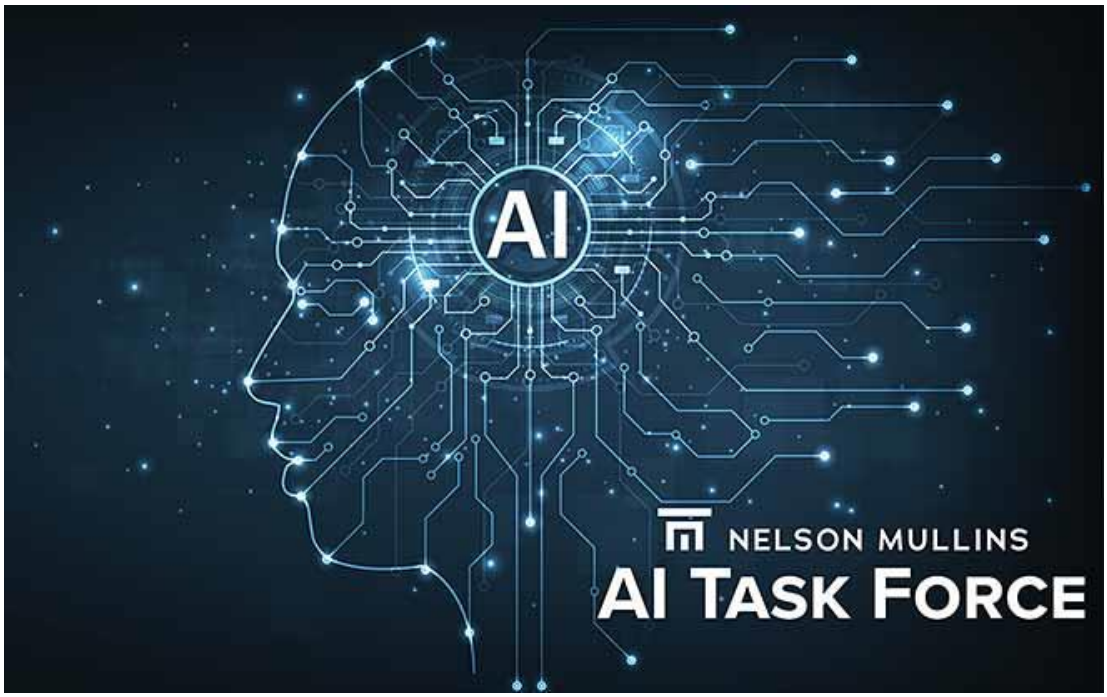

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America's AI Action Plan: Breaking Down the Trump Administration's Strategy for "Winning the Race" for AI Dominance

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This is part of a series from Nelson Mullins' AI Task Force. We will continue to provide additional insight on both domestic and international matters across various industries spanning both the public and private sectors.

The global race for artificial intelligence leadership has entered a new phase. When President Trump took office in January 2025, he moved swiftly to reshape America's approach to AI, signing an executive order titled "Removing Barriers to American Leadership in Artificial Intelligence." [1] Under his new executive order on AI, President Trump rescinded Biden-era AI policies, which focused on safety and responsibility in AI development, and set an aggressive timeline for developing a new policy framework.

Now, six months later, the White House has unveiled "Winning the Race: America's AI Action Plan," a sweeping 24-page blueprint that represents the culmination of 180 days of intensive policy development in consultation with the AI industry. [3] The plan, released on July 23, 2025, positions AI development as a critical national security imperative—an issue with which prior administrations agreed, [4] although their approaches differed dramatically—and frames the global AI competition as this century's equivalent of the space race. [5] Many of the themes outlined in this comprehensive strategy have been telegraphed through the Trump Administration's public comments and interim executive orders over the past months, including April's Executive Orders on "Advancing Artificial Intelligence Education for American Youth" and [6] "Preparing Americans for High-Paying Skilled Trade Jobs of the Future." [7]

This dramatic shift from the previous administration's "guardrails-first" approach to a "growth-first" regulatory philosophy represents more than just a policy change—it's a departure from the AI regulatory policies and norms that the European Commission continues to advance through its EU AI Act. The AI Action Plan opens with an ambitious vision: AI will usher in "an industrial revolution, an information revolution, and a renaissance–all at once[,]" [8] and offers three guiding pillars that will restructure how the United States will approach AI development, infrastructure, and international cooperation for years to come.

