

## AI EXECUTIVE ORDER: A CLOSER LOOK

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FOR

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# "PRESIDENT TRUMP HAS MADE IT CLEAR FROM DAY-1 THAT HIS TOP PRIORITY ON AI IS OUT-INNOVATING THE REST OF THE WORLD."

#### Summary of the Al Executive Order -

- The executive order issued by Trump marks a notable change from the Biden administration's focus on oversight, risk assessment, and equity, shifting towards a framework that emphasizes deregulation and encourages Al innovation to uphold the global leadership of the United States.
- This Al executive order from Trump underscores the significance of Al advancement for national competitiveness and economic prosperity, targeting policies that aim to eliminate perceived regulatory barriers to innovation.
- It also examines the impact of "engineered social agendas" on Al technologies, working to ensure that Al systems are insulated from ideological biases.

NOTE: On Wednesday, the White House announced a new executive initiative designed to enhance education in artificial intelligence technologies and tools for K-12 schools by establishing a new task force and providing federal grant programs to support the creation of Al curricula.

### FEEDBACK FROM CLIENTS

The tone of this administration's memos are crazy to me. The language is so loose and difficult to pin down, and there is clear effort to exempt certain uses with fairly large gateways.

I always struggle with this topic because you have to separate the direct use/development of AI and the procurement within a service.

This also has an American First clause.

Former Agency Deputy CIO

## FEEDBACK FROM CLIENTS

I'll first take the glass is half full attitude on this memo. it addresses a lot of the needed "how" that was ambiguous before as far and processes and procedures. It specifically calls out driving the departments mission vs just efficiencies in the department. it will give teams a lot of opportunity to move forward with POC's.

On the glass is almost empty side of the equation. There is no significant change to actual level of risk tolerance, governance and mitigation that must be performed. There is still plenty of opportunity for a risk adverse Sr Manager at a department to say no.

As before the adoption of of AI will come down to agencies with leadership and actual desire to solve problems with AI.

### DIFFERENCES FROM BIDEN EO

- The Biden EO directed the Defense and Energy Departments to lease federal sites for private sector Al data centers.
  - Trump has not issued any repeal of this order.
- The Biden EO focused on responsible AI development, placing significant emphasis on addressing risks such as bias, disinformation and national security vulnerabilities.
  - The Biden Executive Order aimed to balance the advantages of artificial intelligence with its potential risks by implementing safeguards, establishing testing standards, and incorporating ethical considerations in Al development and deployment.
- Another significant shift from the Biden policy is the approach to regulation.
  - The Trump EO mandates an immediate review and potential rescission of all policies, directives and regulations established under the Biden EO that could be seen as impediments to Al innovation.
- The two EOs also diverge in their treatment of workforce development and education.
  - The executive order allocated resources to attract and train Al talent, enhance visa pathways for skilled workers, and encourage public-private partnerships for Al research and development.
  - The Trump EO, however, does not include specific workforce-related provisions.
  - The Trump EO seems to assume that reducing federal oversight will naturally allow for innovation and talent growth in the private sector.

### DIFFERENCES FROM BIDEN EO (CONT)

- The Biden EO mandated extensive interagency cooperation to assess the risks Al poses to critical national security systems, cyber infrastructure and biosecurity.
  - For example it required agencies such as the Department of Energy and the Department of Defense to conduct detailed evaluations of potential AI threats, including the misuse of AI for chemical and biological weapon development.
  - The Trump EO aims to streamline Al governance and reduce federal oversight, prioritizing a more flexible regulatory environment and maintaining US Al leadership for national security purposes.
- The most pronounced ideological difference between the two executive orders is in their treatment of equity and civil rights.
  - The Biden EO explicitly sought to address discrimination and bias in Al applications, recognizing the potential for Al systems to perpetuate existing inequalities. It incorporated principles of equity and civil rights protection throughout its framework, requiring rigorous oversight of Al's impact in areas such as hiring, healthcare and law enforcement.
  - The Trump EO did not focus on these concerns, reflecting a broader philosophical departure from government intervention in Al ethics and fairness perhaps considering existing laws that prohibit unlawful discrimination, such as Title VI and Title VII of the Civil Rights Act and the Americans with Disabilities Act, as sufficient.
- The Biden EO emphasized the importance of international cooperation, encouraging US engagement with allies and global organizations to establish common AI safety standards and ethical frameworks.

