Documents for the record – "Leveraging AI to Enhance American Communications"

1. A November 14, 2023 Letter from the Consumer Technology Association to Subcommittee on Communications and Technology leadership.

November 14, 2023

The Honorable Cathy McMorris Rodgers
Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Rayburn House Office Building
Washington, DC 20515

The Honorable Bob Latta
Rayburn House Office Building
Washington, DC 20515

The Honorable Doris Matsui
Rayburn House Office Building
Washington, DC 20515

Dear Chair McMorris Rodgers, Ranking Member Pallone, Chair Latta and Ranking Member Matsui,

In advance of the Energy and Commerce Committee's Subcommittee on Communications and Technology Hearing on "Leveraging AI to Enhance American Communications," the Consumer Technology Association (CTA®) writes to express our views on the pivotal role that Artificial Intelligence (AI) can play in enhancing American communications. We commend the Subcommittee's commitment to exploring innovative technologies, and we believe that leveraging AI can significantly contribute to the evolution of our communication infrastructure.

CTA represents the $488 billion U.S. consumer technology industry, which supports more than 18 million U.S. jobs. CTA's membership is over 1300 American companies – 80% of which are small businesses and startups. We also own and produce CES®, the world's most powerful technology event. AI holds huge potential to improve our world, and our members are at the forefront of developing technologies that will transform how we communicate, do business, and take care of one another.

CTA supports responsible AI innovation

CTA takes a comprehensive approach to AI. This includes engaging in public policy at the national, state and international levels; developing and publishing consensus standards related to AI definitions, AI in healthcare, managing bias, and information disclosure; and producing market research focused on trends and public perceptions around AI.[1]

CTA developed and published a National AI Policy Framework[2] ("the Framework"), which lays out the elements of a regulatory framework intended to set guardrails for companies developing and deploying AI systems. The Framework provides businesses flexibility to adopt AI risk management measures tailored to the specific risk profile of the AI systems they develop, deploy, and/or implement, rather than focusing on specific aspects or details of rapidly evolving AI technology. The Framework (1) encourages appropriate guardrails and outcomes and (2) ensures that AI systems are safe, trustworthy, effective, ethical, and legal.

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[1] CTA Outlines Approach Governing AI Policy, Research and Standards, September 13, 2023,
[2] National AI Policy and Regulatory Framework. October 2023.

The Framework relies upon, and explicitly incorporates, elements of the NIST AI Risk Management Framework (NIST RMF), which was developed through a highly collaborative process with feedback from industry and other key stakeholders. Consistent with the NIST RMF, the CTA Framework adopts a risk-based approach to regulation of AI systems, contains generally applicable AI governance requirements, and allocates certain responsibilities based on whether the business is a developer, deployer or implementer of the AI system. Significantly, the Framework recognizes that certain entities are already subject to sector-specific regulations and provides safe harbor protections for entities that have self-certified or obtained a third-party certification of compliance with an accepted AI risk management or governance standard.

Consensus-based industry standards are critical to AI governance and regulatory compliance. As an American National Standards Institute (ANSI) accredited standards development organization, CTA has eight published AI standards. The most recent is *Artificial Intelligence in Health Care: Practices for Identifying and Managing Bias (ANSI/CTA-2116).*

Looking internationally, we see undesirable extremes in other nation's approaches to AI policy. China's AI regulation imposes significant obligations on AI ecosystem entities and end users to protect the interests of the Chinese government and its national security interests, to the detriment of personal privacy protections for individual citizens. The European Union has gone in the opposite direction. EU laws and rules designed to allow personal control of data will curb innovation and investment in AI technology and will saddle companies, especially small entities, with burdensome compliance obligations. To remain the world's innovation leader, America must find a better balance.

The promise of AI in the telecommunications industry

The rapid advancements in AI and machine learning have the potential to transform the way Americans communicate, offering unprecedented opportunities for efficiency, accessibility, and inclusivity. We believe that a thoughtful approach to integrating AI into our communication systems can yield substantial benefits[3].

