronged strategy to achieving the Trump Administration's policy of "global AI dominance." First is an emphasis on rapid procurement of AI tools for the federal government (with a corollary for prohibitions on procurement of so-called "woke" AI tools) and removing regulatory barriers. Second is a focus on U.S. exports of AI technology and includes incentivizing export of the full U.S. AI technology stack and broadening U.S. export control restrictions relating to AI beyond prior rules focused on hardware. Third is the creation of incentives for AI infrastructure development.

This Briefing Paper provides a high-level overview of U.S. AI Policy with a focus on its public procurement impacts. The article then discusses recent policy developments under the Trump Administration and their possible implications in greater detail.

A Brief History Of U.S. Al Policy

The Trump Administration's AI policy objectives reflect a significant shift in the federal government's approach to the rapid development and expansion of AI from 2022 to 2024 from the previous Administration. In re-

IN THIS ISSUE:

A Brief History Of U.S. Al Policy	3
Al Action Plan And Executive Orders Focus On Innovation And Removing Bureaucratic Barriers	5
Key Takeaways And Considerations	6
Guidelines	4



¹Nooree Lee is a partner, Bob Huffman is a senior of counsel, and August Gweon and Krissy Chapman are associates at Covington & Burling LLP in Washington, D.C.

sponse to the launch of ChatGPT and the expanded use of AI tools in 2022 and 2023, the Biden Administration took several steps to establish a risk conscious, safetyfirst framework. In October 2022, the White House Office of Science and Technology Policy (OSTP) published the Blueprint for an AI Bill of Rights: Making Automated Systems Work for the American People, a framework "intended to support the development of policies and practices that protect civil rights and promote democratic values in the building, deployment, and governance of automated systems."4 While the AI Bill of Rights preceded the launch of ChatGPT and the rapid proliferation of large language models (LLMs) in recent years, it established the foundation and core themes of the Biden Administration's approach to AI. Consistent with this approach, in January 2023, the National Institute of Standards and Technology (NIST) issued its AI Risk Management Framework, providing foundational guidance for private deployers of AI systems.⁵ Later that year, the Biden Administration secured voluntary AI commitments⁶—including commitments to conduct red-team testing, to share AI safety information, to invest in AI model cybersecurity, and to prioritize research on societal risks posed by AI-from over a dozen U.S. AI companies.7

In October 2023, President Biden signed Executive Order 14110 on the "Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence," setting out a "coordinated, Federal Government-wide approach" to AI governance, 8 with the goal of "ensur[ing] that America leads the way in seizing the promise and managing the risks of [AI]." The 2023 AI Executive Order emphasized "responsible AI use" and set out requirements for federal agencies to promote AI safety, security,

innovation, and competition, establish privacy, civil rights, and equity safeguards for workers, consumers, and vulnerable groups, and encourage responsible federal use of AI.¹⁰ Among other things, the 2023 AI Executive Order directed the Department of Commerce to establish reporting requirements for developers of dual-use foundation models¹¹ and directed the Office of Management and Budget (OMB) to issue guidance on government AI procurement and use. 12 Following the signing of the 2023 AI Executive Order, the Biden Administration took further steps to implement its safety-focused approach to AI policy, including a 2024 AI National Security Memorandum, 13 the establishment of the U.S. AI Safety Institute and its model evaluation initiatives, March and September 2024 OMB guidance on the use¹⁴ and acquisition¹⁵ of AI by federal agencies, and NIST's July 2024 AI Risk Management Framework Generative AI Profile.¹⁶

The second Trump Administration ushered in a significant and rapid shift in federal AI policy objectives, as President Trump heralded a new American "golden age" for AI innovation through the removal of regulatory barriers to AI development. The new Trump Administration also elevated efforts to prevent so-called "woke" AI systems and outputs as a national priority. On his first day in office, President Trump revoked the 2023 AI Executive Order¹⁷ and, three days later, issued Executive Order 14179 on "Removing Barriers to American Leadership in Artificial Intelligence," calling for further revocations of guidance issued under the 2023 AI Executive Order. 18 The January 2025 AI Executive Order established the "policy of the United States to sustain and enhance America's global AI dominance in order to promote human flourishing, economic competitiveness, and national security,"19 and directed White House of-

Editor: Valerie L. Gross

©2025 Thomson Reuters. All rights reserved.

For authorization to photocopy, please contact the **Copyright Clearance Center** at 222 Rosewood Drive, Danvers, MA 01923, USA, http://www.copyright.com, Toll-Free US +1.855.239.3415; International +1.978.646.2600 or **Thomson Reuters Copyright Services** at 2900 Ames Crossing Rd, Suite 100, Eagan, MN 55121, USA or copyright.west@thomsonreuters.com. Please outline the specific material involved, the number of copies you wish to distribute and the purpose or format of the use.

