

A note from AppZen's Legal Team

# Biden's Executive Order on AI

November 2023

## What is it?

A set of directions for the federal government and its agencies.

## What is its goal?

To create a broad framework for “responsible AI” that can protect against potential harms without stifling innovation.

The order establishes a set of principles and guidelines for federal agencies to follow when designing, acquiring, deploying and overseeing AI systems, as well as a framework for cooperation and coordination among various stakeholders, including the private sector, academia, civil society and international partners. While the EO contains instructions to the various agencies and executive branch offices, it does not create new mandates. Many of the initiatives in the EO will require congressional action before taking effect. As such, while it signifies what the future of AI regulation may hold, practically it has no immediate impact on AppZen's operations.

## Key Elements (see schedule for extracts from the White House Fact Sheet on the EO):

1. AI Safety and Security
2. Privacy
3. Advancing Equity and Civil Rights
4. Workplace Fairness
5. Innovation and Competition
6. Federal Government Use
7. International Collaboration

## What's next?

Following the issuance of the EO, President Biden met with a bipartisan group of lawmakers who are developing AI legislation to create additional momentum for congressional action. The world's largest economies including the EU, China and Brazil have released or begun work on regulations on AI use in their countries. The EU is set to become the first jurisdiction to effect AI regulation with the AI Act, which is expected to be passed towards the end of 2023.

## Extracts of the White House Fact Sheet

### **AI Safety and Security**

The Executive Order requires developers of powerful AI systems to share safety test results with the government, sets rigorous standards for testing AI systems before public release, and addresses AI-related risks to critical infrastructure and cybersecurity.

Additionally, the order focuses on protecting against the misuse of AI in engineering dangerous biological materials, detecting AI-generated content, and enhancing cybersecurity through AI tools. It also directs further actions to ensure the safe and ethical use of AI by the military and intelligence community.

### **Privacy**

To protect Americans' privacy from the risks posed by AI, the President urges Congress to pass data privacy legislation and directs actions to enhance privacy protection, including enhancing research and technologies that prioritize privacy protection, evaluating data collection practices, and establishing guidelines for federal agencies. These measures aim to safeguard personal data and promote responsible AI use.

### **Advancing Equity and Civil Rights**

The Biden-Harris Administration is taking action to prevent discrimination and bias in AI. This includes providing guidance for landlords, federal benefits programs, and federal contractors to ensure that AI algorithms are not utilized in a manner that perpetuates or amplifies discrimination, addressing algorithmic discrimination, and promoting fairness in the criminal justice system by developing AI best practices for sentencing.

### **Education and Healthcare**

AI has the potential to benefit consumers through improved products and affordability, but it also poses risks of harm. To safeguard consumers and maximize AI's positive impact, the President will focus on advancing responsible AI use in healthcare, including the development of affordable and life-saving drugs, and establishing a safety program to address any AI-related harms in healthcare.

Additionally, efforts will be made to harness AI's potential in education by providing resources to educators for deploying AI-enabled educational tools like personalized tutoring.

### **Workplace Fairness**

To address the impact of AI on jobs and workplaces, the President directs actions to develop approaches to minimize the negative impacts and maximize the advantages of AI for the



workforce. Furthermore, a report will be produced to study the labor-market impacts of AI and explore options for supporting workers facing disruptions.

### **Innovation and Competition**

The Executive Order aims to maintain America's leadership in AI innovation by catalyzing research through the National AI Research Resource and providing grants for vital areas like healthcare and climate change. The order also promotes a fair, open, and competitive AI ecosystem by supporting small developers and assisting in commercializing AI breakthroughs.

Additionally, existing authorities will be used to streamline visa processes and attract highly skilled individuals to study, work, and contribute to critical areas.

### **Federal Government Use**

The President is taking steps to ensure responsible government deployment of AI and modernize federal AI infrastructure. This includes issuing guidance for agencies on AI use, improving procurement and deployment, facilitating faster acquisition of AI products and services, and accelerating the hiring of AI professionals while providing training for employees at all levels.

### **International Collaboration**

The Biden-Harris Administration recognizes that AI's challenges and opportunities are global and will collaborate with other nations to ensure safe and trustworthy deployment. This involves expanding engagements with various partners to establish robust international frameworks that effectively leverage AI's benefits, manage risks, and prioritize safety.

They will also accelerate the development and implementation of essential AI standards and promote responsible AI use abroad to address global challenges and safeguard critical infrastructure.