1. **Improved Accessibility**: AI-powered communication technologies can enhance accessibility for individuals with disabilities. Voice recognition, natural language processing, and other AI applications can provide more inclusive communication tools, ensuring that everyone, regardless of their abilities, can benefit.
2. **Enhanced Network Efficiency**: AI algorithms can optimize network performance, predicting usage patterns and proactively adjusting resources to meet demand. This not only improves the efficiency of communication networks but also contributes to a more sustainable and environmentally friendly infrastructure.
3. **Cybersecurity and Privacy**: AI plays a crucial role in fortifying cybersecurity measures and protecting the privacy of communications. By leveraging machine learning algorithms, we can detect and mitigate potential threats, ensuring a secure and trustworthy communication environment for all Americans.
4. **Innovation in Telecommunications**: AI applications can drive innovation in telecommunications by enabling the development of advanced services such as 5G networks, Open RAN, Internet of Things (IoT) connectivity, and immersive communication experiences. These advancements will position the United States as a global leader in the rapidly evolving landscape of communication technologies.
5. **Customer Experience Enhancement**: AI-driven co-pilots can revolutionize customer interactions. Telecommunication companies can leverage AI to improve and streamline the human customer service experience. This enhances the overall customer experience and allows companies to scale their customer support operations efficiently.
6. **Predictive Maintenance**: AI-driven predictive analytics can revolutionize maintenance in the telecommunications industry. By analyzing data from network infrastructure, AI can predict potential failures

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[3] Amar, Jorge, et al. "How AI Is Helping Revolutionize Telco Service Operations." McKinsey & Company, February 25, 2022.

before they occur, allowing companies to schedule maintenance proactively and minimize downtime. This predictive approach not only enhances reliability, but also contributes to significant cost savings.

7. **Fraud Detection and Security**: AI plays a crucial role in identifying and preventing fraudulent activities in telecommunications networks. By analyzing patterns and anomalies, AI can detect unusual behavior indicative of fraud or security breaches. Companies can use AI to safeguard their networks, protect customer data, and ensure the integrity of their services.

With the benefits from AI endless, we also understand AI presents unique challenges and risks, including concerns about privacy, liability, and societal impact. Government and the private sector must work as partners to address these challenges and unlock innovation.

Achieving a national privacy law

Data, privacy and AI are intertwined. Recently, I had the privilege to participate in U.S. Senate Majority Leader Chuck Schumer, Sens. Rounds, Heinrich, and Young's policy forum on AI[4], focusing on privacy and liability issues. As we refine the considerations around rules and guardrails for AI at the national level, we should ensure a national approach to protecting consumer privacy, which will guarantee that the datasets used to train AI are fair and protect American's data privacy. Consumer trust must be a central tenet of the products and services developed by the technology industry. Trust is earned when companies are good stewards of their consumers' data. CTA believes a balanced approach to regulating AI and privacy will ensure consumer data is protected and enable businesses to grow and innovate.

CTA advocates for a comprehensive federal data privacy law that preempts state laws. A uniform, technology-neutral, national standard that provides consistent protections across technologies, companies, agencies, and state borders are the bedrock prerequisite to ensure consumer trust, continue data-driven innovation, and safeguard data. A preemptive federal privacy law is the most effective way to achieve such consistency. A federal privacy law should also avoid a private right of action so as not to enable frivolous and harassing lawsuits targeting American innovators and entrepreneurs. Legislation that merely sets one standard and allows states to add additional requirements will confuse consumers and developers, discouraging innovation. A state-centric approach simply does not work in a digital economy, where data flows across borders in a matter of seconds.

Failing to pass federal privacy legislation will cost the American economy more than $1 trillion (about $3100 per person in the United States) over ten years. More than $200 billion of that will be paid by small businesses.[3] As a result, resources that could go toward creating jobs or investing in research will instead be spent on compliance costs and legal bills created by the current state-by-state patchwork of privacy laws. Without Congressional action, we will end up with different laws in all 50 states, placing the United States at a competitive disadvantage as other nations enact comprehensive privacy laws.

Conclusion

CTA is eager to collaborate with the Subcommittee on Communications and Technology to harness the full potential of AI. As the Subcommittee explores legislative initiatives related to AI in communications, we recommend a collaborative approach that involves industry stakeholders, regulatory bodies, and experts in the field. That collaboration will put the United States in the strongest position to lead in and benefit from the dividends of generative AI and other AI tools that emerge in the years to come.

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[4] At U.S. Senate Forum, Consumer Technology Association Urges American Leadership on AI Policy, CTA Press Release, November 8, 2023.

Thank you for your attention to this critical matter, and we look forward to our continued work with the Subcommittee.

Sincerely,

Gary Shapiro
President and CEO
Consumer Technology Association