This publication was created to provide you with accurate and authoritative information concerning the subject matter covered; however, this publication was not necessarily prepared by persons licensed to practice law in a particular jurisdiction. The publisher is not engaged in rendering legal or other professional advice and this publication is not a substitute for the advice of an attorney. If you require legal or other expert advice, you should seek the services of a competent attorney or other professional.

Briefing Papers® (ISSN 0007-0025) is published monthly, except January (two issues) and copyrighted by Thomson Reuters, 610 Opperman Drive, P.O. Box 64526, St. Paul, MN 55164-0526. Customer Service: (800) 328-4880. POSTMASTER: Send address changes to Briefing Papers, 610 Opperman Drive, P.O. Box 64526, St. Paul, MN 55164-0526.

ficials to develop an "AI Action Plan" to achieve this goal.²⁰

The next section of this Paper discusses subsequent AI policy developments under the Trump Administration in greater detail, including revised OMB AI guidance, the AI Action Plan, and three recent Executive Orders to facilitate implementation of the AI Action Plan. As we discuss further, this significant shift in AI policies frequently invokes private-public partnerships and represents new opportunities and risks in procurement.

Al Action Plan And Executive Orders Focus On Innovation And Removing Bureaucratic Barriers

The AI Action Plan²¹ released by the White House on July 23, 2025, 22 outlines the key priorities of the Trump Administration's AI policy agenda. In parallel, President Trump signed three AI Executive Orders directing the Executive Branch to implement the AI Action Plan's policies on "Preventing Woke AI in the Federal Government,"23 "Accelerating Federal Permitting of Data Center Infrastructure,"24 and "Promoting the Export of the American AI Technology Stack."25 The Trump Administration's publication of the AI Action Plan follows months of stakeholder and agency consultation and over 10,000 public comments in response to the White House's February 6, 2025 Request for Information,26 including comments from nonprofit organizations, think tanks, trade associations, industry groups, academia, and AI companies.27

The Action Plan recommends 103 specific AI policy actions for "near-term execution by the Federal government," organized under the three pillars of accelerating AI innovation, building American AI infrastructure, and leading in international AI diplomacy and security. Each of the three Executive Orders accompanying the Action Plan implements certain actions within the Plan. We outline some key themes and summarize certain action items below.

Accelerating Government AI Procurement And Adoption And Removing Regulatory Barriers

One key theme of the AI Action Plan focuses on accelerating AI through procurement and removing regulatory barriers. Actions within this theme include, for example, (1) leveraging the federal government AI procurement process; (2) removing regulatory barriers to AI innovation; (3) establishing regulatory sandboxes and standards for AI adoption; (4) focusing, in particular, on Department of Defense (DOD) AI adoption as a unique agency; (5) eliminating "woke" elements from AI requirements and guidance; and (6) supporting next-generation manufacturing and prioritizing investment in emerging technologies.²⁹

(1) Federal Government AI Procurement. First, the Administration emphasized utilizing federal government procurement as a means to eliminate "wokeness," develop standards, and pilot and accelerate use of AI in federal public services. To address this, the AI Action Plan builds on the OMB April 2025 memoranda on the federal use and acquisition of AI³⁰ and calls for an update to federal procurement guidelines.³¹ The guidelines would require contracting officers to contract only with frontier LLM developers who "ensure that their systems are objective and free from top-down ideological bias,"³² likely including references to diversity, equity, and inclusion (DEI), and climate change.

The Executive Order on "Preventing Woke AI in the Federal Government" appears to further implement this AI Action Plan directive. 33 The Executive Order provides that the federal government has an obligation not to procure models that "sacrifice truthfulness and accuracy to ideological agendas" and requires that federal agencies procure only LLMs that are developed in accordance with two "Unbiased AI Principles": truth-seeking and ideological neutrality.³⁴ To implement these requirements, the Executive Order calls for OMB to issue guidance to agencies on implementing such principles by November 20, 2025.35 Upon the issuance of the OMB guidance, federal agencies must include, in any new or existing federal contract for an LLM, terms that require the procured LLM to comply with the Unbiased AI Principles and impose "decommissioning costs" on the LLM vendor in the event of noncompliance.³⁶

In addition, the AI Action Plan calls for the General Services Administration (GSA) to create an AI procurement toolbox to establish standards and facilitate uniformity in federal government procurement.³⁷ In fact, on August 14, GSA launched the AI evaluation suite, <u>USAi.</u>

gov, to allow federal agencies to test several industry-leading AI models.³⁸ GSA plans to curate the models available for testing on the tool. When procuring an AI-driven capability or product, federal agencies could choose from standard AI models established as part of the toolbox, and each type of model would comply with privacy, data governance, and transparency laws.³⁹ Updates to the procurement process also include a call to convene certain agencies to pilot AI use in delivery of public services and formalize the role of a Chief AI Officer Council as the go-between that facilitates interagency coordination and collaboration on AI adoption.⁴⁰

