U.S. Department of Commerce (DOC)
AI Strategy Plan for OMB Memorandum M-25-21

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Purpose

The Office of Management and Budget (OMB) Memorandum M-25-21, "Accelerating Federal Use of AI through Innovation, Governance, and Public Trust", directs each Chief Financial Officers Act (CFO Act) agency to develop an AI Strategy and post it publicly on the agency's website, satisfying the requirements of Section 2(a) of the Appendix to M-25-21.

In accordance with this requirement, the following outlines the Department of Commerce (DOC) AI Strategy Plan.

Featured AI Use Cases

The Department of Commerce (Department or DOC) has prioritized an enterprise approach to the development and use of artificial intelligence (AI) solutions that advance mission delivery, improve public service, and align with the governance and compliance requirements outlined in OMB Memoranda M-25-21 and M-25-22, as well as relevant Executive Orders on safe, secure, and trustworthy AI. Following are two examples of planned AI use cases that demonstrate an enterprise approach:

1. **USAI.gov** (Enterprise Generative AI Platform)
   The Department is deploying USAI.gov, a government-wide generative AI capability provided by the General Services Administration (GSA), designed to provide employees with secure, role-appropriate access to advanced large-language-model tools. USAI.gov enables bureaus to rapidly pilot and scale AI use cases—ranging from document drafting and data summarization to policy analysis—within a controlled environment that incorporates enterprise risk management, security safeguards, and privacy protections. This effort embodies a DOC enterprise approach to technology modernization, ensuring that bureaus leverage shared resources to realize efficiencies, reduce duplication, and accelerate innovation. Governance for USAI.gov is planned for coordination through the

Office of the Chief Information Officer (OCIO), in close consultation with bureau CIOs, bureau AI Leads, and functional area experts across cybersecurity, data governance, privacy, civil rights, and acquisitions.

2. **Boundary and Annexation Survey (BAS) Assist** (Service Support Chatbot for Enterprise BAS Application)
BAS Assist, a generative AI chatbot that supports users of the enterprise BAS applications. BAS Assist provides real-time guidance in natural, conversational language, enabling users to more effectively complete application tasks, resolve common issues, and access technical assistance without requiring direct staff intervention. This tool enhances accessibility, reduces administrative burden, and improves service delivery to state, local, and tribal government partners. BAS Assist is being developed and deployed in alignment with the Department's enterprise AI risk management protocols, including those articulated under Section 3(a) of M-25-21 for inventory reporting, post-deployment monitoring, and incident response.

The above use case examples exemplify the Department's strategic approach to fostering safe, responsible, reusable, innovative, and cost-effective AI adoption across mission areas. By investing in enterprise-wide solutions like USAI.gov and BAS Assist, the Department is building institutional capacity for AI while ensuring compliance with Federal mandates on transparency, security, and accountability. These efforts are part of a broader commitment to integrating AI as a force multiplier for operational efficiency and mission impact, consistent with the Administration's directives on responsible AI stewardship.

AI Maturity Goals

The Department is committed to an AI maturity plan that builds the organization's capacity to successfully and responsibly adopt AI into operations and decision-making across the organization, manage risks, and comply with relevant Federal law, regulation, and policy on AI, including OMB memorandum M-25-21 and M-25-22.

The Department continually assesses its AI maturity goals and drives the acceleration and scale of AI adoption by encouraging the appropriate level of investment in key areas including data governance, information technology (IT), infrastructure, quality data assets, integration and interoperability, accessibility, privacy, confidentiality, and security.

The Department encourages and supports efforts to utilize and scale existing tools, processes, and resources for AI governance whenever possible to avoid the creation of additional bureaucracy, investing in technical solutions to make compliance more efficient.

The Department's strategic planning includes alignment with the directions set forth in OMB memorandum M-25-21 to include:

- current and planned AI use cases that are most impactful to an agency's mission, operations, or service delivery;
- an assessment of the agency's current state of AI maturity and a plan to achieve the agency's AI maturity goals, by addressing, at a minimum, plans or processes to:
    - develop AI-enabling infrastructure across the AI lifecycle including development, testing, deployment, continuous monitoring;
    - ensure access to quality data for AI and data traceability;
    - develop enterprise capacity for AI innovation;
    - provide AI tools and capacity to support the agency's AI research and development (R&D) efforts;
    - develop the necessary operations, governance, and infrastructure to manage risks from the use of AI, including risks related to information security and privacy;
    - recruit, hire, train, retain, and empower an AI-ready workforce and achieve AI literacy for non-practitioners involved in AI; and
    - identify, track, and facilitate future AI investment or procurement.

AI-Enabling Infrastructure

The Department is utilizing its collaborative AI governance process in taking a strategic, coordinated approach to advising the Chief AI Officer (CAIO) on the development of AI-enabling infrastructure that spans the full AI lifecycle—from development and testing to deployment and continuous monitoring. Following is a summary of how the Department plans to execute this vision:

Infrastructure Across the AI Lifecycle

- Development & Testing: The Department aims to support and encourage bureaus in taking an enterprise approach to building robust environments for AI experimentation and model training. This includes access to scalable computing resources, secure data repositories, and tools for responsible AI design and validation.