The AI Action Plan's three pillars hope to form an integrated strategy for America's AI leadership:

- accelerate innovation by removing regulatory barriers and empowering the private sector;
- building the massive infrastructure—from data centers to power grids—needed to support AI at scale; and
- establish American AI as the global standard while preventing adversaries from accessing critical technologies.

Together, these pillars represent a comprehensive approach that treats AI development as both an economic imperative and a national security priority, with the federal government clearing perceived obstacles domestically while asserting American technology leadership internationally. The plan envisions a future where American AI thrives through minimal regulation at home, abundant infrastructure to power it, and strategic control over global distribution.

Pillar I: Accelerate AI Innovation through Deregulation and Private Sector Leadership

The first pillar focuses on America having the "most powerful AI systems in the world" and that, to achieve these goals, the Federal government must "create the conditions where private-sector-led innovation can flourish." [9] To accelerate American AI Innovation, the AI Action Plan recommends several policy actions:

Removing "Red Tape" and "Onerous Regulation": The plan directs a government-wide effort to identify and eliminate regulations that "unnecessarily hinder" AI development. [10] The Office of Science and Technology Policy (OSTP) will launch a public Request for Information to gather input from businesses about obstructive regulations. Meanwhile, the Office of Management and Budget (OMB) will lead agencies in revising or repealing burdensome rules. [11]

Notably, after recent efforts to impose a state AI regulation moratorium failed, [12] the plan includes an approach to federal funding: states with "burdensome AI regulations" may see reduced federal AI funding, effectively using financial incentives to discourage state-level regulatory restrictions. [13] The Federal Trade Commission must also review all investigations and consent decrees from the previous administration to ensure they don't "unduly burden AI innovation." [14]

Ensuring that "Frontier AI Protects Free Speech and American Values": The plan places significant emphasis on ensuring AI systems are "objective and free from top-down ideological bias." [15] It mandates that the National Institute of Standards and Technology (NIST) revise its influential AI Risk Management Framework to eliminate references to "misinformation, Diversity, Equity, and Inclusion, and climate change." [16] Federal procurement guidelines will require that government contracts only go to AI developers who ensure their systems reflect "truth rather than social engineering agendas." [17]

Supporting Open-Source and Open-Weight AI: Recognizing the strategic value of open AI models, the plan advocates for improving access to large-scale computing power for startups and academics. [18] It proposes developing financial markets for compute resources, similar to commodity markets, to democratize access to the computational power needed for AI development. The National AI Research Resource (NAIRR) pilot program will play a key role in connecting researchers to critical AI resources. [19]

Workforce Development and AI Adoption: The plan promotes a "worker-first AI agenda," emphasizing that AI will complement rather than replace American workers. [20] Key initiatives include:

- Prioritizing AI skill development in federal education and workforce funding streams.
- Clarifying that AI training programs may qualify for tax-free educational assistance under Section 132 of the Internal Revenue Code.
- Establishing an AI Workforce Research Hub to continuously evaluate AI's impact on the labor market.
- Creating regulatory sandboxes where businesses can rapidly test AI tools in sectors like healthcare, energy, and agriculture.

Expected Impacts: Although many critics argue that the "onerous regulations" are necessary safeguards to avoid irreparable harm, this pillar represents a fundamental bet that American innovation will thrive when the government steps aside. The plan's recommendation for an OSTP Request for Information process may create a pathway for businesses and the public to engage with current Federal regulations that hinder their responsible AI innovation; however, with competing state-law regulations, participants should carefully consider their outreach and government relations strategies. Through removing regulations, incentivizing open-source development, and reframing AI as a tool for worker empowerment, the plan seeks to put the private sector in the driver's seat and remove what this administration perceives as ideological biases in existing regulations. The plan is more carrots than sticks, creating an opportunity for American businesses to innovate aggressively so long as their AI systems align with this administration's vision of "objective truth."

Pillar II: Rapidly Building American AI Infrastructure

The second pillar addresses what the plan identifies as a critical weakness: America's stagnating energy capacity and cumbersome permitting processes.

