Trump should block Biden’s AI “gift” to China, Microsoft argues

“Countries including Brazil, India, Israel, and the UAE are eminently capable of ramping up investments aimed at securing new ways to access increased computing capacity,” the Brookings Institute said. “Preventing companies in middle-tier countries from relying on the US to supply computing chips is a surefire way to push them into building non-US alliances that include stronger technology ties with China.”

The rule could also complicate the global AI landscape in ways the US may not anticipate, the Center for Strategic and International Studies (CSIS), a bipartisan, nonprofit policy research organization, forecast last week. It could “breed resentment, not cooperation” in tier-two countries that will likely “bristle at the fact that their AI ambitions depend on Washington’s goodwill and that they are being deliberately kept a generation behind the frontier,” CSIS wrote. And it could drive more open source AI like DeepSeek to be key to development in tier-two nations, perhaps further endangering US global leadership in AI, CSIS suggested.

“Ironically, the AI Diffusion Framework, meant to lock in American advantage, may instead midwife the very outcome it sought to prevent—an alternate AI stack and increased open-source development where China, as its most prolific contributor, emerges as the de facto leader,” CSIS reported.

China wooing countries targeted by rule, Microsoft says

But according to Smith, some parts of the rule should be preserved, like datacenter restrictions, including "qualitative provisions" that "ensure that AI technology components are deployed in certified, secure, and trusted datacenters." That part of the rule, Smith suggested, "helps reduce the risk of chip diversion to China."

And other parts of the rule can be strengthened, Smith wrote, such as ensuring the Commerce Department has resources to enforce it and "expedite approvals" for any countries in the middle tier who may appeal to either move into the top tier or limit tier-two restrictions.

https://arstechnica.com/tech-policy/2025/02/microsoft-pushes-trump-to-revise-bidens-last-minute-ai-chip-rule/

Automattic's "nuclear war" over WordPress access sparks potential class action

WordPress software, Keller's complaint explained, "has long been promised to be free and available to everyone forever." This promise propelled WordPress' popularity to, by its own estimates, "encompass more than 40 percent of all websites in the world," his complaint said.

In the 10 years Keller used WPE, he never had any issues accessing the WordPress ecosystem, and he thought WordPress had guaranteed that it would stay that way—especially since WPE's use of the trademark appeared to be "expressly permitted on the WordPress foundation website."

But in the past few years, WPE's business has substantially grown, Keller explained, attracting big customers like Yelp, Thomson Reuters, and Dropbox, which otherwise may have paid WordPress for similar services.

This seemingly frustrated Mullenweg, who accused WPE of abusing the WordPress trademark to charge customers for access to WordPress' free tools. The founder took the extraordinary step of blocking WPE's access to software updates and patches, security updates, and plugins last September. And although Automattic eventually allowed WPE three days to mirror certain data to fulfill its contracts with clients, access was permanently blocked after that, forcing WPE customers to waste time and resources finding workarounds or ways to migrate sites to new web platforms after WPE's mirroring proved faulty.

"Even if Defendants' trademark case had merit (it likely does not), it does not excuse Defendants' deliberate and vindictive targeting of Plaintiff and Class's contracts with WPE," Keller's complaint said, calling Automattic's reneging on its promise to always provide free access "an appalling deception."

Automattic could harm the entire Internet

Further, Keller alleged that Automattic took steps to "poach" WPE customers.

That effort included sending emails to WPE customers "claiming

they could restore access to the website if the WPE customer left WPE” and posting a list calling out all of WPE’s customers. Automattic also allegedly threatened WPE customers, required all WordPress users to tick a checkbox confirming they were unaffiliated with WPE to access resources, and “stole WPE’s most popular plugin and renamed the author to give themselves credit for the product.”

https://arstechnica.com/tech-policy/2025/02/automattic-shirked-duty-to-keep-wordpress-free-for-everyone-lawsuit-says/

Bitcoin plunges as crypto fans didn’t get everything they wanted from Trump

The price of bitcoin hit a record high of $109,114.88 during intraday trading on January 20, the day of President Trump’s inauguration, but has plummeted since and went as low as $83,741.94 during today’s trading.

That’s a 23.3 percent drop from the intraday record to today’s low, though it was back over $84,000 as of this writing. Bitcoin had been above $100,000 as recently as February 7, and was over $96,000 on Monday this week.

Bitcoin’s drop is part of a wider rout in which over $800 billion of nominal value “has been wiped off global cryptocurrency markets in recent weeks, as the enthusiasm that swept the crypto industry after Donald Trump’s election

victory last year ebbs away," the Financial Times wrote today.

Bitcoin hit a then-record of $89,623 in November, a week after the election, amid optimism about Trump's plans for crypto-friendly policies. It hit $100,000 for the first time in early December after Trump announced his planned nomination of Paul Atkins to lead the Securities and Exchange Commission.

