The AI Mandate: Trump Administration's Executive Orders and AI Action Plan

Administration looks to win the global "AI Race" with incentives to develop infrastructure and support for AI development privately—but expressly forbids governmental use of AI models that reflect disfavored ideological biases

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On Wednesday, July 23, 2025, the Trump Administration released its AI Action Plan (Plan), titled "Winning the Race," outlining a comprehensive policy strategy to maintain U.S. leadership in artificial intelligence (AI) through three "pillars." Accompanying the Plan are three executive orders (EOs) focused on ideological neutrality in AI, promoting American AI exports, and streamlining infrastructure development supporting AI. This advisory provides analysis of key issues related to the new initiatives and their implications for industry and consumers.

President Trump directed his Administration's leadership to develop this national policy strategy in Executive Order 14179 ("Removing Barriers to American Leadership in Artificial Intelligence"), released in January after his decision to revoke significant portions of the prior Administration's AI policy. More than 10,000 comments were filed in response to the Administration's request for comments, reflecting the broad interest and engagement from nearly every sector of the economy and society. Following months of deliberation, the Administration released the Plan with over one hundred separate AI policy directives, followed by three EOs directed at:

1. Accelerating AI innovation,
2. Building American AI infrastructure,
3. Leading in AI diplomacy and security, and
4. Achieving the Administration's concept of ideological neutrality.

Takeaways

- Office of Science and Technology Policy (OSTP) and Office of Management and Budget (OMB) will lead efforts to repeal and

reduce unnecessary regulatory barriers to AI innovation.

- Discretionary federal funds may be withheld from states with state laws deemed to burden AI innovation.

- Administration will review Federal Trade Commission (FTC) precedent and theories of liability that burden innovation and consider modifications.

- National Institute of Standards and Technology (NIST) and other agencies will develop guidelines for evaluating AI reliability and performance.

- Agencies will streamline permitting for data centers and energy infrastructure supporting AI.

- Federal government procurement power will be leveraged to ensure developers of large language models (LLMs) ensure ideological neutrality in their models.

- Commerce, State and OSTP will establish the American AI Exports Program (Program) supporting the development and deployment of U.S. AI export packages.

- Biden Administration Executive Order 14141, outlining AI infrastructure policies, is revoked.

The AI Action Plan

The Administration's AI Action Plan emphasizes deregulation, national competitiveness, and rapid adoption of emerging technologies. Key priorities include directing the OSTP and the OMB to eliminate regulatory barriers and streamline federal processes. The administration signals it may even withhold federal discretionary

funding for states with "burdensome" AI regulations (reflecting the Administration's support for limiting burdensome state laws following the Congressional decision to strip a state law moratorium from recent legislation). The Plan also directs a specific review of FTC precedent and theories of liability that are deemed to inhibit technological progress.

Procurement rules for large AI models are set to be revised to ensure objectivity and prevent ideological bias, while agencies like the NIST will be tasked with creating standards for AI reliability and performance. Notably, the Plan calls for aggressive adoption of AI within the armed forces, in part to maintain "global military preeminence." Mandates to meet this goal include establishing a DOD-led "proving ground" for AI and autonomous systems and identifying unique AI-related DOD workforce skills to be developed. In addition, the Plan calls for agencies such as the FDA and SEC (with support from DOJ) to create "regulatory sandboxes" and develop national standards in key sectors such as healthcare, energy, and agriculture to encourage the development of AI solutions in those sectors.

At the same time, the Administration recognizes the need for the development of resilient and secure AI systems as a "core activity" of the government and makes clear that AI systems used in national security applications must be secure-by-design, adversarially robust, resilient, and alert to potential malicious activities like data poisoning or adversarial example attacks. To enable this goal, the Plan directs the establishment of an AI Information Sharing and Analysis Center (AI-ISAC) to promote AI-security threat information and intelligence sharing across critical infrastructure sectors, as well as enhanced information sharing between public and private actors concerning AI-

specific vulnerabilities and threats.

The Plan calls for accelerated government adoption of AI, expediting permits for data centers and energy infrastructure, and using export controls to strengthen U.S. market dominance while restricting access by foreign adversaries to key technologies. Key initiatives under the AI Action Plan include the following.

Pillar I: Accelerating AI Innovation

Reduce regulatory barriers, foster innovation, and ensure AI systems reflect truth and American values.

Regulatory Reform	Ensuring Ideological Neutrality	AI Research and Development	Workforce Development	Next-Gen Manufacturing and Science

Repeal regulations that hinder AI innovation, including Biden-era policies. Withhold federal funding from states with restrictive AI regulations. Review (and possibly modify) prior FTC decisions to ensure they do not stifle innovation.	Federal procurement rules will require AI systems to be "designed to pursue objective truth" and free from ideological bias, particularly targeting diversity, equity, and inclusion (DEI) frameworks. Developers must disclose system prompts and specifications to ensure transparency.	Expand access to large-scale computing resources for startups and academics. Launch a new National AI R&D Strategic Plan to guide federal investments. Establish regulatory sandboxes for testing AI tools in controlled environments.	Prioritize AI literacy and skills development through education, apprenticeships, and rapid retraining programs. Pilot initiatives to address workforce displacement caused by AI adoption.	Invest in AI-enabled manufacturing and scientific research. Develop high-quality, AI-ready datasets while safeguarding privacy. Expand access to federal data and enable secure computing environments to enable controlled access to restricted federal data.