Streamlining Permitting and Environmental Reviews: The infrastructure pillar proposes dramatic reforms to accelerate the construction of data centers, semiconductor facilities, and energy projects [21]:

- Creating new Categorical Exclusions under the National Environmental Policy Act (NEPA) to fast-track data center construction.
- Expanding the FAST-41 process to cover all data center and energy projects.
- Exploring a nationwide Clean Water Act permit specifically for data centers.
- Making federal lands available for large-scale AI infrastructure development.
- Using AI itself (through projects like DOE's PermitAI) to accelerate environmental reviews.

Developing America's Power Grid: The plan acknowledges that AI's enormous energy demands require a fundamental transformation of America's electric grid. [22] It outlines a three-step strategy:

1. **Stabilize the grid of today** by preventing premature decommissioning of power plants and ensuring adequate resource availability.
2. **Optimize existing resources** through advanced grid management technologies and demand response programs.
3. **Grow the grid for the future** by prioritizing reliable, dispatchable power sources, including next-generation nuclear and geothermal energy.

Semiconductor Manufacturing and Security: The plan emphasizes bringing semiconductor manufacturing back to U.S. soil while ensuring the CHIPS Program Office focuses on delivering "strong return on investment" without "extraneous policy requirements." [23] It also calls for developing high-security data centers for military and intelligence community use, with new technical standards for protecting America's most sensitive AI applications. [24]

Training a Skilled American Workforce for AI Infrastructure: Recognizing that infrastructure requires skilled workers, the plan outlines initiatives to train electricians, HVAC technicians, and other critical trades needed for the AI infrastructure buildout. [25] This includes expanding Registered Apprenticeships, updating Career and Technical Education programs, and creating industry-driven training partnerships.

Expected Impacts: The recommendations each speak to the administration's stark concern about U.S. AI infrastructure: America cannot lead in AI innovation without the physical capacity to power it. The proposed reforms represent one of the most aggressive infrastructure acceleration efforts in decades, prioritizing speed over traditional environmental review processes. By linking semiconductor sovereignty, energy abundance, and workforce development as a single strategic imperative, the plan goes beyond the algorithms to real facilities, reliable power, and the skilled workforce that is necessary to build and maintain them. The plan contemplates that DOL and DOC will "convene employers, industry groups, and other workforce stakeholders to develop or identify national skill frameworks and competency models" for the AI infrastructure roles, which invites private sector participation in shaping the policies recommended in the AI Action Plan. [26] As the plan takes shape, industry participants should prepare and seek to engage in this process.

Pillar III: Leading in International AI Diplomacy and Security

The third pillar extends America's AI strategy beyond its borders, aiming to establish American technology as the global standard while preventing adversaries from accessing critical capabilities.

Exporting American AI to Allies and Partners: The plan calls for an aggressive export strategy, establishing a program within the Department of Commerce to facilitate "full-stack AI export packages"—including hardware, models, software, and applications—to allied nations. [27] The goal is to prevent countries from turning to rivals like China by ensuring American AI solutions meet global demand. [28]

Strengthening Export Controls: Although the plan calls for exports to allies, it simultaneously advocates for stronger controls on sensitive technologies [29]:

- Exploring location verification features on advanced AI chips to ensure they remain in approved countries.
- Developing new export controls on semiconductor manufacturing sub-systems that are currently not restricted.
- Using tools like the Foreign Direct Product Rule and secondary tariffs to ensure allies align with U.S. export controls.

Countering Adversarial Influence: The plan directs American diplomats to "vigorously advocate" in international forums like the UN and OECD for governance approaches that promote innovation and reflect American values. [30] It specifically calls for countering Chinese influence in standard-setting bodies and pushing back against "authoritarian influence." [31]

National Security and Biosecurity: Recognizing emerging risks, the plan mandates that the U.S. government partner with leading AI developers to evaluate frontier models for potential misuse in developing chemical, biological, radiological, nuclear, or explosive (CBRNE) weapons. [32] It also addresses biosecurity concerns by requiring federal research grant recipients to use nucleic acid synthesis providers with robust screening procedures. [33]

