American Security Fund, the advocacy organization securing American technological superiority by 1) facilitating American technological innovation, 2) protecting American technological security, and 3) promoting human-centered artificial intelligence (AI), submits the following public comments on the development of the AI Action Plan:

Goal 1: Facilitate American Technological Innovation

Four industries underpin the AI ecosystem: 1) semiconductors (chips); 2) digital infrastructure (internet, compute); 3) energy; and 4) AI itself. All four must be empowered.

Recommendation 1A: Maintain American Chip Advantages

With a few exceptions – namely, Taiwan Semiconductor Manufacturing Company (TSMC) in Taiwan and Samsung in South Korea – U.S. companies 1) comprise much of the global semiconductor industry, boasting an ecosystem that includes Nvidia, Broadcom, Texas Instruments, Qualcomm, Advanced Micro Devices (AMD), Applied Materials, Micron, Intel, GlobalFoundries, and others and 2) produce more sophisticated chips than their Chinese and other global competitors. **ASF assesses the single most important U.S. policy to maintain both of these equilibria is the imposition and enforcement of export controls.** Accordingly, ASF recommends the Trump Administration:

- Maintain existing U.S. export controls on advanced chips, especially graphic processing units (GPUs).
- Expand existing U.S. export controls to include GPUs that have been invented or advanced since the last round of U.S. export controls went into effect in October 2023 – notably, the H20, the primary GPU Nvidia has been exporting to China and selling to Chinese companies, including news-making DeepSeek and hyperscalers Alibaba, Tencent, and Bytedance.
- Maintain the existing three-tier system for enforcing U.S. export controls, concentrating on enforcing the compliance of Tier 2 countries' non-export of compute to Tier 3 countries.

<u>Recommendation 1B: Continue to Mobilize Private Investment in American Digital Infrastructure</u>
Building on Stargate's momentum, ASF recommends the Trump Administration continue to mobilize private investment in American digital infrastructure, including the data centers crucial to compute.

<u>Recommendation 1C: Match Investment in Digital Infrastructure with Equal or Greater Investment in Energy</u>
Recognizing compute's energy consumption – and experts' estimates that the United States will need to add 50GW or more to our grid to account for it – ASF recommends the Trump Administration match its mobilization of private investment in American digital infrastructure with equal or greater investment in energy, especially nuclear energy, including small modular reactors (SMRs), nuclear fusion, and other innovative approaches.

<u>Recommendation 1D: Protect U.S. AI Companies from Shocks, Espionage, and Stagnancy</u>
ASF assesses U.S. AI companies have three main vulnerabilities: shocks, espionage, and stagnancy. Accordingly, ASF recommends the Trump Administration:

- **Protect U.S. AI companies from shocks, especially by preserving Taiwan's security:** While ASF commends the Trump Administration's incentivization of the domestic manufacture of chips, we also observe that domestic manufacture is not always feasible; it is not always cost efficient for companies with foreign headquarters or global reach. In these cases, ASF recommends the Trump Administration prioritize protecting U.S. AI companies from the shocks that would result from the disruption of the *global* flow of GPUs by focusing on Taiwan (whose TSMC produces many of the world's GPUs), continuing to preserve both Taiwan's physical security and Taiwan's economic security, including by continuing efforts to document and deter economic coercion against it.

- **Protect U.S. AI companies from espionage by creating a system they can opt into to avail themselves of United States Government (USG) counterintelligence tools and talents:** As U.S. industry invests billions of dollars to develop frontier AI models, it remains possible for China and other adversarial actors to steal them through comparatively inexpensive espionage. ASF welcomed the Biden Administration's AI National Security Memorandum (NSM)'s extension of U.S. counterintelligence to the U.S. AI industry. But ASF encourages the Trump Administration to go further: to invoke existing laws – including the Defense Production Act (1950), Homeland Security Act (2002), SAFETY Act (2002), and Cybersecurity Enhancement Act (2014) – to create a system U.S. AI companies can opt into to avail themselves of USG counterintelligence tools and talents to protect themselves from espionage and its components, including sabotage, theft, manipulation, and other forms of unauthorized access and use, and to reward U.S. AI companies that opt into the system with a certification granting them preferential access to USG contracts.
- **Protect U.S. AI companies from stagnancy by encouraging their capitalization,** including through deregulation and efforts to prevent market volatility that could risk disincentivizing investors.