- Deployment: To ensure operational readiness, the Department is encouraging and supporting bureaus in fostering standardized deployment pipelines that incorporate security, performance, and ethical safeguards. These pipelines are encouraged to be

designed with the enterprise in mind, including interoperability across bureaus, enabling consistent implementation of AI solutions.

- Continuous Monitoring: Post-deployment, the Department emphasizes the need for real-time monitoring systems that track model behavior, performance drift, and compliance with Federal standards. The plan includes integrating these systems with feedback loops to support model retraining and refinement.

Governance & Oversight

- Master Repository: A centralized repository provides the Department with visibility into all AI use cases across its bureaus. This enables better coordination, risk assessment, and identification of opportunities for reuse and scaling.

- Collaborative Governance Body: A cross-bureau governance group—comprising representatives from all bureaus and relevant subject matter experts—plays a key role in guiding infrastructure development. This body ensures that AI initiatives align with Federal priorities, ethical standards, and innovation goals, while promoting transparency and trust.

Together, these efforts exceed requirements in OMB memorandum M-25-21 and reflect the Department's commitment to building a resilient, responsible, and future-ready AI ecosystem.

Data

Positioned as a premier provider of data for the American public, the Department is committed to building a secure, interoperable, and AI-ready data ecosystem that supports innovation, transparency, and public trust. In alignment with its FY25-28 Enterprise Data Strategy and Open Data Plan, the Department will develop a data environment that facilitates data sharing across operating units and Federal agencies, while also enabling public access to its valuable open data assets. In pursuit of these objectives, the Department's Chief Data Officer will advance three interrelated AI-ready data priorities:

- Establishing a comprehensive data inventory and an enterprise-wide data catalog enriched with metadata to support discoverability and interoperability.

- Implementing governance frameworks to ensure data quality, consistency, and appropriate access controls.

- Supporting open data initiatives that structure public datasets for use in generative AI applications, enhancing accessibility and interpretability.

AI Ready Workforce

The Department is building an AI-ready workforce by launching a department-wide AI literacy program for all employees, strengthening recruitment pipelines through targeted hiring partnerships, and supporting retention with career pathways that promote growth and innovation. Technical talent will be aligned with priority areas to deliver efficient, mission-driven solutions for the taxpayer.

Training and AI Literacy

To build an AI-ready workforce, the Department will launch a department-wide AI learning initiative led by the OCIO, working in conjunction with the Office of Human Resources Management, that supports AI Bill of Rights and OMB guidance M-25-21 and M-25-22. The curriculum will equip all employees with foundational and applied AI knowledge, reinforce ethical standards, and encourage practical exploration of AI use cases. By cultivating broad AI literacy, the program will empower employees to not only integrate AI into daily operations but also identify opportunities, pilot solutions, and shape the Department's future use of AI.

Delivered through the Department's enterprise-wide learning management system platform, the initiative will include an AI proficiency assessment, two interactive core courses ("*AI in the Workplace*" and "*Responsible AI Use*"), and optional simulations and career-path-specific modules. Bureau-level champions will promote adoption and serve as peer mentors, ensuring employees are supported and encouraged to explore new applications of AI. Progress will be tracked through quarterly reporting beginning in 2026.

Recruitment and Hiring

The Department proposes a phased approach to strengthen its ability to attract and retain AI talent. In the near term, we will leverage existing Federal hiring authorities, expand the use of internships, and pilot targeted partnerships with universities and training providers to establish pipelines for data science, machine learning, cybersecurity, and AI ethic roles. These efforts will be informed by a skills gap assessment and integrated into broader workforce planning to ensure alignment with mission-critical needs. Over time, the Department will scale these initiatives into sustained academic partnerships. By offering opportunities to work on high-impact Federal challenges, the Department will empower new hires to immediately contribute to innovative, taxpayer-focused solutions

Retention and Career Development

The Department will strengthen retention by providing clear career pathways and opportunities for professional growth in AI-related roles. By empowering employees to expand their expertise, lead initiatives, and collaborate across bureaus, the Department will foster a highly engaged workforce capable of sustaining innovation and advancing mission-critical objectives over the long-term.

Workforce Needs and Priority Areas

The Department's AI workforce strategy will be created in cooperation with the Department's AI Governance Council to prioritize talent deployment in areas with the greatest potential for impact: improving economic forecasting, modernizing data management, enhancing fraud detection, streamlining grant and benefits administration, and strengthening cybersecurity. By focusing technical expertise on these mission-critical areas, the Department will deliver scalable, efficient solutions that reduce waste, strengthen accountability, and improve services to the taxpayer. Aligning talent to these priority areas will ensure employees are empowered to apply their skills in ways that directly advance the Department's mission.

