ARTIFICIAL INTELLIGENCE PROVISIONS IN THE FISCAL YEAR 2026 HOUSE AND SENATE NATIONAL DEFENSE AUTHORIZATION ACTS

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By: Scott J. Gelbman, Marne Marotta, Guillermo S. Christensen, Tracy L. Lawless, Vivian K. Bridges

Both the US House of Representatives and the US Senate have continued to increase the attention paid to artificial intelligence (AI) issues for the defense sector, most notably by including a number of provisions in the text of the National Defense Authorization Act (NDAA) for Fiscal Year 2026 (FY 2026), most notably by including a number of provisions in the text of each of their individual versions of the National Defense Authorization Act for Fiscal Year 2026. The Chairman's Mark of the July 2025 text of the NDAA notes that the House Armed Services Committee "is aware of the rapidly changing capabilities of [AI] and recognizes its expanding potential for application across the Department of Defense." The House bill emphasizes the widespread impact of AI across administrative, international, and research functions. On the Senate side, the bill stresses the long-term capabilities of AI creating opportunities for experimentation, model development, and risk frameworks. The House Armed Services Committee passed their version of the NDAA with a vote of 55-2 and the Senate Armed Services Committee advanced its version of the bill on 9 July 2025, after a 26-1 vote. Both chambers will spend the first two weeks of September debating their respective NDAAs on the floor while considering hundreds of amendments. It is highly likely both bills will succeed in getting off the floor but the House version will be more partisan. The bills will be reconciled during the conference process before final passage in both chambers and ultimately signed into law by the president. Stakeholders should closely monitor this process, as key provisions related to AI could shift during conference negotiations or floor amendments.

KEY TAKEAWAYS:

- Both the House and Senate versions of the FY 2026 NDAA prioritize the adoption and integration of AI across military operations, logistics, and mission-critical applications.
- Both the House and Senate highlight the importance of workforce development, with AI education, cybersecurity training, and advanced manufacturing skills, while the Senate also establishes experimental sandbox environments for training and model development.
- Although governance is a main priority in both the House and Senate, Senate places an emphasized focus on standardized frameworks, risk-based security measures, and supply-chain oversight.

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AI EDUCATION AND TRAINING

In Section 822, the House bill establishes a working group to address workforce shortages in advanced manufacturing, including AI, and encourages public-private partnerships to incentivize government and industry participation. The House Armed Services Committee also adds a renewed focus for the Department of Defense's (DoD) annual cybersecurity training to include the unique challenges related to AI (Section 1512). The Senate bill complements this approach in Section 1622 by establishing a taskforce within the DoD to create an AI sandbox environment for experimentation, training, and model development. This taskforce is intended to accelerate responsible AI adoption and strengthen public-private partnerships.

AI GOVERNANCE, OVERSIGHT, AND SECURITY

The House bill emphasizes modernization and security in technology policy. Section 1074 outlines a framework to modernize the technology transfer policies of the military departments and update the National Disclosure Policy, which governs the sharing of classified military information to foreign governments and international organizations. It lists detailed guidelines for security considerations for information sharing between US allies and partners. It further calls for the adoption of industry-recognized frameworks to guide best practices, established standards for governance, and specific training requirements to mitigate vulnerabilities specific to AI and machine learning (Section 1531). The bill also directs the DoD to establish requirements for managing “biological data” generated through DoD-funded research in a way that supports the development and use of AI technologies (Section 1521). Although Section 1521 does not explicitly define “biological data,” it instructs the Secretary of Defense to develop a definition for “qualified biological data resource” based on several criteria: (1) the type of biological data generated, (2) the size of the data collection, (3) the amount of federal funding awarded to the research, (4) the sensitivity level of the data, and (5) any other factor the Secretary deems appropriate.

