

Chairman Guthrie Opening Remarks at 5/21/25 CMT Hearing:

“AI Regulation and the Future of US Leadership”

Good morning, and thank you to all the witnesses for joining us today. We’re living through an exciting time for the advancement of artificial intelligence technologies, and it is important that we in Congress take the best approach to support innovation and address issues that arise.

AI has enormous potential to transform our everyday lives and how we work. From revolutionizing drug research and development to fortifying our energy grid, AI has the potential to drive major breakthroughs across every sector of our economy.

But, that future is not guaranteed.

We are at a crossroads. The decisions we make on AI regulation are critical and will determine whether we allow innovation to flourish or risk falling behind on the global stage. Today, American innovators are experiencing significant regulatory headwinds—at home and abroad—that could jeopardize our global leadership.

Across the Atlantic, the European Union has enacted its “AI Act” which imposes a sweeping, top-down regulatory regime. The EU AI Act is overly complex and restrictive, creating a one-size-fits-all framework that does not account for the diverse and rapidly evolving nature of AI technologies. It is a stark example of regulation going too far and stifling innovation by imposing heavy burdens on businesses through layers of new bureaucracy that slow down progress, particularly for startups and small businesses.

Here at home, we see similar challenges unfolding with a patchwork of state AI laws rapidly taking shape. Since January, there have been over 1,000 AI bills introduced across the country. These measures vary widely in their definitions, requirements, enforcement mechanisms, and scope.

The emerging patchwork of regulations is creating confusion and inconsistency. Small businesses and startups navigating 50 different sets of rules will have a harder time competing with larger, well-established companies that can afford to navigate this regulatory maze. Innovation depends on the ability of small upstarts to compete with established players.

That is why this Committee is focused on creating a national framework to provide clarity and consistency, without stifling growth. We need a federal approach that ensures consumers are protected when AI tools are misused, and in a way that allows innovators to thrive. We must not make the same mistake the EU has made with the AI Act, effectively choosing not to grow their industry.

A patchwork of conflicting and burdensome AI rules will have direct impacts on the federal government as well. The Department of Commerce – like a great deal of federal agencies – must adopt AI if they're going to operate effectively in the 21st century. Yet if America's AI innovators are held back by a state patchwork, these AI tools may simply never be built—or they'll be offered at a higher price to the taxpayer.

To be clear, I am not advocating for a free-for-all, wild west type regulatory environment. On Monday, I was proud to stand with

President Trump as he signed the *Take it Down Act*. This law is a prime example of targeting a specific harm with a narrowly tailored law to fill a gap that has been identified in existing law.

This Committee has a long history of fostering American innovation and now more than ever, our leadership on this topic is essential.

Let's continue this legacy by making sure the next chapter of AI innovation is written America. This includes bold investments, clear rules, and leadership that keeps us ahead of our adversaries.

I look forward to working with my colleagues and hearing from our witnesses on how we can unlock the full potential of AI.