Research and Development

The Department has not been appropriated dedicated agency-wide funding specifically for AI research and development (R&D). However, consistent with the direction of the Office of Management and Budget's Memorandum M-25-21, *Advancing Governance, Innovation, and Risk Management for Agency Use of Artificial Intelligence*, the Department has established governance and oversight mechanisms to ensure that bureaus are equipped with the tools and capacity necessary to support AI innovation, including R&D activities aligned to their statutory missions.

The Department CIO oversees the enterprise-wide adoption of AI capabilities across the Department's thirteen (13) bureaus, providing strategic direction and governance for the selection, deployment, and scaling of AI tools most relevant to bureau-specific research functions. This includes the facilitation of secure environments, cloud infrastructure, and access to responsible AI technologies that enable bureaus such as the National Institute of Standards and Technology (NIST), the National Oceanic and Atmospheric Administration (NOAA), and the U.S. Patent and Trademark Office (USPTO) to pursue AI-enabled research, modeling, data analysis, and innovation within their respective domains.

Where Commerce bureaus do not engage directly in AI R&D, the Department promotes complementary methods of innovation by encouraging the use of AI to optimize internal processes, improve data quality and accessibility, and accelerate mission delivery. To this end, the Department's AIIPT coordinates the exchange of best practices, fosters bureau-level pilots, and ensures that new use cases are reviewed and aligned with the Department's AI governance framework, in compliance with M-25-21 risk management requirements for AI systems.

Through this layered governance and capacity-building approach, the Department ensures that AI adoption—including R&D efforts where applicable—remains consistent with Federal policy, enhances mission effectiveness, and safeguards the principles of safety, and accountability as directed by OMB guidance and Executive action.

Governance and Risk Management

The Department recognizes the imperative to manage risks arising from AI, including risks related to information security, privacy, and mission assurance. Consistent with OMB Memorandum M-25-21, "Advancing Governance, Innovation, and Risk Management for Agency Use of Artificial Intelligence", the Department is leveraging an integrated governance and operational framework to safeguard against potential harms while enabling mission-aligned innovation.

To this end, the Department leverages the AIIPT, which convenes bureau-specific AI representation and functional area experts across vertical domains including:

- Acquisitions
- Budget/Finance
- Cybersecurity
- Data
- Enterprise Architecture
- Human Resources
- Investigations
- Legal
- Privacy
- Security
- Technology
- Training

This body serves as the central coordination forum for identifying, assessing, and mitigating AI risks, ensuring that bureau-level innovations are balanced with enterprise-wide protections. The AIIPT operates in close alignment with the Commerce AI Council (CAIC) and the OCIO, ensuring DOC CIO oversight of governance controls, compliance obligations, and enterprise architecture standards.

The Department's governance program is backed by an enterprise AI Policy that empowers the DOC CIO to insure only authorized AI products that have been evaluated and approved by the DOC CIO may be developed, acquired, deployed, or used, with all Department systems and environments subject to continuous oversight, with the option to retract the Authority To Operate (ATO) and shut down those uses found to be in violation.

Through these governance mechanisms and coordinated processes, the Department is developing the operations, governance, and infrastructure necessary to manage risks effectively, uphold the highest standards of information security and privacy, and ensure that AI adoption advances mission outcomes responsibly.

Resource Tracking and Planning

The Department is committed to establishing a systematic and transparent approach to identifying, tracking, and facilitating future investments and procurements in AI, in alignment with the directives of OMB Memoranda M-25-21 and M-25-22, as well as relevant Executive Orders on AI governance and resource stewardship.

Through OCIO, DOC has operationalized a centralized AI Use Case Inventory intake process, housed within the Department's centralized online AI Hub, to serve as the authoritative mechanism for capturing, evaluating, and monitoring AI investments across all bureaus. This inventory, updated on a rolling basis through structured intake forms and automated workflows, ensures that all proposed and ongoing AI initiatives are visible, subject to consistent governance, and assessed against mission priorities, enterprise needs, and applicable statutory and policy requirements.

As part of this process, the DOC CIO conducts formal reviews and approvals of AI use cases to verify alignment with agency-wide priorities, including privacy, cybersecurity, and data governance considerations, before investment or procurement decisions are advanced. This practice ensures compliance with M-25-21 requirements on resource tracking and promotes

adherence to M-25-22 provisions related to risk management, oversight, and responsible AI deployment.

To further advance efficiency and cost effectiveness, the Department encourages bureaus to pursue bureau-specific AI investments while simultaneously coordinating through enterprise mechanisms to prevent duplication, identify opportunities for shared services, and leverage common platforms. In doing so, DOC is spearheading an enterprise approach to AI governance and investment. This coordinated model is expected to enhance efficiency, accelerate deployment timelines, drive innovation, and maximize the return on AI investments across the Department.

By maintaining the AI Use Case Inventory as a living instrument of record, coupled with DOC CIO-led review and cross-bureau coordination, the Department of Commerce is building the governance and infrastructure necessary to steward AI investments responsibly, in compliance with Federal policy, and in service of mission delivery.

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