Expected Impacts: The final pillar of the plan treats AI leadership as a zero-sum game where America must simultaneously promote its technology to friends while denying it to rivals. The "full-stack" export strategy and enhanced controls create a two-track system designed to establish American technological leadership through market dominance and security restrictions. By directing diplomats to counter "burdensome" international governance while tightening biosecurity and CBRNE safeguards, the plan attempts to offer a balance between innovation promotion and risk mitigation. This pillar also reveals tension among varying approaches within the administration to traditional diplomacy and the role of international organizations such as the UN. Whether the tactics proposed by the plan will be effective remains to be seen, but it correctly recognizes that AI is not merely an economic opportunity but a major element of modern geopolitical power.

From Action Plan to Action Taken: What to Look for Ahead

America's AI Action Plan presents a dual landscape of opportunities and obligations for businesses and legal professionals. While the federal regulatory environment will become significantly more permissive, organizations must navigate new complexities: state-level regulations are creating compliance patchworks, export controls will tighten even as domestic rules loosen, and government contractors will face novel requirements around AI objectivity and bias. For companies operating in the EU, the EU AI Act is quickly approaching new compliance deadlines, too, and other global AI regulations will become effective in the coming years.

However, the massive infrastructure buildout—from data centers to grid modernization—may create substantial growth opportunities, particularly for companies in construction, energy, and skilled trades. Meanwhile, the emphasis on workforce development, including tax-free AI training programs, will reshape corporate education and hiring strategies. There are also several industry-specific implications and challenges that will arise as the AI Action Plan is put into practice, making this policy roadmap the starting point for development and compliance strategies; however, just as President Trump promptly rescinded Biden-era AI policies, companies should be mindful that a new administration could do the same and temper their AI strategy accordingly. Time will tell whether these priorities outweigh the emerging risks as AI systems become more sophisticated and embedded in everyday life.

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[1] Executive Order 14179, *Removing Barriers to American Leadership in Artificial Intelligence* (January 23, 2025), *available at* https://www.whitehouse.gov/presidential-actions/2025/01/removing-barriers-to-american-leadership-in-artificial-intelligence/.

[2] See, e.g., Executive Order 14110 (Rescinded), *Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence* (October 30, 2023) [*hereinafter*, Biden AI Executive Order], *available at* https://www.federalregister.gov/documents/2023/11/01/2023-24283/safe-secure-and-trustworthy-development-and-use-of-artificial-intelligence.

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

[4] *E.g.*, Biden AI Executive Order (establishing policies and institutions to test and mitigate risks of AI systems, particularly in significant issues of national security).

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

[6] Executive Order 14277, *Advancing Artificial Intelligence Education for American Youth* (April 23, 2025), *available at* https://www.whitehouse.gov/presidential-actions/2025/04/advancing-artificial-intelligence-education-for-american-youth/.

[7] Executive Order 14278, *Preparing Americans for High-Paying Skilled Trade Jobs of the Future* (April 23, 2025), *available at*https://www.whitehouse.gov/presidential-actions/2025/04/preparing-americans-for-high-paying-skilled-trade-jobs-of-the-future/.

[8] AI Action Plan, p.1.

[9] AI Action Plan, p.3.

[10] *Id.*

[11] *Id.*

[12] *See, e.g., Senators Reject 10-Year Ban on State-Level AI Regulation, In Blow to Big Tech*, Billy Perrigo and Andrew R. Chow, TIME (July 1, 2025), *available at* https://time.com/7299044/senators-reject-10-year-ban-on-state-level-ai-regulation-in-blow-to-big-tech/.

[13] AI Action Plan, p.3.

[14] *Id.*, pp.3-4.

[15] *Id.*, p.4.

[16] *Id.*

[17] *Id.*

[18] *Id.*, pp.4-5.

[19] *Id.*, p.5.

[20] *Id.*, pp.6-7.

[21] *Id.*, pp.14-15.

[22] *Id.*, pp.15-16.

[23] *Id.*, pp.16.

[24] *Id.*

[25] *Id.* p.17

[26] *Id.*

[27] *Id.*, p.20.

[28] *Id.*

[29] *Id.*

[30] *Id.*

[31] *Id.*

[32] *Id.*, p.22.

[33] *Id.*, p.22-23.

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