(2) State and Federal Barriers to AI Innovation and Adoption. The AI Action Plan also focuses on using the federal government to identify and remove barriers to AI development, starting at the state level.41 While the proposed state AI enforcement moratorium, which called for a prohibition on state and local governments passing individual AI laws, failed in the Senate this July, 42 the AI Action Plan reflects similar concerns, explaining that too much bureaucracy, whether at the state or federal level, risks "smother[ing]" AI in early stages of development. 43 The Plan seeks to restrict federal funding such that it does not support "burdensome" AI regulations at the state level. To that end, the AI Action Plan calls for OMB to ensure that federal agencies with AI-related discretionary funding programs assess the state's AI-regulatory environment when making state-related funding decisions and ensure funding is restricted if the state's AI regulatory regime "hinder[s] the effectiveness of that funding or award."44 It also calls on the Federal Communications Commission (FCC) to evaluate whether state AI regulations interfere with the FCC's ability to carry out its mandate under the Communications Act of 1934, 47 U.S.C.A. §§ 151-646.45

In addition, the Plan calls on agencies, including OMB, the Federal Trade Commission (FTC), and OSTP, to survey and assess other possible regulatory hindrances and repeal such hindrances where necessary. ⁴⁶ This includes a recommendation for OMB to work with federal agencies to assess all regulations, rules, memoranda, administrative orders, guidance documents, policy statements, and interagency agreements, and specifically calls on the FTC to conduct reviews of its investigations, final orders, consent decrees, and injunctions, including under the prior administration, and halt any areas that un-

duly burden AI innovation.⁴⁷ The Plan also mandates that OSTP put out a Request for Information to industry and the public at large to identify current federal regulations that hinder AI innovation and adoption.⁴⁸

(3) Regulatory Sandboxes and Standards for AI Adoption. The AI Action Plan also provides for addressing "bottlenecks" to adoption in critical sectors like healthcare through a coordinated federal effort that establishes "a dynamic, try-first culture for AI across American industry," leaning significantly on partnerships with businesses to drive development. 49 Recommended actions include NIST (through Commerce) launching public-private efforts and convening a broad range of public, private, and academic stakeholders in sectors including healthcare, energy, agriculture, etc., to accelerate development and adoption of AI national standards and to measure how much AI increases productivity at realistic tasks in those sectors.⁵⁰ In addition, the Plan calls for the Food and Drug Administration (FDA), the Securities and Exchange Commission (SEC), and other agencies, with the support of Commerce and its AI evaluation initiatives at NIST, to establish regulatory sandboxes or AI Centers of Excellence to support researchers, startups, and established businesses to rapidly deploy and test AI capabilities.51

The AI Action Plan also recommends that DOD, in coordination with the Office of the Director of National Intelligence, conduct comparative assessments of AI tool adoption in the United States and other countries and establish an approach for continuous adaptation of the DOD and Intelligence Community's respective AI adoption initiatives based on these AI net assessments.⁵²

(4) *DOD AI Adoption*. Another section of the AI Action Plan focuses on specific DOD AI initiatives, including to ensure AI is secure and reliable, given the military's unique operational needs and in order to "maintain its global military preeminence." This includes prioritizing DOD agreements with cloud service providers, computing infrastructure operators, and other private entities to codify priority access to computing resources and ensure these tools can be fully leveraged in the event of a national emergency or conflict. The Plan also provides for various initiatives to prioritize training, upskilling, and expanding a DOD AI-related workforce and educational opportunities, including through implementing tal-

ent development programs and establishing a DOD AI & Autonomous Systems Virtual Proving Ground.⁵⁵ Finally, the Plan calls for streamlining a process within DOD to prioritize workflows that can be automated with AI related to major operational and enabling functions.⁵⁶

(5) "Woke AI" Revisions. The AI Action Plan also emphasizes the significant role AI plays in everyday life and the importance of removing government barriers and facilitating free speech, including by eliminating requirements related to DEI and climate change in AI policy. As noted above, this includes eliminating DEI considerations from federal AI guidance such that AI systems pursue "objective truth" and "be free from ideological bias." It also calls on NIST, led by Commerce, to revise the AI Risk Management Framework to "eliminate references to misinformation, [DEI], and climate change."58 Finally, it recommends the Center for AI Standards and Innovation (CAISI) (formerly the U.S. AI Safety Institute) research and publish evaluations of whether Chinese frontier model outputs reflect Chinese Communist Party talking points and censorship.⁵⁹

(6) AI-Related Manufacturing. The Plan focuses on promoting American manufacturing and logistics for next-generation technologies involving AI, robotics and autonomous drones and cars, including technologies with applications to defense and national security. 60 Proposed actions to promote manufacturing include leveraging federal funding authorities to develop and scale foundational and translation manufacturing technologies at federal agencies including DOD, Commerce, Department of Energy, and the National Science Foundation.⁶¹ Federal funding authorities the Plan recommends leveraging include the Small Business Innovation Research program, the Small Business Technology Transfer program, research grants, CHIPS R&D programs, Stevenson-Wydler Technology Innovation Act authorities, Title III of the Defense Production Act, and Other Transaction Authority, among others.62

