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AI Policy Newsletter
September 26, 2025

At a Glance

- On September 22, NVIDIA and OpenAI announced a **partnership** in which NVIDIA will invest up to $100 billion in OpenAI and supply advanced chips for its data centers. NVIDIA founder and CEO Jensen Huang described it as "the biggest AI infrastructure project in history." The deal marks a major collaboration between two leading players in the global AI race and underscores the growing ties among tech giants developing advanced AI systems. Some antitrust lawyers and professors have **raised concerns** that such business tie-ups could incentivize exclusionary or other anticompetitive conduct.

- On September 17, Senator Mark Kelly (D-AZ) released his "**AI for America**" plan. At the center of the plan is a new "AI Horizon Fund," a federal fund fueled by contributions from leading AI companies that would provide resources to invest in workers, infrastructure, and responsible AI deployment.

- Congress continued to examine how AI chatbots are impacting teens during a Senate Judiciary Subcommittee on Crime and Counterterrorism hearing titled "**Examining the Harm of AI Chatbots**." During the hearing, lawmakers and witnesses detailed cases of AI chatbots exposing minors to sexual exploitation, self-harm content, and psychological manipulation. Two days before the hearing, OpenAI **announced** new safety measures for teen ChatGPT users, including age prediction technology, notification requirements in cases of imminent self-harm, and stricter content rules for minors. Still, Senators underscored the need for further legislation — including the Kids Online Safety Act (KOSA) and the AI Lead Act — to protect child safety. Additional solutions discussed included age restrictions on AI companions, pre-market safety testing, mechanisms to remind users that chatbots are neither licensed professionals nor human, and new liability frameworks to hold companies accountable.

What Else You Need to Know

Administration and Federal Updates

- The White House is **opposing** a Senate National Defense Authorization Act (NDAA) provision that would require U.S. chipmakers to give American customers priority access to advanced microchips before selling them overseas. The administration argues that the measure, which was derived from the GAIN AI Act, could undermine President Trump's strategy to expand U.S. chip exports and global market dominance, and may complicate recent deals allowing chip sales to China and the UAE.

- The Department of Energy released a **Request for Information** from state energy offices, public utility commissions, electric utilities and other stakeholders on "large scale generation, transmission, and grid infrastructure projects that can accelerate speed and power" to support building out energy infrastructure for growing AI electricity demands. The RFI specifies the need to meet country-wide electricity demands both reliably and affordably. Reponses to the RFI will be accepted through November 21.

- On September 18, the Environmental Protection Agency (EPA) announced that the agency will prioritize the **review** of new chemicals used in data center projects. EPA Administer Lee Zeldin said in a statement that the current administration was left with a backlog of chemical reviews from the Biden administration and noted the need for America to dominate AI.

Hill Happenings

- On September 17, Senator Marsha Blackburn (R-TN) sent a **letter** to the CEO of PimEyes, raising concerns about activists – and potentially gangs – using the company's AI facial recognition tools to identify ICE agents by name. Blackburn called for greater accountability from facial recognition companies and highlighted her **Protecting Law Enforcement from Doxxing Act**, which would criminalize the public release of officers' names with intent to obstruct investigations or immigration enforcement.

- On September 16, at POLITICO's AI & Tech Summit, Senator Ted Cruz (R-TX) **suggested** that there remains potential for movement on his legislation that would place a moratorium on state AI laws. Cruz added that the legislation would ensure efforts on issues like consumer safety remain in place, and that "the biggest winner of the status quo with no moratorium is China."

- On September 16, Reps. Harriet Hageman (R-WY) and Barry Moore (R-AL) introduced the **Fair Artificial Intelligence Realization (FAIR) Act** to ensure that the federal government only uses artificial intelligence that "is truthful when asked for facts or analysis, respects historical integrity, acknowledges when information is incomplete or in dispute, and remains strictly neutral without bending to any social or political agendas."