The Senate bill includes several provisions to strengthen AI governance and security. It calls for a standardized model assessment and oversight framework (Section 1623), a Department-wide ontology governance working group to ensure data interoperability (Section 1624), and a steering committee to evaluate the strategic implications of AI intelligence (Section 1626). Further, the Senate bill mandates risk-based cybersecurity and physical security requirements for AI systems (Section 1627), prohibits the use of certain foreign-developed AI technologies (Section 1628), and directs the Secretary of Defense to develop digital content provenance standards to safeguard the integrity of AI-generated media (Section 1629). It also includes provisions to create a public-private cybersecurity partnership focused on advanced AI systems (Section 1621) as well as secure digital sandbox environments for testing and experimentation (Section 1622).

DEPLOYMENT AND OPERATIONAL METHODS FOR AI RESEARCH AND DEVELOPMENT

In Section 1532, the House bill calls for accelerated utilization of AI in military operations and coordination by launching pilot programs for the Army, Navy, and Air Force branches. These programs would employ commercial AI solutions to improve ground vehicle maintenance. The DoD is also required to produce up to 12 generative AI tools to support mission-critical areas such as damage assessment, cybersecurity, mission analysis, and others (Section 1533).

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Additionally, Section 328 of the Senate bill directs the Secretary of Defense to integrate commercially available AI tools specifically for logistics tracking, planning, operations, and analytics into at least two exercises during FY26. This section mirrors the House's focus on incorporating commercial AI into logistics operations to test and evaluate AI tools in operational contexts.

UNIQUE HOUSE AI INITIATIVES

In Title X and XVIII, the House Armed Services Committee creates broad, yet firm calls for the survey and accelerated adoption of AI technologies. In Title X, the DoD must evaluate and survey all current AI technologies in use to find areas to be improved in terms of accuracy and reducing collateral damage. Additionally, in Title XVIII, the DoD is authorized to accelerate autonomy-enabling software across defense programs using middle-tier acquisition authorities allowed by Section 3603 of Title X. Lastly, the House bill uniquely targets international cooperation. In Section 1202, the bill establishes an emerging technology cooperation program with certain allies to conduct joint research, development, testing, and evaluation in critical areas such as AI, cybersecurity, robotics, quantum, and automation.

UNIQUE SENATE AI INITIATIVES

The Senate NDAA establishes targeted initiatives for AI across national security domains. Section 3118 limits AI research within the National Nuclear Security Administration to support nuclear security missions, while allowing resource sharing with other agencies. Section 1602 directs the commander of United States Cyber Command, in coordination with DoD AI leadership and research offices, to develop a roadmap for industry collaboration on AI-enabled cyberspace operations. This roadmap will guide private sector engagement and the integration of advanced AI into cyber operations.

CONCLUSION

The House and Senate Armed Services Committees are not the only congressional bodies focused on advancing AI federal policy. Multiple committees across jurisdictions have actively engaged in this effort, holding hearings and drafting legislation aimed at shaping the future of AI governance.

In parallel, the Trump administration recently introduced its AI Action Plan along with a robust AI export strategy (see our alerts on the AI Action Plan and AI Export Strategy for further details). We anticipate continued momentum in both Congress and the Executive Branch in the months ahead.

Our Policy and Regulatory practice team is closely monitoring both legislative and regulatory developments and is ready to help advocate for your policy priorities in this rapidly evolving landscape.

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KEY CONTACTS



SCOTT J. GELBMAN
GOVERNMENT AFFAIRS ADVISOR

WASHINGTON, DC
+1.202.778.9067
SCOTT.GELBMAN@KLGATES.COM



MARNE MAROTTA
PARTNER

WASHINGTON, DC
+1.202.778.9202
MARNE.MAROTTA@KLGATES.COM



GUILLERMO S. CHRISTENSEN
PARTNER

WASHINGTON, DC
+1.202.778.9095
GUILLERMO.CHRISTENSEN@KLGATES.COM



TRACY L. LAWLESS
GOVERNMENT AFFAIRS COUNSELOR

PITTSBURGH, HARRISBURG
+1.412.355.8910
TRACY.LAWLESS@KLGATES.COM



VIVIAN K. BRIDGES
ASSOCIATE

WASHINGTON, DC
+1.202.778.9227
VIVIAN.BRIDGES@KLGATES.COM

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