In continuing to emphasize the role of industry, the AI Action Plan also calls on federal agencies, including Commerce and the National Telecommunications and Information Administration, to convene industry and government to identify supply chain challenges, in particular those relevant to U.S. manufacturing of robotics and drones, and for Commerce to review semiconductor-related programs for opportunities.⁶³

Al Technology Exports: Incentivizing Exports Of The Full U.S. Al Technology Stack And Expanding Relevant Export Controls

The second key theme focuses on exports of AI technology, including incentivizing export of the full U.S. AI technology stack and adding U.S. export controls restrictions relating to AI.⁶⁴

The AI Action Plan establishes a goal of driving global adoption of American AI systems and computing hardware and standards. It calls for the United States to export its "full AI technology stack," including hardware, models, software, applications, and standards, to partner countries by selecting industry proposals for "full-stack AI export packages" and facilitating deals to export the AI technology stack and U.S. AI chips. 65 To prevent adversaries from "free riding" on U.S. innovation and investment, it also calls for federal agencies to increase monitoring of chips, with concerns for AI chip diversion and use by foreign adversaries, and CAISI evaluation of related national security risks. 66

To support implementation of the AI Action Plan, the Trump Administration also issued an accompanying Executive Order, "Promoting the Export of the American AI Technology Stack."67 This Executive Order seeks to extend U.S. leadership in AI and minimize American dependence on foreign adversaries' AI technologies by exporting "full-stack American AI technology packages," i.e., AI hardware and networking, data pipelines and labeling systems, AI models and systems, security and cybersecurity measures, and use case-specific AI applications.⁶⁸ Leaning on public-private partnerships to further AI objectives, the Executive Order requires Commerce to establish an American AI Exports Program for soliciting public proposals for full-stack American AI technology packages from an "industry-led consortia," subject to certain restrictions. Proposals selected for inclusion in the exports program will be designated as "priority AI export packages" and given priority access to certain federal financing tools.⁶⁹ Such federal financing tools, coordinated by the Economic Diplomacy Action Group, 70 will include direct loans and loan guarantees under 12 U.S.C.A. § 635; equity investments, cofinancing, political risk insurance, and credit guarantees under 22 U.S.C.A. § 9621; and technical assistance and feasibility studies under 22 U.S.C.A. § 2421(b).71

The Executive Order puts the onus on the Secretary of State. The Secretary of State is required to (a) develop a national strategy to promote American AI technology exports and standards; (b) coordinate U.S. participation in multilateral AI initiatives; (c) foster "pro-innovation regulatory, data, and infrastructure environments conducive to the deployment of American AI systems" in partner countries; (d) analyze technical and regulatory barriers that may impede U.S. AI competitiveness; and (e) facilitate investments in U.S. small businesses for the development of American AI technologies, infrastructure, hardware, and systems.⁷²

Incentivizing U.S. AI Infrastructure

The third key theme of the AI Action Plan focuses on incentivizing the development of infrastructure to support expansions in American AI capabilities, including increasing the U.S. energy capacity. Key actions in this section of the Plan include, for example, (1) accelerating permitting and development of AI infrastructure; (2) improving the U.S. electric grid; and (3) securing AI through AI cybersecurity and secure-by-design AI, among other areas.⁷³

(1) AI Infrastructure Permitting and Development. The AI Action Plan recommends a number of steps to accelerate AI infrastructure permitting and building of AI infrastructure, including chip factories, data centers, and new sources of energy. This includes ensuring that the "domestic AI computing stack" is built on American products and that AI infrastructure is free of foreign adversary technologies and services.⁷⁴

It also includes, for example, expediting permitting under environmental laws such as the Clean Air and Clean Water Acts, making federal land available for data center and power generation infrastructure, and expanding allowability of data center building with fewer restrictions through updates to the National Environmental Policy Act and Title 41 of the Fixing America's Surface Transportation Act.⁷⁵

To further implement accelerated permitting for data centers, the Trump Administration concurrently issued Executive Order 14318, "Accelerating Federal Permitting of Data Center Infrastructure." This Executive Order takes steps to accelerate the development of "qualifying projects," including data centers requiring more than

100 megawatts for AI inference, training, simulation, or synthetic data generation, and data center components, including energy infrastructure, dispatchable baseload energy sources, semiconductors and semiconductor materials, networking equipment, and data storage.⁷⁷ In addition, the Executive Order requires Commerce to create financial incentives for AI infrastructure, including through loans, grants, and tax incentives, among other initiatives.⁷⁸ It also expedites the permitting process for qualifying projects and requires certain amendments to reduce regulatory burdens, some of which are noted in the Action Plan above.⁷⁹ Finally, the Data Center Executive Order requires federal agencies to facilitate the construction of AI data center infrastructure and components on federal lands, including a call for the Environmental Protection Agency and Departments of Interior and Energy to facilitate a review process and offer authorizations for federal sites identified for qualifying projects.80 It also calls for DOD to identify suitable sites on U.S. military installations for data center components, and to competitively lease available federal lands for qualifying projects to support DOD energy, workforce, and mission needs.81