# EO DEADLINES

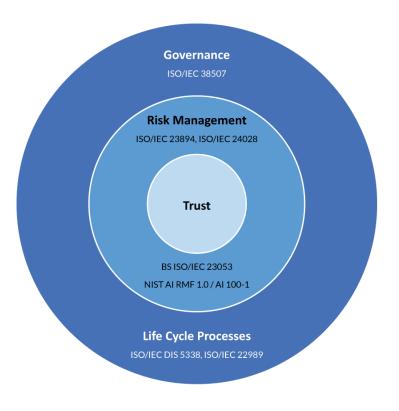
#### Consolidated Table of Actions

Responsible Entity	Action	Section	Deadline
Each Agency	Retain or designate a Chief AI Officer.	3(a)(i)	60 days
Each CFO Act Agency	Convene relevant agency officials to coordinate and govern issues tied to the use of AI within the Federal Government through an agency AI Governance Board.	3(a)(ii)	90 days
OMB	Convene a Chief AI Officer Council, led by the Director of OMB, or designated senior official.	3(c)(i)	90 days
Each CFO Act Agency	Develop and release publicly an agency strategy for removing barriers to the use of AI and advancing agency AI maturity.	2(a)	180 days
Each Agency	Submit to OMB and release publicly an agency compliance plan to achieve consistency with this memorandum, or a written determination that the agency does not use and does not anticipate using covered AI.	3(b)(ii)	180 days, and every two years until 2036
Each Agency	Update internal policies on IT infrastructure, data, cybersecurity, and privacy.	3(b)(iii)	270 days
Each Agency	Develop a Generative AI policy.	3(b)(iv)	270 days
Each Agency*	Implement the minimum risk management practices for high-impact uses of AI.	4(a)(i)	365 days
Each Agency*	Report directly to OMB any determinations and waivers that are granted or revoked.	4(a)(iii)	Annually and 30- days after significant modifications
Each Agency*	Publicly report determinations and waivers for AI use cases.	4(a)(iv)	365 days
Each Agency**	Publicly release an AI use case inventory consistent with OMB instructions.	3(b)(v)	Annually

# WHAT'S MISSING - THE HOW

- How do we safeguard industry proprietary information?
- How do we protect the American population's PII?
- How do we ensure the industry partners are following safe, ethical, trustworthy and transparent development processes?
- How to close the gap between federal and state Al regulatory regimes, because the EO deregulates Al at the federal level?

#### Trusted AI (TAI) Model



# TAIMSCORE TOOL AND ETHICAL AI DEVELOPMENT

- The increasing adoption of Al and related technologies globally provides a massive opportunity for humanity.
  - However, as is the case with any disruptive technology, there are also threats that introduce significant risks.
  - Effectively managing these inherent risks is the key to leveraging Al in a balanced way.
- The HISPI Trusted Artificial Intelligence (TAI) Model Scoring (TAIMScore) tool provides how adoption can be a great starting point in the desire to achieve safe, secure, and responsible AI use.
- HISPI's Project Cerebellum has already done the work of comparing the different Al policies and directives so your company/client can "check their work" to ensure it follows the 7 principles of IT development.

# WHAT'S IMPORTANT FOR YOU AS AN IDEATOR

- Your chance to be an influencer engage now as the norms and processes around Al adoption are being formed.
- Increase the value of your counsel to your client.
- Lessons your company can pick up Assist with the "How."
- Spread the word of the HISPI TAIMScore tool for developers to check all the boxes.
- Discussion Others?