Goal 2: Protect American Technological Security
For American innovation to flourish, American technology must be safe and secure – in the USG, in U.S. industry, and in exchanges between the two.

Recommendation 2A: Continue to accelerate USG adoption of AI
Building on previous progress, ASF recommends the Trump Administration:

- Continue to direct the Office of Personnel Management (OPM), the Office of Management and Budget (OMB), and other relevant agencies to reform USG hiring and retention practices to better attract AI talent.
- Continue directing agencies to reform their acquisition and contracting practices to make it easier for U.S. AI companies to contribute to U.S. national security.
- Continue to direct the Department of Justice (DoJ), the Department of Defense (DoD), and the Intelligence Community to examine and report how existing policies and procedures related to legal obligations (privacy, civil liberties) could be revised to accelerate the adoption of AI without compromising these obligations.
- Likewise, continue to direct agencies to examine and report how existing policies and procedures related to cybersecurity could be revised to accelerate the adoption of AI without compromising cybersecurity.

Recognition 2B: Continue to scale U.S. military applications of AI

Recommendation 2B: Continue to scale U.S. military applications of AI

Recognizing that our adversaries are already integrating AI into their military capabilities, ASF recommends the Trump Administration direct the DoD to increase its adoption of AI (autonomous and semi-autonomous systems) by modernizing its acquisition policies to both encourage and reward innovation. ASF further recommends the Trump Administration direct the DoD to:

- Establish policies to improve communication of warfighter needs to technology industries, including mechanisms for rapid feedback from operators to developers and incentives for developers to be responsive to highest priority needs.
- Continue to enforce DoD Directive 3000.09. Identify and adapt cumbersome policies that could interfere with its adoption.
- Continue to work to improve data interoperability with Five Eye (FVEY) and other allied partners.

Recommendation 2C: Test, monitor, and manage AI risk

While in the private sector, many U.S. AI companies, specifically their frontier red teams, are testing their frontier AI models for biological, chemical, nuclear, and other risks and reporting their findings to the USG, and in the public sector, the U.S. Artificial Intelligence Safety Institute (AISI) – currently reporting to the National Institute of Standards and Technology (NIST) at the Commerce Department – is testing frontier AI models for similar risks, ASF recommends the Trump Administration strengthen these efforts by taking the following actions:

- Formally re-assign USG responsibility for "AI safety" from the Department of Commerce to the Department of Energy, whose National Nuclear Security Administration (NNSA) is both experienced and expert at maintaining the safety of our nuclear weapons and national laboratories.
    - On this subject, ASF endorses the re-assignment of AISI's full-time employees (FTEs) from Commerce/NIST to Energy.
    - ASF recommends Commerce/NIST continue to be responsible for setting standards and engaging with U.S. industry about them.
    - ASF recommends the White House and National Security Council, including the Office of Science and Technology Policy (OSTP) and #TechNatSec, continue to be responsible for convening agencies to cohere and leverage USG tools to ensure AI remains safe and secure.

- In addition to endorsing the reconstituted AISI continuing to test U.S. AI models for biological, chemical, nuclear, and other risks, endorse them testing *all* open-source models, including DeepSeek's, and developing assessments of what those models could do that could be dangerous, especially inside the United States.
- In the USG classification system, compartmentalize both information about AI and work on AI – essentially, create an equivalent of a Q clearance for AI – to help keep it secure.
- Invoke the International Emergency Economic Powers Act (IEPPA) to forbid certain foreign-owned AI and AI application companies (largely based in Tier 3 export control countries) from operating in the United States.
  - On this subject, ASF assesses that non-messaging, non-social media companies – in other words, companies whose primary purpose is not to facilitate human communication – do not meet the "personal communications" or "informational materials" exceptions that TikTok and WeChat have invoked to justify their operations in the United States.