(2) Electric Grid Improvements. The AI Action Plan also focuses on developing a strategy to stabilize and enhance and expand the U.S. electric grid. The Plan recommends stabilizing and maximizing the current grid by, for example, exploring new ways to harness existing energy capacity, optimizing existing grid resources by enhancing transmission system efficiency and performance, and prioritizing grid interconnections between "reliable, dispatchable power sources." To expand the grid's capacity, the Plan recommends embracing new energy generation sources, e.g., enhanced geothermal, nuclear fission, and nuclear fusion energy, providing financial incentives to industry for grid stability, and creating a blueprint for the 21st century energy landscape. 83

(3) AI Cybersecurity and Secure-By-Design AI. Finally, to facilitate infrastructure expansions in American AI capabilities, the Plan sets out cyber-focused recommendations. Specifically, the Plan calls for AI used in safety-critical or homeland security applications to be "secure-by-design, robust, and resilient," able to detect performance shifts, and alert to malicious activities, such as data poisoning or adversarial example attacks.⁸⁴ To

further this objective, the Plan recommends, for example, developing and updating private sector and governmentfacing guidance on responding to AI-specific vulnerabilities and threats and facilitating information sharing across critical infrastructure and federal agencies, including to the private sector.85 This guidance dovetails with other related guidance, including the AI data security guidance released by the Cybersecurity and Infrastructure Security Agency (CISA), the Federal Bureau of Investigation, and the National Security Agency in May 2025,86 which highlights the important role of data security in ensuring the accuracy, integrity, and trustworthiness of AI outcomes. It outlines key risks that may arise from data security and integrity issues across all phases of the AI lifecycle, from development and testing to deployment and operation.

Key Takeaways And Considerations

As noted throughout the discussion, a number of AI Action Plan themes focus on leveraging public-private partnerships to accelerate AI innovation and American AI global dominance. Procurement is referenced throughout recently issued guidance as a tool to establish AI standards, pilot and accelerate use of AI in federal public services, eliminate bottlenecks, including "wokeness" and restrictive state AI regulations, promote manufacturing and infrastructure to support American AI expansions, and help promote global dominance through full stack AI export packages. With such an emphasis on federal procurement, these policies place the onus on the contracting workforce to implement broad federal guidance and to be nimble where the government has not and likely will not issue much specific top-down guidance.

Imposing greater responsibility on the contracting workforce may pose some procurement challenges and present certain risks for both that workforce and industry. The contracting workforce and prospective contractors may face challenges related to the potential openendedness of, for example, implementing anti-wokeness requirements. The Preventing Woke AI Executive Order requires the contracting workforce to prohibit models that "sacrifice truthfulness and accuracy to ideological agendas" and requires that federal agencies only procure LLMs that are developed in accordance with truth-seeking and ideological neutrality.⁸⁷ While the Executive Order calls on OMB to issue guidance to agencies to

implement such principles,⁸⁸ the contracting officer will still be responsible for interpreting whether the LLM sufficiently promotes broad themes of truth-seeking and ideological neutrality—a likely difficult determination to make, requiring a significant amount of discretion.

Contracting officers will also be required to include, *in any new or existing federal contract for an LLM*, terms that require the procured LLM to comply with the Unbiased AI Principles. ⁸⁹ The contracting workforce will be charged with revisiting and updating contracts in accordance with new guidance and enforcing contracts that do not comply with newly issued guidance, assessing whether contractors are complying with "unbiased" principles, and imposing "decommissioning costs" on the LLM vendor in the event of noncompliance ⁹⁰—all of which would be significant undertakings for staff on top of broader procurement-related changes in the federal government, such as for example the Revolutionary FAR Overhaul. ⁹¹

Despite certain challenges, the new policy approach, marked by the AI Action Plan and corresponding Executive Orders, may serve as an opportunity to facilitate AI development and strong public-private partnerships. Partnership opportunities to expand U.S. AI exports include private-sector engagement with the American AI Exports Program and its "industry-led consortia" to improve industry collaboration with federal agencies and inform domestic procurement practices by contributing technologies to the American AI export stack. Emphasis on the "full stack" of AI technologies, both within this Executive Order⁹² and the AI Action Plan, more broadly presents further opportunity for entities in a broad range of industries and sectors where the "full stack" applies to the entire AI ecosystem, including chips, hardware, infrastructure, energy, and downstream applications and technologies like drones and autonomous vehicles (AVs).

The AI Action Plan also facilitates opportunities for additional partnership in the AI cybersecurity and incident response space, building on existing CISA cybersecurity initiatives focused on information sharing. For example, the AI Action Plan calls for DHS to establish an AI Information Sharing and Analysis Center (AI-ISAC), in collaboration with CAISI at Commerce and the Office of the National Cyber Director, and further emphasizes the importance of the federal government sharing known

AI vulnerabilities with industry, leveraging existing cybersecurity sharing mechanisms.⁹³

Other inroads for private companies will include through participation in agency meetings on AI evaluations, NIST AI Consortium on AI Measurement, and agency AI testbeds and AI Centers of Excellence for piloting AI systems. Similarly, the private sector is being asked to provide input on the OSTP Request for Information regarding federal AI regulations and NIST revisions to the AI Risk Management Framework.