Trump made several early moves to support crypto. "After pouring tens of millions of dollars into Trump's 2024 campaign for president, the crypto industry has been paid back handsomely during his first week in the White House," CNBC wrote on January 25.

For example, the SEC rescinded a 2022 accounting rule "that forced banks to treat bitcoin and other tokens as a liability on their balance sheets," a change that is said to make it easier for "regulated institutions to adopt crypto as an asset class that they support on behalf of the clients."

Trump impact overestimated

But enthusiasm waned as crypto investors apparently expected Trump to do more to boost the market in the five weeks since his inauguration. Traders hoped the US would start buying bitcoin and "rapidly enact new rules to encourage large financial institutions to buy crypto," today's Financial Times article said.

"There has been a recalibration of expectations regarding the Trump administration's crypto stance," Gadi Chait, investment manager at Xapo Bank, told the Financial Times. Michael Dempsey, managing partner at venture capital firm Compound, was quoted as saying that many crypto enthusiasts "materially overestimated [Trump's] positive impact on the space."

https://arstechnica.com/tech-policy/2025/02/bitcoin-plunges-as-crypto-fans-didnt-get-everything-they-wanted-from-trump/

Supreme Court rejects ISPs again in latest bid to kill NY's $15 broadband law

"To broadband ISPs and their friends complaining about the New York law and proposed Massachusetts laws mandating a low-income broadband service offering: you asked for complete deregulation at the federal level and you got it. This is the consequence," Gigi Sohn, executive director of the American Association for Public Broadband, wrote today.

Sohn called on ISPs to join with consumer advocates to support a federal law guaranteeing "limited but meaningful oversight over broadband… Until then, my colleagues and I will go to every state that will listen to ensure that Internet users are protected from anticompetitive and anticonsumer practices."

AT&T exit has limited significance

AT&T's partial exit from New York likely doesn't indicate that there will be a rush of ISPs fleeing the state. AT&T still offers mobile service in New York, and it only offered the 5G home Internet plan in 10 cities and towns. AT&T would have a much more difficult time pulling home Internet service out of the 21 states where it offers wired Internet service.

The lobby groups that tried to overturn the state law are the New York State Telecommunications Association, CTIA-The Wireless Association, NTCA-The Rural Broadband Association,

USTelecom, ACA Connects-America's Communications Association, and the Satellite Broadcasting and Communications Association.

The groups convinced a federal judge to block the New York law in 2021, but that judge's ruling was reversed by the US Court of Appeals for the 2nd Circuit in April 2024. Appeals court judges rejected arguments that the New York law was preempted by federal rules, saying that "a federal agency cannot exclude states from regulating in an area where the agency itself lacks regulatory authority."

The FCC lacked authority over broadband after the 2017 repeal of net neutrality rules and related common-carrier regulations. The Biden-era FCC voted to restore that authority but lost a court case brought by USTelecom and the Ohio Telecom Association.

https://arstechnica.com/tech-policy/2025/02/isps-lose-yet-another-attempt-to-kill-new-yorks-15-broadband-mandate/

Judge: US gov't violated privacy law by disclosing personal data to DOGE

"The plaintiffs have made a clear showing that they are likely to suffer irreparable harm without injunctive relief," the order said. "DOGE affiliates have been granted access to systems of record that contain some of the plaintiffs' most sensitive data—Social Security numbers, dates of birth, home

addresses, income and assets, citizenship status, and disability status—and their access to this trove of personal information is ongoing. There is no reason to believe their access to this information will end anytime soon because the government believes their access is appropriate."

The American Federation of Teachers, which represents 1.8 million teachers and nurses, was joined in the lawsuit by the International Association of Machinists and Aerospace Workers, International Federation of Professional and Technical Engineers, National Active and Retired Federal Employees Association, and National Federation of Federal Employees.

No need to know

The government insisted that the DOGE affiliates are employees of Education and OPM, and the judge assumed that is true for purposes of evaluating the motion for a restraining order. Even with that allowance, Boardman decided the data access is not permissible under the "need-to-know" exception to the law prohibiting unnecessary disclosure.

The Trump administration did not explain why "the DOGE affiliates at Education *need* such comprehensive, sweeping access to the plaintiffs' records to audit student loan programs for waste, fraud, and abuse or to conduct cost-estimate analyses," Boardman wrote, adding that "there appears to be no precedent with similar facts."

There are six DOGE affiliates working at Education. They include Adam Ramada, a United States DOGE Service employee, and five "DOGE-affiliated individuals" who have not been identified by name.