Recommendation 2D: Friendshore and nearshore AI elements, especially chips, to reinforce global latticework of American allies and partners
Per Recommendation 1D, in all cases in which chip manufacture occurs outside the United Sates, ASF recommends the Trump Administration incentivize its friendshoring and nearshoring, including by taking the following actions:

- Resource the Department of Commerce, especially the Foreign Commercial Service (FCS), to help U.S. companies operate in allied and partner countries, especially in downstream stages of the chip process – for example, to establish Outsourced Semiconductor Assembly and Test (OSAT) facilities to conduct assembly, testing, and packaging (ATP).
- Work with Congress to remove barriers to the Export-Import Bank of the United States (EXIM), especially its China and Transformational Exports Program (CTEP), and the U.S. International Development Finance Corporation (DFC) financing such projects.
  - On this subject, ASF notes EXIM must be reauthorized by December 31, 2026.
  - DFC must be authorized more urgently – by October 5, 2025 – and in ASF's assessment, with more adjustments, including the ability to finance projects in Upper Middle-Income Countries (UMICs) and certain High-Income Countries (HICs).

- Building on President Trump and Indian Prime Minister Narendra Modi's early and productive calls and meetings, as well as Prime Minister Modi's intention to host the next Quad Summit in India in fall 2025, maintain and deepen the U.S.-India Initiative on Critical and Emerging Technology (iCET).
- Maintain and deepen critical and emerging technologies dialogues and partnerships with Japan, South Korea, Singapore, Costa Rica, Mexico, and any other allies and partners that want to step up to the task.

Goal 3: Promote Human-Centered AI
As AI continues to advance, it must remain understandable by humans, accountable to humans, and ultimately subordinate to humans.

Goal 3A: Engage American civil society about potential misuses of AI, including advocacy organizations focused on the education and protection of children, including the organizations collaborating with Congress and the First Lady of the United States (FLOTUS) to implement The Take It Down Act, and faith organizations that could help distill principles about human dignity, integrity, and freedom that could in turn help inform effective policymaking.

- On this subject, ASF commends the seven U.S. AI companies that, in July 2023, voluntarily committed to being held accountable for safety, security, and trust: Amazon, Anthropic, Google, Inflection, Meta, Microsoft, and OpenAI.

Goal 3B: Adapt regulation of biology and medicine to enable AI to extend and improve human life
AI – namely, its beyond-human capacities to analyze data and execute calculations – has tremendous current and future applications to biology and medicine, including to cure major diseases that have plagued humans for centuries. But regulation will have to adjust to its speed. Accordingly, ASF recommends the Trump Administration task relevant agencies to examine and report how existing policies and procedures, especially related to approvals of new drugs, therapies, and treatments, could be revised to embrace AI's accelerated achievements without compromising human safety or dignity.

Goal 3C: Continue to dialogue with the Chinese Government about AI safety, with the goal of protecting the peoples of both countries and the world from AI red lines – namely, autonomous AI acting independent of humans

While ASF recognizes the many opacities and challenges surrounding the Chinese AI industry and Chinese Government, we also recognize 1) their AI progress and 2) their and our precedents of negotiating mutually beneficial limitations on would-be weapons or threats, even in the midst of tensions. Accordingly, while the Trump Administration endeavors to hold the Chinese Government accountable in AI and other fields, ASF recommends the Trump Administration also continue to dialogue with the Chinese Government about AI safety; continue to make the dialogue concrete; and therefore, continue to focus the dialogue on mutual opposition to autonomous AI acting independent of humans, especially in the deployment of nuclear weapons.

Goal 4: Incorporate all efforts to develop and leverage AI into USG strategic planning

Finally, with respect for the institutions and processes of government, ASF recommends the Trump Administration direct the team writing the National Security Strategy (#StratPlan, #TechNatSec, others) and the equivalent team writing the National Defense Strategy at the Pentagon to identify concrete, time-bound, measurable steps to implement these recommendations in both the unclassified and unclassified versions of the strategies.

ASF – based in Washington, DC and led by former policymakers – would welcome the opportunity to continue to discuss its recommendations, including strategies to implement them.