ML STRATEGIES

AI Under a Second Trump Administration — AI: The Washington Report

November 14, 2024 | | By **Bruce Sokler**, **Alexander Hecht**, **Christian Tamotsu Fjeld**, Matthew Tikhonovsky

1. Donald Trump's election to a second term as president means that Trump will help shape the future of AI at a pivotal moment when AI continues to advance rapidly and the next administration's policies will affect the future course of AI in America.

2. Besides pledging to repeal President Biden's Executive Order on AI, Trump has not released specific details about his AI policies and priorities, but his campaign statements and past actions on AI suggest he would pursue a deregulatory approach.

3. While Biden favored creating guardrails to ensure the safe and secure development of AI and mitigate its risk, Trump is likely to roll back these initiatives due to concerns that they hamper private sector innovation and is expected to harness AI in government for national security and defense purposes.

4. Trump's concerns about the AI race against China will also likely inform his administration's approach. He will likely pursue protectionist measures to prevent China from benefiting from US AI advancements, and domestically he may invest in AI R&D and other efforts to stimulate US AI innovation.

5. With Congress now in a lame-duck period, Democrats in Congress may try to pass some type of AI legislation during the final weeks of this Congress, but Republicans may oppose such efforts and wait for the new Congress. With Republicans controlling both chambers next Congress, Trump may face fewer partisan roadblocks than Biden if he pursues AI legislation to codify his approach to AI.

Donald Trump's election to a second term as president comes at a pivotal moment for AI when AI continues to advance rapidly and the next administration's policies will affect the future course of AI in America. President Trump will not only confront an AI landscape that looks vastly different – and more complex – from the one he faced while previously in office. He will also bring a vision for AI policies that differs vastly from that of his predecessor, President Biden, who largely focused on creating guardrails for the safe and secure development of AI and mitigating its risks. As president, Trump will likely roll back initiatives that may hamper AI innovation, promote American dominance in the AI race against China, and harness and invest in AI for US national security and defense purposes.

Trump has promised and will likely act to undo much of Biden's legacy on AI, which has been primarily enacted through **Biden's Executive Order on AI** (AI EO). While Trump will likely repeal Biden's AI EO, he may keep parts of it that relate to national security and defense, and potentially build on them with his own AI EO that focuses on AI R&D and industry self-regulation. And with Republicans controlling both chambers of Congress, Trump may also be well positioned to codify his AI policies and regulations into law.

This *AI: The Washington Report* newsletter explores the AI priorities and policies that Trump is likely to pursue during his second term as president.

Repealing Biden's AI EO (Or Parts of It)

President Biden's signature AI accomplishment was his Executive Order on AI, as **we've covered** for the past year, which launched an all-of-government approach to regulating and utilizing AI and also prioritized balancing AI innovation with risk mitigation. Trump is likely to fulfill his campaign promise to repeal most if not all of Biden's AI EO – possibly even on day one. Trump ran on a **platform** that called the AI EO "dangerous" and criticized it for "[hindering] AI Innovation, and [imposing] Radical Leftwing ideas on the development of this technology." In its place, the platform "[supports] AI Development rooted in Free

Speech and Human Flourishing." Trump is very likely to roll back the parts of the AI EO that focus on anti-discrimination, bias protections, inequality, and ethics, due to concerns that these regulations hamper innovation and free speech.

However, Trump may keep it in place and even expand the parts of the AI EO that relate to national security and defense. During his first term as president and in the campaign, Trump made national security one of his top priorities. Once in office, he could expand on the Biden AI EO's national security provisions, including those around cybersecurity, data centers, and infrastructure, and the development of cutting-edge AI for national security objectives. Trump could also direct agencies to leverage AI to increase border security, as the GOP platform calls for "[using] advanced technology to monitor and secure the Border."

In place of Biden's AI EO, Trump could also issue a new AI EO of his own. Some of Trump's allies are already drafting their own sweeping AI EO, according to **reporting**. Drafts of the potential Trump AI EO would prioritize developing military technology that utilizes AI and tasking agencies to review "unnecessary and burdensome regulations" that stifle AI innovation. Furthermore, the AI EO would largely leave it up to the industry to regulate AI, creating "industry-led agencies to evaluate AI models and secure systems from foreign adversaries."

