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Trump Administration Executive Orders Seek to Deregulate Artificial Intelligence

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In the first-week flurry of executive orders issued by President Donald Trump, artificial intelligence did not escape attention. On Jan. 20, 2025, his first day in office, Trump issued an executive order titled "Initial Rescission of Harmful Executive Orders and Actions," which rescinded more than 75 of President Joe Biden's actions, including an order on government oversight and diversity, equity and inclusion practices in Al. On Jan. 23, 2025, Trump issued a second executive order — "Removing Barriers to American Leadership in Artificial Intelligence" — clarifying the "Initial Rescission" executive order and adding commentary. The first few weeks of the Trump administration also saw a significant shift in the Al sector, including the release of an advanced, open-source Al model from Chinese developer DeepSeek.

Trump's latest executive orders take direct aim at Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence (EO 14110), issued by Biden in October 2023. EO 14110 directed a swath of agencies to implement policies and guidance to evaluate and report on large-language system AI models and required private companies developing advanced AI models to report to the federal government. EO 14110 called for companies that were developing powerful AI systems to report details about the development, acquisition and capabilities of the systems, as well as potential security risks of that system. EO 14110 also sought to leverage regulatory authority to require companies to monitor AI systems for potential biases that could have negative implications on civil rights and consumer protection.

In his newest AI-related order, Trump described EO 14110 as "dangerous" and "unnecessarily burdensome." In addition to revoking EO 14110, the new order directs government departments and agencies "to revise or rescind all policies, directives, regulations, orders, and other actions taken under EO 14110 that are inconsistent with enhancing America's leadership in AI." Trump also stated that his intent is to allow AI systems "to be free from ideological bias or engineered social agendas." Multiple government departments now have updated or removed AI guidance from their websites. The new executive order establishes a policy of less government oversight in AI.

The Biden administration saw several developments focused on limiting the potential discriminatory impact of AI models. In April 2023, the Consumer Financial Protection Bureau, the Department of Justice's (DOJ's) Civil Rights Division, the Equal Employment Opportunity Commission (EEOC) and the Federal Trade Commission <u>published joint guidance</u> identifying AI technology as a target for additional civil rights enforcement scrutiny. The EEOC then issued a <u>technical assistance</u> document in May 2023 to ensure that using AI, machine learning and other emerging technologies in employment decisions complies with civil rights laws. Broader guidance from DOJ's Criminal Division in September 2024 addressed <u>steps</u> <u>companies should take</u> to address AI as part of their overall corporate compliance strategy.

It remains to be seen how far Trump will go to undo the previous administration's efforts in the AI space. In the final days of his presidency, Biden issued an executive order aimed at encouraging further AI infrastructure development. The order — "Advancing United States Leadership in Artificial Intelligence Infrastructure" (EO 14141) — issued on Jan. 14, 2025, directed the defense and energy departments to identify and make land available to private entities for developing AI data centers and transmission facilities. EO 14141 identified further investment in, and the development of, AI as paramount to national intelligence and economic competitiveness. The order also directed the Department of the Interior to identify sites for "clean energy" development to power the AI facilities. AI systems require exceptional amounts of space and electricity for powering data servers, computers and storage.

Trump has not addressed EO 14141 so far. However, the Jan. 20 executive order states: "To commence the policies that will make our Nation united, fair, safe, and prosperous again, it is the policy of the United States to restore common sense to the Federal Government and unleash the potential of the American citizen. The revocations within this order will be the first of many steps the United States Federal Government will take to repair our institutions and our economy." So, there may be more to come.

The latest executive orders are not Trump's first foray into Al. In February 2019, Trump issued an executive order titled "Accelerating America's Leadership in Artificial Intelligence," declaring his administration's intent to be Al-friendly. The order directed federal agencies to prioritize Al investments and told federal agencies to create guidance for Al development. It is clear that during his second term, Trump will maintain a hands-on interest in Al, although the practical implications of this interest are not yet clear.

For questions about these new executive orders and their implications, or about how AI may present risks and opportunities for employers, contact the authors of this article.

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