As such, this sea change in federal policy may present further opportunity for private industry to help shape future AI adoption and regulation at the federal government level. The AI Action Plan and its approach to government contracting in particular may serve as a proxy for broader national AI regulation and policy. AI mitigations and best practices developed for AI procurement seem destined to inform future federal AI actions, including legislation and future administration policy. As such, the AI Action Plan, corresponding Executive Orders, and actions coming out of these new policies may serve as a bellwether and help shape the rapidly evolving AI industry.

Guidelines

These practical *Guidelines* offer tips to those in the procurement space facing potential challenges and opportunities given the recent AI policy shifts outlined in this Paper. They are not, however, a substitute for professional representation in any specific situation.

- 1. Stay abreast of calls for white papers, advisory groups, requests for information, and other avenues for private industry input to remain in lockstep with government AI adoption as the federal government looks to private industry for guidance and help in shaping and implementing AI policy.
- 2. Be aware of new contract terms and requirements, including those that will apply retroactively, and have a plan to address compliance, such as through processes and documentation demonstrating compliance. Contracting offices will be reviewing and updating new and existing contracts based on new guidance, and any contractor noncompliance, including failure to comply with "Unbiased AI Principles," could be the basis for government

contract claims, False Claims Act investigations and lawsuits, or other forms of enforcement.

- **3.** Understand that significant responsibility and discretion will likely fall on the federal government contracting workforce to implement government AI policies, with limited practical guidance and while staff are already stretched across broader procurement-related changes in the federal government, e.g., the Revolutionary FAR Overhaul. Close coordination between contractors and contracting officers will be important to support such implementation.
- **4.** Think broadly about potential impacts on industry where new America-first policies call for procuring "American-Made AI" and a greater emphasis on the United States exporting its "full AI technology stack," impacting entities in a broad range of industries and sectors, including chips, hardware, infrastructure, energy, and downstream applications and technologies like drones and AVs.
- 5. Coordinate closely across legal, business, product development, and security functions at your organization when it comes to AI development, procurement, and compliance to stay on top of, build-in, and document areas like secure-by-design AI, protection of proprietary intellectual property and data rights as the government seeks partnerships with industry, and development of "secure," "neutral," and "unbiased" AI.

ENDNOTES:

¹White House, White House Unveils America's AI Action Plan (July 23, 2025), https://www.whitehouse.gov/articles/2025/07/white-house-unveils-americas-ai-action-plan/.

²White House, Winning the AI Race: America's AI Action Plan (July 23, 2025), https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf.

³Exec. Order No. 14319, "Preventing Woke AI in the Federal Government" (July 23, 2025), 90 Fed. Reg. 35389 (July 28, 2025); Exec. Order No. 14318, "Accelerating Federal Permitting of Data Center Infrastructure" (July 23, 2025), 90 Fed. Reg. 35385 (July 28, 2025); Exec. Order No. 14320, "Promoting the Export of the American AI Technology Stack" (July 23, 2025), 90 Fed. Reg. 35393 (July 28, 2025).

⁴ https://bidenwhitehouse.archives.gov/wp-content/uploads/2022/10/Blueprint-for-an-AI-Bill-of-Rights.pdf.

⁵NIST, Artificial Intelligence Risk Management Framework (AI RMF 1.0), NIST AI 100-1 (Jan. 2023), <u>ht</u> <u>tps://nvlpubs.nist.gov/nistpubs/ai/NIST.AI.100-1.pdf</u>.

- ⁶ https://bidenwhitehouse.archives.gov/wp-content/uploads/2023/09/Voluntary-AI-Commitments-September-2023.pdf.
- ⁷ https://bidenwhitehouse.archives.gov/briefing-room/statements-releases/2023/09/12/fact-sheet-biden-harris-administration-secures-voluntary-commitments-from-eight-additional-artificial-intelligence-companies-to-manage-the-risks-posed-by-ai/.

⁸Exec. Order No. 14110, "Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence" (Oct. 30, 2023), 88 Fed. Reg. 75191 (Nov. 1, 2023), revoked by Exec. Order No. 14148, "Initial Rescissions of Harmful Executive Orders and Actions" (Jan. 20, 2025), 90 Fed. Reg. 8237 (Jan. 28, 2025).

⁹ https://bidenwhitehouse.archives.gov/briefing-room/statements-releases/2023/10/30/fact-sheet-president-biden-issues-executive-order-on-safe-secure-and-trustworthy-artificial-intelligence/.

¹⁰Exec. Order No. 14110, 88 Fed. Reg. 75191.