Winning the AI Race Against China and Prioritizing US AI

Trump's AI agenda and policies will likely be centered around promoting US AI development and innovation to ensure that America doesn't cede AI dominance to China. When asked about AI during a **podcast** in June, Trump said, "We have to be at the forefront…We have to take the lead over China." And the GOP platform also vowed to "Secure Strategic Independence from China." Trump's desire to secure US AI independence and dominance is expected to inform his approach to AI.

While Trump has not announced specific policies to accomplish this goal, his approach to securing AI dominance against China will likely be two-fold. Building on the Biden administration's efforts, he will likely take a hardline stance against foreign adversaries, particularly China, exploiting US AI advancements. In 2020, President Trump delivered a **speech** in which he pledged to "[protect] America's scientific and technological advances" from China, which he said "has conducted illicit espionage to steal our industrial secrets." As **we covered**, the Biden administration **enacted** export controls on AI chips to China, and the Treasury is currently finalizing **a rule** to limit outbound investments in AI into countries that may use US AI advancements to threaten US national security. Trump would likely expand these protectionist measures and could potentially use tariffs and other means to limit foreign adversaries' — particularly China's — ability to benefit from US advancements in AI.

The other way that Trump will likely aim to secure US AI dominance is by opposing efforts to overly regulate AI in the US, due to concerns that these efforts could strangle AI innovation in its cradle. In 2019, President Trump signed an **EO** on Maintaining American Leadership in Artificial Intelligence, which supported "AI American research and innovation and opens markets for American AI industries." Trump's 2020 **National Strategy for Critical and Emerging Technologies** also suggests that Trump believes a deregulated open market for AI innovation is what will put America ahead of countries like China in the AI race: "Our market-oriented approach will allow us to prevail against state-directed models that produce waste and disincentivize innovation."

What Trump's Advisors Think About AI

The people that President Trump surrounds himself with – and what they think about AI – will also inform the next administration's approach to AI. But many of Trump's closest advisors have differing views on AI. The next vice president, J.D. Vance has supported deregulation and a hands-off approach to AI, **criticizing** regulations for potentially "[entrenching] the tech incumbents that we actually have, and [making] it actually harder for new entrants to create the innovation that's going to power the next generation of American growth." Meanwhile, Elon Musk, who Trump has tapped to lead the new Department of Government Efficiency, has been vocal about the existential threats that AI poses, and he recently **supported** California's AI safety bill that would have regulated AI for developers before it was vetoed. These are just some of the people – and views – that will likely inform the Trump administration's approach to AI over the next four years. It will be interesting to see how the White House staff is structured as it pertains to AI.

Lame-Duck Period: Potential AI Activity

With Republicans controlling both the White House and the next Congress, Congressional Democrats may push to pass AI legislation during the final weeks of the lame-duck Congress. As **we've previously covered**, Senator Schumer (D-NY) has indicated he plans to incorporate AI bills into must-pass, end-of-the-year legislation, and his main focus has been on incorporating regulations for AI-generated election

deepfakes into such legislation. However, such regulations are rife with partisan roadblocks that may impede their passage, especially in the final days of this Congress. Legislation that may be more likely to be attached to and passed with end-of-the-year legislation include the **Defiance Act** (S. 3696), which would empower victims of AI deepfakes to sue and which the Senate unanimously passed in July. Other pieces of **legislation** that would codify the National Artificial Intelligence Research Resource and the AI Safety Institute, as we **covered**, have also been voted out of committees in both chambers with bipartisan support. However, lame-duck periods are tricky, and Republicans may want to wait until the next Congress begins with them in the majority in both chambers to act on AI.
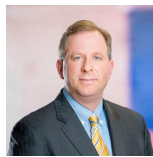
We will continue to monitor, analyze, and issue reports on developments about the Trump administration's approach to and policies for AI, as well as the future of AI legislation in the lame-duck Congress and the 119th Congress.

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