"It may be that, with additional time, the government can explain why granting such broad access to the plaintiffs' personal information is necessary for DOGE affiliates at Education to do their jobs, but for now, the record before the

Court indicates they do not have a *need* for these records in the performance of their duties," Boardman wrote.

https://arstechnica.com/tech-policy/2025/02/judges-block-doge-access-to-personal-data-in-loss-for-trump-administration/

In war against DEI in science, researchers see collateral damage

In the 1990s, Lane, as NSF director, ushered in the requirement that, in addition to intellectual merit, reviewers should consider a grant proposal's "broader impacts." In general, he said, the aim was to encourage science that would benefit society.

The broader impacts requirement remains today. Among other options, researchers can fulfill it by including a project component that increases the participation of women, underrepresented minorities in STEM, and people with disabilities. They can also meet the requirement by promoting science education or educator development, or by demonstrating that a project will build a more diverse workforce.

The Senate committee turned up thousands of "DEI" grants because the broad search not only snagged projects with a primary goal of increasing diversity—such as a $1.2 million grant to the Colorado School of Mines for a center to train engineering students to promote equity among their peers—but

also research that referenced diversity in describing its broader impact or in describing study populations. Lipomi's project, for example, was likely flagged because it mentions recruiting a diverse group of participants, analyzing results according to socioeconomic status, and posits that patients with disabilities might benefit from wearable devices for rehabilitation.

According to the committee report, concepts related to race, gender, societal status, as well as social and environmental justice undermine hard science. They singled out projects that identified groups of people as underrepresented, underserved, socioeconomically disadvantaged, or excluded; recognized inequities; or referenced climate research.

Red flags also included words like "gender," "ethnicity," and "sexuality," along with scores of associated terms – "female," "women," "interracial," "heterosexual," "LGBTQ," as well as "Black," "White," "Hispanic," or "Indigenous" when referring to groups of people. "Status" also made the list along with words such as "biased," "disability," "minority," and "socioeconomic."

In addition, the committee flagged "environmental justice" and terms that they placed in that category such as "climate change," "climate research," and "clean energy."

https://arstechnica.com/science/2025/02/in-war-against-dei-in-science-researchers-see-collateral-damage/

Under new bill, Bigfoot could

become California's "official cryptid"

You might suspect that a one-line bill about Bigfoot that bears the number "666" is a joke, but AB-666 is apparently a serious offering from California Assemblymember Chris Rogers. Rogers represents a California district known for its Bigfoot sightings (or "sightings," depending on your persuasion—many of these have been faked), and he wants to make Bigfoot the "official cryptid" of the state.

His bill notes that California already has many official symbols, including the golden poppy (official flower), the California redwood (official tree), the word "Eureka" (official motto), the red-legged frog (official amphibian), the grizzly bear (official animal), swing dancing (official dance), and the saber-toothed cat (official fossil). The state has so many of these that there are separate categories for freshwater fish (golden trout) and marine fish (garibaldi). So why not, Rogers wants to know, "designate Bigfoot as the official state cryptid"?

That's… pretty much the bill, which was introduced this week and already has Bigfoot advocates excited. SFGate talked to Matt Moneymaker, who it describes as "a longtime Bigfoot researcher and former star of the Animal Planet series *Finding Bigfoot*," about the bill. Moneymaker loves it, noting that he has personally "had a face-to-face encounter one time, after which I was absolutely sure they existed because I had one about 20 feet in front of me, growling at me."

Rogers represents California Assembly District 2, a sprawling expanse of Northern California that includes the town of Willow Grove, epicenter of the early Bigfoot sightings back in

the 1950s. Today, the small community boasts the Bigfoot Museum, the Bigfoot Motel, and the Bigfoot Steakhouse—to say nothing of Bigfoot's Barbershop, Bigfoot Equipment & Repair, and, of course, the Bigfoot Cannabis Company. The bill seems like an easy way to goose interest in Bigfoot and to reap the tourist dollars that come from that interest.

This is not to deny the underlying reality of a Bigfoot-like creature (though you can indeed count me among the extremely, extremely skeptical—surely most of these sightings are of bears). Moneymaker runs the Bigfoot Field Researchers' Organization, which tracks sightings across the US. The most recent one I could find on the site was report 77,879 (!), which came from rural Buchanan County, Virginia, on November 10, 2024.

https://arstechnica.com/tech-policy/2025/02/under-new-bill-bigfoot-could-become-californias-official-cryptid/

Elon Musk to "fix" Community Notes after they contradict Trump

Elon Musk apparently no longer believes that crowdsourcing fact-checking through Community Notes can never be manipulated and is, thus, the best way to correct bad posts on his social media platform X.

Community Notes are supposed to be added to posts to limit

misinformation spread after a broad consensus is reached among X users with diverse viewpoints on what corrections are needed. But Musk now claims a “fix” is needed to prevent supposedly outside influencers from allegedly gaming the system.

“Unfortunately, @CommunityNotes is increasingly being gamed by governments & legacy media,” Musk wrote on X. “Working to fix this.”