¹¹Exec. Order No. 14110, § 4.2, 88 Fed. Reg. at 75197. See Proposed Rule, 89 Fed. Reg. 73612 (Sept. 11, 2024).

¹²Exec. Order No. 14110, § 10, 88 Fed. Reg. at 75218.

¹³Presidential Memorandum on Advancing the United States' Leadership in Artificial Intelligence; Harnessing Artificial Intelligence To Fulfill National Security Objectives; and Fostering the Safety, Security, and Trustworthiness of Artificial Intelligence (Oct. 24, 2024), https://bide.nutional-security-objectives-and-fostering-the-safety-security/.

¹⁴OMB Memorandum M-24-10, "Advancing Governance, Innovation, and Risk Management for Agency Use of Artificial Intelligence" (Mar. 28, 2024), https://www.whitehouse.gov/wp-content/uploads/2024/03/M-24-10-Advancing-Governance-Innovation-and-Risk-Management-for-Agency-Use-of-Artificial-Intelligence.pdf.

¹⁵OMB Memorandum M-24-18, "Advancing the Responsible Acquisition of Artificial Intelligence in Government" (Sept. 24, 2024), https://bidenwhitehouse.archives.gov/wp-content/uploads/2024/10/M-24-18-AI-Acquisition-Memorandum.pdf.

¹⁶NIST, Artificial Intelligence Risk Management Framework: Generative Artificial Intelligence Profile, NIST AI 600-1 (July 2024), https://nvlpubs.nist.gov/nistpubs/ai/NIST.AI.600-1.pdf. The Biden Administration also issued a final Executive Order on AI in January 2025. Exec. Order No. 14141, "Advancing United States Leadership in Artificial Intelligence Infrastructure" (Jan. 14, 2025), 90 Fed. Reg. 5469 (Jan. 17, 2025). Trump

revoked this Executive Order through Executive Order 14318, "Accelerating Federal Permitting of Data Center Infrastructure" (July 23, 2025), 90 Fed. Reg. 35385 (July 28, 2025), but retained a similar emphasis on expediting permits and leasing federal lands for AI infrastructure development, discussed further below.

¹⁷Exec. Order No. 14148, "Initial Rescissions of Harmful Executive Orders and Actions" (Jan. 20, 2025), 90 Fed. Reg. 8237 (Jan. 28, 2025).

¹⁸Exec. Order No. 14179, "Removing Barriers to American Leadership in Artificial Intelligence" (Jan. 23, 2025), 90 Fed. Reg. 8741 (Jan. 31, 2025).

¹⁹Exec. Order No. 14179, § 2, 90 Fed. Reg. 8741.

²⁰Exec. Order No. 14179, § 4, 90 Fed. Reg. 8741.

²¹White House, Winning the AI Race: America's AI Action Plan (July 23, 2025), https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf [hereinafter AI Action Plan].

²²White House, White House Unveils America's AI Action Plan (July 23, 2025), https://www.whitehouse.gov/articles/2025/07/white-house-unveils-americas-ai-action-plan/.

²³Exec. Order No. 14319, "Preventing Woke AI in the Federal Government" (July 23, 2025), 90 Fed. Reg. 35389 (July 28, 2025).

²⁴Exec. Order No. 14318, "Accelerating Federal Permitting of Data Center Infrastructure" (July 23, 2025), 90 Fed. Reg. 35385 (July 28, 2025).

²⁵Exec. Order No. 14320, "Promoting the Export of the American AI Technology Stack" (July 23, 2025), 90 Fed. Reg. 35393 (July 28, 2025).

²⁶Request for Information on the Development of an Artificial Intelligence (AI) Action Plan, 90 Fed. Reg. 9088 (Feb. 6, 2025); see Fechner et al., "Trump Administration Seeks Public Comment on AI Action Plan," Covington: Inside Global Tech (Feb. 7, 2025), https://www.insideglobaltech.com/2025/02/07/trump-administration-seeks-public-comment-on-ai-action-plan/.

 27 https://www.nitrd.gov/coordination-areas/ai/90-fr-9088-responses/.

²⁸AI Action Plan at 1–2.

²⁹AI Action Plan at 3–13.

³⁰OMB Memorandum M-25-21, "Accelerating Federal Use of AI Through Innovation, Governance, and Public Trust" (Apr. 3, 2025), https://www.whitehouse.gov/wp-culic-Trust.pdf; OMB Memorandum M-25-22, "Driving Efficient Acquisition of Artificial Intelligence in Government" (Apr. 3, 2025), https://www.whitehouse.gov/wp-culicition-of-Artificial-Intelligence-in-Government.pdf; see Lee et al., "OMB Issues First Trump 2.0-Era Requirements for AI Use and Procurement by Federal Agencies,"

Covington: Inside Government Contracts (Apr. 8, 2025). https://www.insidegovernmentcontracts.com/2025/04/omb-issues-first-trump-2-0-era-requirements-for-ai-use-and-procurement-by-federal-agencies/.

