

AI Policy Newsletter

March 26, 2026

At a Glance

- On March 20, The White House released its [National AI Legislative Framework](#), which entails recommendations to Congress including online child safeguards, streamlined data center permitting for on-site power generation, anti-censorship provisions, intellectual property protections, and AI workforce training expansion. The framework urges Congress to preempt state AI laws that "impose undue burdens" while preserving state authority over traditional police powers, zoning, and procurement. Notably, it writes that "States should not be permitted to regulate AI development, because it is an inherently interstate phenomenon with key foreign policy and national security implications." In an interview with [Bloomberg](#) on Thursday morning, David Sacks suggested that Congress may be able to pass bipartisan legislation creating standards for AI in the next several months, noting a positive response from Congress on the White House framework.
 - Some key provisions mirror Sen. Blackburn's [TRUMP AMERICA AI Act](#) discussion draft released on March 18. Among other things, the TRUMP AMERICA AI Act would sunset Section 230, create new AI developer liability pathways, exclude unauthorized copyrighted works from fair use in AI training, mandate third-party audits to prevent political bias, restrict federal procurement of ideologically biased models, and direct the Energy Secretary to enter agreements with data center operators protecting consumers from rate increases. The framework additionally incorporates the Kids Online Safety Act including duty of care language omitted by the House KOSA bill, and the NO FAKES Act.
 - It is important to note that both the framework and the Blackburn draft would need to be legislated by Congress and would require Democratic support in the Senate to advance.
 - On March 16, The [Department of Commerce](#) announced a new phase of the American AI Exports Program, calling for proposals for full-stack AI technology packages. The call for proposals includes two types of industry-led consortia: pre-set consortium demonstrating capability across all layers of the AI technology stack to maintain global offerings ready for deployment on an ongoing basis and on-demand consortium formed by industry as "custom-made" options for specific opportunities identified by the Program. The Department will begin accepting proposals on April 1 and accept them for 90 days thereafter.
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What Else You Need to Know

Administration and Federal Updates

- On March 25, President Trump announced initial advisors to the [President's Council of Advisors on Science and Technology](#), with a focus on addressing how developments in cutting edge technology will impact the workforce. Key advisors include Marc Andreessen, Alphabet's Sergey Brin, Oracle's Larry Ellison, NVIDIA's Jensen Huang, and Meta's Mark Zuckerberg, among others.
- On March 20, [Reuters](#) reported that the Pentagon intends to establish Palantir's Maven Smart System as a so-called program of record for the agency, inserting AI into the Pentagon's resourcing and decision making. Per a memo from Deputy Secretary of Defense Steve Feinberg, the Pentagon will streamline the use of the Maven Smart System across military branches to provide "the latest tools necessary to detect, deter, and dominate our adversaries in all domains."

Hill Happenings

- On March 26, the House Foreign Affairs Committee held a [markup](#) on a number of measures, advancing legislation including the Chip Security Act, which aims to prevent smuggling of AI processors to China.
- On March 25, Senator Bernie Sanders (I-VT) and Representative Alexandria Ocasio-Cortez (D-NY) [introduced](#) legislation to place a moratorium on AI data center construction amid growing concern around implications for the environment, communities, and workers. This legislation follows action from Missouri, Indiana, Georgia, and North Carolina which have already placed temporary bans on data center construction.
- On March 23, Senators Jim Banks (R-IN) and Elizabeth Warren (D-MA) sent a [letter](#) urging Commerce Secretary Howard Lutnick to immediately pause and review all active export licenses for advanced NVIDIA AI chips and server systems bound for China and Southeast Asian countries. The letter argues the Commerce Department's Bureau of Industry and Security (BIS) "can no longer base licensing decisions on assurances from executives who have a financial stake in the outcome," citing concerns about allegations of fraud and diversion in Southeast Asia among key Nvidia partners.
- On March 23, Senators Elizabeth Warren (D-MA) and Richard Blumenthal (D-CT) opened an [investigation](#) into whether NVIDIA's \$20 billion Groq deal—its largest ever—is structured to evade antitrust scrutiny through "reverse acquihiring." The Senators argue that the agreement, which gives NVIDIA a non-exclusive license to Groq's inference chip technology and transfers key employees including Groq's CEO and president, operates effectively as an acquisition the AI chip startup's assets and further entrenches NVIDIA's 90% GPU market share.

