



The Honorable Andrei Iancu, Co-Chair
The Honorable David Kappos, Co-Chair
Judge Paul Michel (Ret.), Board Member
Judge Kathleen O'Malley (Ret.), Board Member
The Honorable Gary Locke, Board Member
The Honorable Lamar Smith, Board Member
Frank Cullen, Executive Director

September 18, 2025

The Honorable Darrell Issa
Chairman
House Judiciary Subcommittee on
Courts, Intellectual Property,
Artificial Intelligence, and
the Internet
2138 Rayburn House Building
Washington, DC 20515

The Honorable Henry C. "Hank" Johnson, Jr.
Ranking Member
House Judiciary Subcommittee on
Courts, Intellectual Property,
Artificial Intelligence, and
the Internet
2138 Rayburn House Building
Washington, DC 20515

Dear Chairman Issa and Ranking Member Johnson:

We write regarding the Subcommittee's September 18, 2025, hearing entitled "AI at a Crossroads: A Nationwide Strategy or Californication?" to express our concerns about recent proposals for Congress to impose a moratorium on state-level regulation of artificial intelligence (AI), a topic we that understand will be a focus of the hearing. We believe that, on balance, such blanket prohibitions will hurt the development of protection for intellectual property in this rapidly developing technology, which, in turn, will hurt human creators and even the future development of AI itself.

The Council for Innovation Promotion (C4IP) is a bipartisan coalition dedicated to promoting strong and effective intellectual property rights that drive innovation, boost economic competitiveness, and improve lives everywhere. C4IP is chaired by two former directors of the U.S. Patent and Trademark Office (USPTO), Andrei Iancu and David Kappos, who served under Presidents Trump and Obama, respectively. Our board also includes two retired judges from the Court of Appeals for the Federal Circuit, former Chief Judge Paul Michel and Judge Kathleen O'Malley. Our board also includes two distinguished public servants: Lamar Smith, former U.S. Representative for Texas's 21st congressional district and Chairman of the full body of this Committee, and Gary Locke, former Governor of Washington, U.S. Secretary of Commerce, and U.S. Ambassador to China under President Obama.

C4IP recognizes and appreciates lawmakers' good intentions behind the proposed state-level moratorium on AI regulation debated over the summer during consideration of H.R. 1 in the Senate, as well as behind variations that have been

circulating ever since.¹ Artificial intelligence promises to be a transformative technology, and lawmakers worry that a patchwork of state regulations will impede the industry's growth—with negative consequences for America's economic vitality and national security.

However, C4IP fears that despite these good intentions, a moratorium threatens to do more harm than good. States are the 'laboratories of democracy,' as Supreme Court Justice Louis Brandeis famously noted. It is now more important than ever to welcome ideas on how to responsibly promote *both* the continued flourishing of human ingenuity and of AI rather than considering these two objectives to be a zero-sum game.

State-level regulatory frameworks have historically added important protections to intellectual property rights and consumer interests. State-level regulatory frameworks for name, image, and likeness (NIL) and other forms of IP not only protect individuals' rights but also help promote trust in AI by providing legal remedies for the ongoing problems caused by malicious deepfakes and commercial exploitation of individuals' NIL or creative works, among other problems.²

Foreclosing opportunities at the state level to protect creators and consumers would be a significant loss to the United States. In addition, singling out one specific technology for disparate treatment would set a dangerous precedent for other new inventions and technologies in the future.

¹ C4IP released a statement at that time opposing that amendment. *Council for Innovation Promotion Cautions Congress Against a Moratorium on State-Level AI Regulations* (June 30, 2025), <https://c4ip.org/c4ip-cautions-congress-against-a-moratorium-on-state-level-ai-regulations/>; see also Eileen McDermott, *Moratorium on State AI Regulation Scrapped in Senate Version of Trump's 'Big Beautiful Bill'*, IPWatchdog (July 1, 2025), <https://ipwatchdog.com/2025/07/01/moratorium-state-ai-regulation-scrapped-senate-version-trumps-big-beautiful-bill/id=189936/>.

² See, e.g., Kaitlyn Huamani, *Voice clones pose an 'existential crisis' for actors: 'It's a violation of our humanity'*, Los Angeles Times (Mar. 24, 2025), <https://www.latimes.com/entertainment-arts/story/2025-03-24/ai-voice-clones-replication-voice-actors-job-loss-siri-tiktok>; Laim Quinn, *L.A. Woman Loses Life Savings After Scammers Use AI to Pose as General Hospital Star, Says Family*, People (Aug. 29, 2025), <https://people.com/woman-loses-life-savings-after-scammers-use-ai-to-pose-as-general-hospital-star-11800052>; Derrick Bryson Taylor, *Tom Hanks Warns of Dental Ad Using A.I. Version of Him*, New York Times (Oct. 2, 2023), <https://www.nytimes.com/2023/10/02/technology/tom-hanks-ai-dental-video.html>; Joe Coscarelli, *An A.I. Hit of Fake 'Drake' and 'The Weeknd' Rattles the Music World*, New York Times (Apr. 19, 2023), <https://www.nytimes.com/2023/04/19/arts/music/ai-drake-the-weeknd-fake.html>.

In sum, such a type of moratorium will be harmful to intellectual property. As a result, C4IP will score any bills incorporating such a moratorium negatively in its annual Congressional Innovation Scorecard.

AI tools and platforms come with enormous potential—but also real risks. We urge Congress to continue to reject such blanket prohibitions and protect states' ability to craft thoughtful, responsible AI policy that can help inform eventual federal legislation.

We hope this hearing will provide an opportunity for further exploration of this important topic and help illuminate C4IP's concerns about prospectively tying states' hands in the face of the many challenges posed by AI. We would be happy to provide any further input or assistance that may be needed to the Committee as it considers this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Cullen", is positioned above the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Frank Cullen
Executive Director
Council for Innovation Promotion (C4IP)