³¹AI Action Plan at 4.

32 AI Action Plan at 4.

³³Exec. Order No. 14319, "Preventing Woke AI in the Federal Government" (July 23, 2025), 90 Fed. Reg. 35389 (July 28, 2025).

34Exec. Order No. 14319, § 3, 90 Fed. Reg. 35389.

 35 Exec. Order No. 14319, § 4(a), 90 Fed. Reg. at 35390.

³⁶Exec. Order No. 14319, § 4(b), 90 Fed. Reg. at 35390.

³⁷AI Action Plan at 11.

³⁸ https://www.gsa.gov/about-us/newsroom/news-releases/gsa-launches-usai-to-advance-white-house-americas-ai-action-plan-08142025.

³⁹AI Action Plan at 11.

⁴⁰AI Action Plan at 11.

⁴¹AI Action Plan at 3.

⁴²Fechner, Shapanka & Klein, "Senate Nixes State AI Enforcement Moratorium, For Now," Covington: Inside Global Tech (July 7, 2025), https://www.insideglobaltech.com/2025/07/07/senate-nixes-state-ai-enforcement-moratorium-for-now/.

⁴³AI Action Plan at 3.

⁴⁴AI Action Plan at 3.

⁴⁵AI Action Plan at 3.

⁴⁶AI Action Plan at 3–4.

⁴⁷AI Action Plan at 3–4.

⁴⁸AI Action Plan at 3.

⁴⁹AI Action Plan at 5.

⁵⁰AI Action Plan at 5.

⁵¹AI Action Plan at 5.

⁵²AI Action Plan at 5–6.

⁵³AI Action Plan at 11.

⁵⁴AI Action Plan at 12.

⁵⁵AI Action Plan at 12.

⁵⁶AI Action Plan at 12.

⁵⁷AI Action Plan at 4.

⁵⁸AI Action Plan at 4.

⁵⁹AI Action Plan at 4.

⁶⁰AI Action Plan at 7.

⁶¹AI Action Plan at 7.

⁶²AI Action Plan at 7.

⁶³AI Action Plan at 7.

⁶⁴AI Action Plan at 20–23.

65 AI Action Plan at 20.

⁶⁶AI Action Plan at 20–21.

⁶⁷Exec. Order No. 14320, "Promoting the Export of the American AI Technology Stack" (July 23, 2025), 90 Fed. Reg. 35393 (July 28, 2025).

⁶⁸Exec. Order No. 14320, § 3, 90 Fed. Reg. 35393.

⁶⁹Exec. Order No. 14320, § 3(d), 90 Fed. Reg. at 35394.

⁷⁰See Presidential Memorandum, "Establishment of the Economic Diplomacy Action Group and Delegation of Certain Functions and Authorities Under the Championing American Business Through Diplomacy Act of 2019" (June 21, 2024), 89 Fed. Reg. 57053 (July 12, 2024).

⁷¹Exec. Order No. 14320, § 4(d), 90 Fed. Reg. at 35394.

⁷²Exec. Order No. 14320, § 4(c), 90 Fed. Reg. at 35394.

⁷³AI Action Plan at 14–19.

⁷⁴AI Action Plan at 15.

⁷⁵AI Action Plan at 14–15; see 42 U.S.C.A. §§ 4370m–4370m-11.

⁷⁶Exec. Order No. 14318, "Accelerating Federal Permitting of Data Center Infrastructure" (July 23, 2025), 90 Fed. Reg. 35385 (July 28, 2025).

⁷⁷Exec. Order No. 14318, § 2(d), 90 Fed. Reg. 35385.

⁷⁸Exec. Order No. 14318, § 2(d), 90 Fed. Reg. at 35386.

⁷⁹Exec. Order No. 14318, §§ 6–8, 90 Fed. Reg. at 35386.

⁸⁰Exec. Order No. 14318, § 9(a), 90 Fed. Reg. at 35387.

⁸¹Exec. Order No. 14318, § 9(b), 90 Fed. Reg. at 35387.

82AI Action Plan at 15–16.

83 AI Action Plan at 16.

84AI Action Plan at 18.

85AI Action Plan at 18.

86 https://www.cisa.gov/resources-tools/resources/aidata-security-best-practices-securing-data-used-train-operate-ai-systems.

⁸⁷Exec. Order No. 14319, "Preventing Woke AI in the Federal Government" (July 23, 2025), 90 Fed. Reg. 35389 (July 28, 2025).

⁸⁸Exec. Order No. 14319, § 4(a), 90 Fed. Reg. at 35390.

89Exec. Order No. 14319, § 3, 90 Fed. Reg. 35389.

90 Exec. Order No. 14319, § 4(b), 90 Fed. Reg. at

35390.

⁹¹ https://www.acquisition.gov/far-overhaul.

92Exec. Order No. 14320, "Promoting the Export of

the American AI Technology Stack" (July 23, 2025), 90 Fed. Reg. 35393 (July 28, 2025).

93 AI Action Plan at 18.