Musk’s announcement came after Community Notes were added to X posts discussing a poll generating favorable ratings for Ukraine President Volodymyr Zelenskyy. That poll was conducted by a private Ukrainian company in partnership with a state university whose supervisory board was appointed by the Ukrainian government, creating what Musk seems to view as a conflict of interest.

Although other independent polling recently documented a similar increase in Zelenskyy’s approval rating, NBC News reported, the specific poll cited in X notes contradicted Donald Trump’s claim that Zelenskyy is unpopular, and Musk seemed to expect X notes should instead be providing context to defend Trump’s viewpoint. Musk even suggested that by pointing to the supposedly government-linked poll in Community Notes, X users were spreading misinformation.

“It should be utterly obvious that a Zelensky[y]-controlled poll about his OWN approval is not credible!!” Musk wrote on X.

Musk’s attack on Community Notes is somewhat surprising. Although he has always maintained that Community Notes aren’t “perfect,” he has defended Community Notes through multiple European Union probes challenging their effectiveness and declared that the goal of the crowdsourcing effort was to make X “by far the best source of truth on Earth.” At CES 2025, X CEO Linda Yaccarino bragged that Community Notes are “good for

the world.”

Yaccarino invited audience members to “think about it as this global collective consciousness keeping each other accountable at global scale in real time,” but just one month later, Musk is suddenly casting doubts on that characterization while the European Union continues to probe X.

Perhaps most significantly, Musk previously insisted as recently as last year that Community Notes could not be manipulated, even by Musk. He strongly disputed a 2024 report from the Center for Countering Digital Hate that claimed that toxic X users were downranking accurate notes that they personally disagreed with, claiming any attempt at gaming Community Notes would stick out like a “neon sore thumb.”

https://arstechnica.com/tech-policy/2025/02/elon-musk-to-fix-community-notes-after-they-contradict-trump/

Apple pulls end-to-end encryption in UK, spurning backdoors for gov’t spying

“We are gravely disappointed that the protections provided by ADP will not be available to our customers in the UK given the continuing rise of data breaches and other threats to customer privacy,” Apple said. “Enhancing the security of cloud storage with end-to-end encryption is more urgent than ever before.”

For UK Apple users, some data can still be encrypted. iCloud

Keychain and Health, iMessage, and FaceTime will remain end-to-end encrypted by default. But other iCloud services will not be encrypted, effective immediately, including iCloud Backup, iCloud Drive, Photos, Notes, Reminders, Safari Bookmarks, Siri Shortcuts, Voice memos, Wallet passes, and Freeform.

In the future, Apple hopes to restore data protections in the UK, but the company refuses to ever build a backdoor for government officials.

“Apple remains committed to offering our users the highest level of security for their personal data and are hopeful that we will be able to do so in the future in the United Kingdom,” Apple said. “As we have said many times before, we have never built a backdoor or master key to any of our products or services, and we never will.”

https://arstechnica.com/tech-policy/2025/02/apple-pulls-data-protection-tool-instead-of-caving-to-uk-demand-for-a-backdoor/

SEC’s “scorched-earth” lawsuit against Coinbase to be dropped, company says

On Friday, a Coinbase executive declared the “war against crypto” over—”at least as it applies to Coinbase.”

According to Coinbase Chief Legal Officer Paul Grewal, the US Securities and Exchange Commission (SEC) plans to drop its

lawsuit against the largest US cryptocurrency exchange as the agency shifts to embrace Donald Trump’s new approach to regulating cryptocurrency in the US.

The SEC sued Coinbase in 2023, accusing Coinbase of “operating its crypto asset trading platform as an unregistered national securities exchange, broker, and clearing agency” and “failing to register the offer and sale of its crypto asset staking-as-a-service program.”

“Since at least 2019, Coinbase has made billions of dollars unlawfully facilitating the buying and selling of crypto asset securities,” the SEC alleged.

At that time, the SEC claimed that Coinbase’s supposedly dodgy operations were depriving investors of “significant protections, including inspection by the SEC, recordkeeping requirements, and safeguards against conflicts of interest, among others.” The litigation was intended to protect Coinbase customers, the SEC said, by holding Coinbase to the same standards as any service acting as an exchange, broker, or clearing agency.

Former SEC Chair Gary Gensler, long considered an adversary in the crypto industry, had warned that Coinbase “deliberately” flouted rules to cheat investors out of protections for financial gain. That left customers exposed to risks, Gensler claimed, and allowed for insider trading that resulted in a settlement.

“You simply can’t ignore the rules because you don’t like them or because you’d prefer different ones: the consequences for the investing public are far too great,” Gensler said.

https://arstechnica.com/tech-policy/2025/02/coinbase-says-war-on-crypto-is-over-claims-sec-will-drop-lawsuit/