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- On March 23, Senator Elizabeth Warren (D-MA) launched an [investigation](#) into the Department of Defense's (DoD) designation of Anthropic as a supply chain risk after the company refused to remove contractual guardrails preventing mass domestic surveillance and fully autonomous weapons use. Warren alleges the DoD weaponized national security authorities historically reserved for foreign adversaries to retaliate against an American company. Warren is also scrutinizing the deal OpenAI signed with DoD following the Anthropic fallout, writing [letters](#) to Secretary Hegseth and CEO Sam Altman requesting full contract details and answers on AI use in targeting, bulk data analysis, and enforcement mechanisms.
 - On March 20, Representatives Don Beyer (D-VA), Doris Matsui (D-CA), Ted Lieu (D-CA), Sara Jacobs (D-CA), and April McClain Delaney (D-MD) introduced the [GUARDRAILS Act](#) to repeal President Trump's December executive order blocking state AI laws. The legislation argues the order kills state safety reforms without establishing federal protections or governance requirements. The bill's introduction coincides with the White House releasing its AI legislative blueprint, which urges Congress to preempt state laws.
 - On March 17, Senator Elissa Slotkin (D-MI) introduced the [AI Guardrails Act](#) to establish limits on AI use within the Department of Defense including banning the use of autonomous weapons "to kill without human authorization," the use of AI to spy on Americans, and using AI to launch nuclear weapons.
 - On March 15, Senator Elizabeth Warren (D-MA) wrote a [letter](#) to Secretary of Defense Pete Hegseth regarding concerns about the Department's decision to allow xAI to access classified documents, citing concerns from the National Security Agency and the General Services Agency and requested information about how the Department plans to mitigate potential security risks from the model.
 - On March 13, Senators Sheldon Whitehouse (D-RI) and Martin Heinrich (D-NM) opened an [investigation](#) into eight AI companies including xAI, OpenAI, and Meta regarding gas powered data centers and their concerns around significant pollutant emission from the sites. The Senators note that other companies have come up with solutions to meet energy demands and limit emissions and requested information about the above companies' decision to rely on gas and any plans to limit emissions.

International, State and Third-Party Perspectives

- On March 19, New York Governor Kathy Hochul [announced](#) the FutureWorks Commission to advise on protecting workers amid AI disruption. The commission of experts, labor advocates, and business leaders will deliver recommendations by November. Hochul simultaneously launched AI Prep workforce training for low-income

New Yorkers, small business AI education programs, and expanded state employee AI training.

- On March 17, Colorado Governor Jared Polis's AI Policy Workgroup—comprised of consumer advocates, hospitals, school districts, and technology companies—[unanimously approved](#) a revised policy framework addressing AI use in consequential decisions affecting consumers, with certain sector-specific carveouts. The framework requires deployers to provide upfront notice when AI or Automated Decision-Making Technology (ADMT) is used in life-altering decisions, with adverse outcomes triggering additional disclosures including plain-language explanations, data correction opportunities, and human review requests. The proposal takes effect January 1, 2027.

A Few Interesting Reads

- **OpenAI to discontinue Sora video app** ([Axios](#)): In a stark reversal, OpenAI will discontinue the Sora video app, canceling the estimated \$1 billion partnership with Disney. The move comes as OpenAI faces increased competition from Anthropic and Google though an exact timeline has not yet been announced.
- **A Humanoid Robot Visits the White House to push AI for Teaching Kids** ([CNET](#)): Figure 3, a humanoid, AI-powered robot, joined First Lady Melania Trump at the White House to deliver brief remarks at the Fostering the Future Together Global Coalition Summit earlier this week. The First Lady said the humanoids — originally developed by startup robotics company Figure AI for people to use at home for help with household tasks — could be placed in children's homes as an aid to their education.
- **AI is giving bad advice to flatter its users, says new study on dangers of overly agreeable chatbots** ([Associated Press](#)): AI chatbots are so prone to flattering human users that they giving bad advice, according to a new study. The study found that, on average, AI chatbots affirmed a user's actions 49% more often than other humans did including in queries involving deception, illegal or socially irresponsible conduct, and other harmful behaviors. The study has raised concerns that people trust and prefer AI more when the chatbots are justifying their harmful behavior.