

## Takeaways From Trump Administration's New AI Strategy

By Kendall Burman, Brad Peterson, Rajesh De, David Beam, Alex Lakatos and Howard Waltzman (March 4, 2019, 2:20 PM EST)

On Feb. 11, 2019, President Donald Trump signed an executive order on maintaining American leadership in artificial intelligence, and in doing so, set out a high-level strategy to strengthen the leadership position that the United States has maintained in AI. Important for companies, the order sets off a number of opportunities for the private sector to give comments back to the federal government on how it can make changes that strengthen private sector AI development.

In recent years, China has made efforts to outpace the United States in developing AI technology, and, while not mentioning China specifically, the order implicitly acknowledges the increased competition that the United States has faced from China in this area. AI is critical to U.S. economic and national security interests, and the order hopes to increase AI development through such measures as prioritizing AI research and opening up federal data to nonfederal researchers.

The actions required by the order are aimed at federal agencies that conduct foundational AI R&D, develop and deploy applications of AI technologies, provide educational grants, and regulate and provide guidance for applications of AI technology and will be coordinated through the National Science and Technology Council. While the order does not place any obligation on the private sector, a number of the federal government activities will have an impact on industry. These include:

### **Increasing Access to Data**

The order instructs all agencies to enhance private sector access to federal data, as well as to improve its quality and usability, for the benefit of the research community while protecting safety, security, privacy and confidentiality. The order kicks off a number of steps that the federal government must take in order to achieve this, including publishing a Federal Register notice by which the public will be asked to "identify additional requests for access or quality improvements for federal data and models that would improve AI R&D and testing"; investigating



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the barriers to access or quality limitations of federal data; and updating implementation guidance for enterprise data inventories and source code Inventories.

In taking these steps, certain agencies must “identify barriers to, or requirements associated with, increased access to and use of such data and models,” which include, among other things, privacy and civil liberty protections and the need for interoperable and machine-readable data formats. Making federal data more available to the private sector may also have implications for consumer privacy and is meaningful in the context of current legislative debates over comprehensive consumer privacy legislation. Additionally, the order requires that the General Services Administration and other select agencies report back to the president on how to better enable the use of cloud computing resources needed to build AI systems.

### **Regulatory Review and Standards Development**

Within six months, the Office of Management and Budget, along with the participation of other relevant agencies, must issue a memorandum that instructs agencies on the “development of regulatory and non-regulatory approaches ... regarding technologies and industrial sectors that are either empowered or enabled by AI,” as well as “ways to reduce barriers to the use of AI technologies.” The public will be given the opportunity to comment on this memo before it’s finalized.

After the issuance of the memo, the agencies will then have six months to review their authorities affected by the memo and submit a plan to OMB on how they plan to achieve consistency with the memorandum. Separately, the order also requires the National Institute of Standards and Technology to issue a plan within six months on how it will develop “technical standards and related tools in support of reliable, robust, and trustworthy systems that use AI technologies.”

### **Prioritizing R&D**

The order instructs agencies that perform or fund AI R&D to prioritize investment in AI R&D, although the order is not explicit on how (or how much) AI R&D should be a priority. And, while the order requires these agencies to identify which programs are AI R&D priorities, the order does not augment the budget for an agency’s AI R&D. It does, however, specifically instruct agencies to explore opportunities to collaborate with industry and other nonfederal entities.

### **Workforce Development**

The order instructs agencies that provide educational grants to consider AI a priority area in certain federal fellowship and service programs, these include alternative education and training programs and those that fund early-career university faculty who conduct AI R&D.



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The order also requires the development of recommendations on STEM education regarding AI-related considerations.

### **Protecting National Security Interests**

The order instructs 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.”

### **Conclusion**

This order marks a development in the Trump administration’s AI policy, and, while it tackles a number of meaningful issues on how federal agencies should be organized around and should prioritize AI, there is much that the order does not do, including increasing any funding for AI R&D, reforming or changing federal procurement of AI, or addressing important ethical questions on how AI should be developed and used.

On the areas it does address, the order leaves much of the specifics for further development by agencies. But it also includes important opportunities for private sector input. Specifically, public responses will be solicited regarding access or quality improvements for federal data and models to improve AI R&D, a draft memorandum issued by OMB regarding regulatory and nonregulatory approaches to AI and technical standards for AI technologies. Companies should evaluate whether they have interests that are affected by these developments and be prepared to offer applicable comments.

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