International, State and Third-Party Perspectives

- On September 24, Americans for Responsible Innovation released a white paper titled "**Foreign influence risks in the AI data annotation sector**." The document outlines policy recommendations to address three main national security concerns associated with the sector: Foreign competitor exfiltration of valuable U.S. data and IP, U.S. dependence on competitor-controlled AI data annotation companies, and foreign competitor dominance of the global AI data annotation market.

- On September 24, a federal judge in California **preliminarily approved** a landmark $1.5 billion settlement of a copyright class action brought by a group of authors against artificial intelligence company Anthropic. **The proposed deal** marks the first settlement in a string of lawsuits against tech companies including OpenAI, Microsoft, and Meta over their use of copyrighted material to train generative AI systems.

- On September 23, OpenAI, Oracle, and SoftBank **announced** five new U.S. data center sites under the Stargate AI infrastructure initiative, backed by President Trump. The new sites – combined with an additional 600-megawatt expansion near the flagship Abilene, Texas campus – are expected to deliver over 5.5 gigawatts of capacity and create more than 25,000 jobs, marking one of the largest U.S. AI infrastructure expansions to date.

- California Governor Gavin Newsom (D) **said he would sign** an AI transparency bill, SB 53 authored by State Sen. Scott Weiner, into law during an interview on September 24. The legislation would require AI companies to have security protocols in place, implement whistleblower protections, report safety incidents to the state, and establish Cal Compute, a public AI research vehicle.

- Commissioners in New Mexico voted 4-1 to approve a **$165 billion package** to build out four AI data centers and energy facilities in the state. Some constituents expressed concern about water usage and giving public funds to large corporations, with a few people reportedly calling the commissioners "sell outs."

- On September 17, Italy approved a comprehensive **artificial intelligence law**, establishing cross-sector rules covering healthcare, work, public administration, justice, education and sport, requiring traceability and human oversight of AI decisions. It also limits AI access for under-14s to parental

consent and stipulates that AI-driven text and data mining is allowed only for non-copyrighted content or scientific research by authorized institutions.

- At the opening of this year's United Nations General Assembly, over 200 prominent leaders, including Geoffrey Hinton and Yoshua Bengio – two of the three "godfathers of AI" – **called** for binding international safeguards on artificial intelligence. The group urged governments to agree to set enforceable "AI Red Lines" to prevent the most dangerous uses of AI, warning that voluntary measures are not enough as the technology rapidly evolves and poses new risks to safety, security, and human rights.

A Few Interesting Reads

- **AI can now pass the hardest level of the CFA exam in a matter of minutes** ([CNBC](#)): A new study found that the technology underpinning a slew of artificial intelligence models is now advanced enough to pass even the three-part chartered financial analyst exam.

- **AI Is Scheming, and Stopping It Won't Be Easy, OpenAI Study Finds** ([TIME](#)): New research conducted by Apollo Research found that AI systems can engage in "scheming," or pretending to do what their human developers want, while secretly pursuing different objectives.

- **AI "workslop" sabotages productivity, study finds** ([Axios](#)): A new survey reveals adults across the country are sharing "workslop," a term coined by Harvard Business Review researchers to describe low-quality AI-generated content. Its use is a sign that AI isn't necessarily translating into productivity gains at work.

- **Here are the jobs most and least likely to be transformed by GenAI, according to a new index from Indeed** ([Business Insider](#)): According to Indeed's new GenAI Skill Transformation Index, which measures how much generative AI could change the way different skills or jobs are performed, childcare, nursing, and construction are the least likely to be transformed by generative AI. Meanwhile, software development is most likely to be transformed.

- **Private health insurers use AI to approve or deny care. Soon Medicare will, too.** ([NBC News](#)): Next year, the Trump administration will launch a pilot program to find out how much money an AI algorithm could save the federal government by expanding prior authorization decisions, raising concerns among doctors and policy experts. It will affect Medicare patients, and the doctors and hospitals who care for them, in Arizona, Ohio, Oklahoma, New Jersey, Texas, and Washington.