



The California-Washington tech fight heats up

In DC, Republican lawmakers and officials — all in on AI — warn that Sacramento could derail America’s tech hopes

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Republicans in Washington see one big obstacle to President Donald Trump’s efforts to hit the accelerator on the American artificial intelligence industry: California.

“We don’t want California to set the rules for AI across the country,” White House AI adviser Sriram Krishnan said on Tuesday.

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Texas Sen. Ted Cruz, who’s been pushing a bill that would stop state AI laws in their tracks, also sees California as a drag on America’s global ambitions for the fast-moving technology.

“I would just ask, do you want California and New York — not just states, but do you want [Los Angeles Mayor] Karen Bass and [New York City mayoral

candidate Zohran] Mamdani setting the rules for AI?” asked Cruz. “Because that’s who’s going to be regulating, is far-left-wing governors and mayors. California is already trying to do so.”

The Washington-California argument was a powerful thread running through POLITICO’s [AI and Tech Summit](#) on Tuesday, where Republican politicians and regulators repeatedly claimed that California is poised to block U.S. progress on AI and thwart global competition with China.

Federal Communications Commission Chair Brendan Carr said the FCC has the tools and authority to push back on certain state laws. Asked if he had any states in his sights, he promptly named California and New York.

GOP tech leaders’ hostility to the home of Silicon Valley might seem surprising to anyone who has followed the explosive growth of the tech industry — or, indeed, the central role Californian investors and tech executives have played in crafting Trump’s AI policy.

But California’s state legislators are decidedly less friendly towards the tech sector. The state has already passed some of the nation’s toughest AI laws, and Democratic Gov. Gavin Newsom is set to decide on another [closely watched AI transparency measure](#) from state Sen. Scott Wiener this fall.

Wiener said Washington’s inaction set the table for California to step up. “The federal government has given no indication of interest in regulating AI in any way, and so we’ll handle it here in California,” the San Francisco Democrat told POLITICO.

Although other states are also working on AI laws, the breadth and scope of Sacramento’s new rules [has spooked the tech lobby](#), and provided a familiar foil for lawmakers like Cruz, who continues to press for a federal moratorium on state AI rules.

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As chair of the powerful Senate Commerce Committee, Cruz led an effort to shoehorn a 10-year ban on state AI laws into this summer’s GOP megabill. The plan [ultimately backfired](#), with the Senate voting 99-1 to strip the provision from the final package.

But on Tuesday, Cruz said the push to preempt state AI laws is “not at all dead,” and that he’s “working very closely” with the White House to revive the effort.

“What sense does it make to have 50 states all issuing different and contradictory regulatory and legal frameworks for AI?” Cruz asked.

Throughout Tuesday’s summit, Cruz and other Republicans sought to portray California’s recent actions as damaging to America’s AI dominance. Many of the leading AI labs are based in the state, and the GOP worries that new rules will hinder both innovation and adoption of the technology.

In a statement, Newsom spokesperson Tara Gallegos said Cruz “doesn’t know what he is talking about.”

“No state has done more to advance technology and AI than California,” Gallegos told POLITICO. “Republicans continue to bring up California as a benchmark because California has set the standard, and it is excellent. Maybe someday they can catch up.”

In a separate statement, California state Sen. Steve Padilla, who authored legislation this year proposing new chatbot guardrails aimed at addressing suicidal behavior, said Cruz “would leave us at the mercy of Big Tech.”

California’s relationship with the AI industry is not as adversarial as Republicans suggest. For one thing, Gov. Gavin Newsom has embraced the technology as an efficiency tool. In April, he bragged that California’s AI projects — designed to curb highway congestion, streamline DMV operations and improve tax services — [are “DOGE but better.”](#)

That same month, [Newsom teamed up with Bass](#) to announce an AI-powered software aimed at accelerating rebuilding permit approvals in Los Angeles following destructive fires. And last year, at the behest of the tech lobby, the governor [vetoed a bill](#) from state Sen. Wiener that would have imposed strict safety rules on leading AI labs.

That hasn’t stopped Republicans from using California as a cautionary tale about tech regulation writ large.

At Tuesday’s summit, Carr took aim at California’s telecom regulations, which he said “[tend] to be much more heavy-handed” and “harmful for investment.” The FCC chair said his agency will “look at” preempting “state local and state regulations that are going to get in the way of modernizing networks.”

While the FCC may have the legal authority to nix California’s telecom laws, Republicans like Cruz will have to go through Congress to stop states from legislating on AI. He will ultimately need to convince some Democratic senators that a state AI moratorium is the way to go — and on Tuesday, Minnesota Sen. Amy Klobuchar said she won’t back such a proposal until Congress creates “some federal laws that have teeth and are meaningful.”

“We are not near doing that right now,” Klobuchar added.

*Chase DiFelicianantonio contributed to this report.*

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