Pillar II: Building AI Infrastructure

Supercharge the U.S. electric grid, expand data center capacity, and restore domestic semiconductor manufacturing.

Streamlining Permitting	Energy Grid Modernization	Semiconductor Manufacturing	High-Security Data Centers	Workforce Training for Infrastructure
Simplify environmental reviews under NEPA to expedite data center and energy infrastructure projects. Authorize federal lands for data center construction and energy generation.	Stabilize the electric grid by maintaining essential power plants and upgrading infrastructure. Accelerate the adoption of innovative energy solutions to meet AI's growing demands.	Reinforce policies to bring semiconductor manufacturing back to the U.S. Ensure AI computing stacks are free from foreign adversary influence.	Develop new security standards for AI data centers to protect against nation-state attacks. Advance federal adoption of classified compute environments for AI workloads.	Launch industry-driven training programs for AI infrastructure jobs. Develop national skills frameworks for critical AI-related occupations.

Read more: Watt's Next? A Strategic Opportunity for Data Center and Energy Infrastructure Development

Pillar III: Leading in AI Diplomacy and Security

Promote American AI globally while countering adversarial influence.

Exporting American AI	Countering Chinese Influence	National Security Evaluations	Biosecurity and Synthetic Media
Establish industry consortia to create AI export packages, including hardware, software, and governance models. Leverage federal financing tools to support AI exports to allied nations.	Advocate for AI governance frameworks in international bodies that align with American values. Strengthen export controls to deny adversaries access to advanced AI technologies.	Evaluate frontier AI systems for risks such as cyberattacks and the development of chemical, biological, radiological, nuclear, or explosives weapons. Collaborate with private sector developers to protect AI innovations from security threats.	Enhance data sharing to prevent the misuse of AI in synthesizing harmful pathogens. Develop guidelines for evaluating and combatting malicious deepfakes and other AI-generated synthetic media that challenge our legal system.

July 23 AI Executive Orders

Preventing "Woke" AI in the Federal Government

This EO leverages federal procurement power to mandate that large language models (LLMs) procured by government agencies adhere to "Unbiased AI Principles," emphasizing truthfulness and "ideological neutrality." While the EO largely avoids regulating private-sector AI functionality, it asserts the government's obligation to procure AI models that prioritize accuracy over ideological agendas. The Office

of Management and Budget (OMB) is tasked with issuing guidance by November 2025, requiring agencies to adopt procedures ensuring compliance with these principles. The EO specifically targets DEI frameworks as a "most pervasive and destructive" ideology, and developers must disclose system prompts and specifications to meet new transparency standards. Noncompliance may result in contract termination, subjecting vendors to decommissioning costs if deficiencies are not cured.

Promoting the Export of the American AI Technology Stack

This EO seeks to ensure that American AI technologies, standards, and governance models are adopted worldwide to strengthen relationships with our allies and secure our continued technological dominance. The EO establishes a national strategy to maintain U.S. leadership in AI by developing a program for promoting the global export of the full-stack of American AI technologies and simultaneously decreasing international dependence on AI technologies developed by U.S. adversaries.

Accelerating Federal Permitting of Data Center Infrastructure

This EO aims to accelerate the development of AI-related data centers and supporting infrastructure by reducing regulatory barriers, expediting permitting, and prioritizing the use of federal lands and resources to enable the development of "Data Center Projects" that require over 100 megawatts (MW) of new electric load for AI tasks like inference, training, and simulation, as well as "Covered Components" such as semiconductors, routers, and energy infrastructure. Priority will be given to "Qualifying Projects," defined as those with at least $500 million in capital investment, over 100 MW of new electric load, national security significance, or official designation by the Secretaries

of Defense, Interior, Commerce, or Energy.

Implications for Stakeholders

- AI Developers doing business with the federal government will need to ensure compliance with new federal procurement rules emphasizing transparency and ideological neutrality.

- Federal agencies will need to revise contracts and procurement processes to align acquiring AI models that satisfy "Unbiased AI Principles" of "truth-seeking" and ideological neutrality.

- Private companies will have opportunities to propose and participate in AI export programs and infrastructure projects but must navigate stricter export controls and security requirements.

- Federal agencies will begin work on developing guidelines and evaluation standards to define and measure AI system reliability and performance.

- Workers will be better equipped for changes brought on by AI through significant investments in AI skills development and retraining programs to address job displacement and prepare for AI-driven roles.

Conclusion

The Trump Administration's AI Action Plan and accompanying executive orders represent a multi-prong strategy to enhance U.S. leadership in the developing global AI market. By fostering innovation, building critical infrastructure, and promoting American values globally, the plan seeks to position the U.S. as the dominant force in AI while addressing national security concerns and countering

adversarial influence. However, the emphasis on ideological neutrality and regulatory rollback will require balancing innovation, governance, and ethical considerations.

DWT has worked extensively on AI regulation and compliance. If you have any questions or would like to learn more about AI regulation under the Trump Administration, or other AI-related matters, please contact the authors.

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