

**Statement of Subcommittee Member Kim Schrier  
Delivered on Behalf of Ranking Member Frank Pallone, Jr.  
Committee on Energy and Commerce  
Subcommittee on Commerce, Manufacturing, and Trade**

***Hearing on “AI Regulation and the Future of US Leadership”***

*May 21, 2025*

This Congress we’ve heard from many witnesses over multiple hearings about the significant benefits of artificial intelligence (AI) and the very real harms that artificial intelligence models and applications can and have caused. Unfortunately, in a giant gift to Big Tech, Committee Republicans supported a provision in their GOP Tax Scam last week that imposes a 10-year ban on any states’ ability to enforce their own laws protecting consumers from harms caused by AI.

I agree with my colleagues that we need strong federal legislation to govern and guide the development of these powerful AI systems as they are rapidly incorporated into more and more aspects of our everyday lives.

To protect consumers from the harms of AI we should recommit to working on strong, bipartisan comprehensive federal data privacy legislation that includes data minimization to protect consumers from their personal and sensitive information being abused. Big Tech’s development of new data hungry AI systems, exploiting Americans’ personal information in ways we could not imagine only a few years ago, only makes this need more urgent.

There’s broad support in both parties for data privacy. Last Congress, this Committee worked on a bipartisan comprehensive federal privacy bill that was the product of work and negotiation over years, but in the end House Republican leadership killed it to please Big Tech.

And now my Republican counterparts are suspending for 10 years enforcement of rules and laws already on the books in states and cities across the country without any proposed replacement.

The Republican’s giant gift to Big Tech would block enforcement of laws on the books right now that are protecting consumers from real world harms. Some states have laws requiring companies to disclose when they are using AI. Others have laws protecting against the use of deepfakes in elections, and protecting consumers when AI is used to in health care, education, housing, and employment. Some state laws and regulations provide guardrails ensuring that states’ and cities’ themselves are careful in their purchase and use of AI systems. And now Republicans want to ban the enforcement of all those state laws with absolutely no national bill ready to go to address the real-world harms from AI.

Instead, Republicans have touted last Congress’ Bipartisan AI Task Force Report and its 85 recommendations. But that report does not include fleshed-out legislative prescriptions, but broad stroke concepts.

Notably, the Task Force Report includes a chapter on preemption that acknowledges federal preemption has both benefits and drawbacks. It recommends Congress perform a study, not remove states and local governments entirely from responsibility. And it advises that if Congress preempts state AI laws, it should be precise in its definitions and scope.

What Republicans have included in their reconciliation bill does not reflect these considerations. Rather than offering legislation that governs AI models and systems and includes a preemption provision that is crafted to the scope of that legislation, the Republicans have proposed an enforcement ban that covers any artificial intelligence or automated decision system.

They would have state and local governments stand by as Big Tech companies that have shown little regard for consumers, particularly children, recklessly deploy new technologies that violate our privacy, provide false information, or make unjustifiable discriminatory decisions, all in pursuit of profit and market share at any cost.

And even if Congress was able to pass a law to govern AI and automated decision systems, who would enforce it? The Trump Administration has taken every opportunity to undermine our cops on the beat. They are firing key technical experts and stripping independent commissions of their bipartisan legitimacy. They are also cutting resources and funding, and weakening or rescinding existing measures that would help protect American consumers and support American businesses in the global competition with China.

The pattern of gifts and giveaways to Big Tech by the Trump Administration, with the cooperation of Republicans in Congress, is hurting American consumers.

Instead, we should be learning from the work our state and local counterparts are doing now to deliver well considered, robust legislation giving American businesses the framework and resources to succeed while protecting consumers.

And with that I yield back the balance of my time.