1919 S. Eads St.
Arlington, VA 22202
703-907-7600
CTA.tech

April 2, 2025

The Honorable Jim Jordan
Rayburn House Office Building
Washington, DC 20515

The Honorable Jamie Raskin
Rayburn House Office Building
Washington, DC 20515

The Honorable Scott Fitzgerald
Rayburn House Office Building
Washington, DC 20515

The Honorable Jerry Nadler
Rayburn House Office Building
Washington, DC 20515

Dear Chair Jordan, Ranking Member Raskin, Chair Fitzgerald, and Ranking Member Nadler,

On behalf of the Consumer Technology Association (CTA ®), thank you for considering this statement as part of the House Judiciary Committee's Subcommittee on the Administrative State, Regulatory Reform, and Antitrust Hearing on "*Artificial Intelligence: Examining Trends in Innovation and Competition*." We commend the Subcommittee's attention to the competitive landscape of artificial intelligence (AI) and its key role in driving innovation, economic growth, and America's global leadership in emerging technologies.

CTA represents the $535 billion U.S. consumer technology industry, supporting more than 18 million U.S. jobs. Our more than 1200 member companies span the full breadth of the industry - including manufacturers, distributors, developers, retailers, and integrators, with small and mid-sized companies comprising 80 percent of our membership. CTA also owns and produces CES®—the most powerful tech event in the world.

Congress can and should define the national interest in AI; this technology will spur innovation across industries and determine our economic success. CTA members are at the forefront of AI, driving economic growth, and striving for American AI success.

Ensuring a Competitive AI Market

The U.S. AI ecosystem is vibrant and competitive due to a unique combination of world-class research institutions, a deep pool of engineering and entrepreneurial talent, robust venture capital investment, and a can-do culture that rewards risk-taking and innovation. Thousands of companies ranging from startups to household names are pushing the boundaries of what AI can do—spanning fields like generative AI, robotics, biotech, and autonomous systems.

But American success is not guaranteed. The recent emergence of China's DeepSeek, an advanced AI platform that competes with some of the best models from U.S. firms, proves that the U.S. does not have a monopoly on AI innovation. Competition in AI is real and growing. DeepSeek's capabilities show that other nations are making strides—investing heavily in talent, infrastructure, and research to build their own world-class AI ecosystems. This global race highlights the importance of maintaining an open, pro-innovation environment in the U.S. to ensure continued leadership in this critical domain.

A robust and competitive AI ecosystem requires that entrepreneurs of any size can access, develop, deploy and scale AI technologies. This means we need access to talent, computing power, high-quality data, and investment in research, and development. The higher the barriers for access by smaller companies to these resources, the less innovation will occur. Government can and should encourage open and interoperable AI architectures and prevent unnecessary barriers to entry that stifle competition and limit sources of innovation.

AI Policy Must Be Set at The Federal Level

Without clear federal leadership, the U.S. risks a fragmented AI regulatory landscape. A patchwork of state and local AI rules will create uncertainty, increase compliance costs—especially for smaller firms—discourage new market entry and undermine national competitiveness.

We urge Congress to establish a risk-based, sector-specific federal framework for AI governance that preempts conflicting state and local mandates. We need a cohesive national strategy to maintain America's leadership in AI innovation while safeguarding the public interest.

Harnessing Industry Standards to Foster Responsible Growth

Rather than reinventing the wheel, we urge Congress to rely on existing industry standards and voluntary frameworks that already support responsible AI innovation.

CTA has developed two key AI standards to guide responsible AI development: AI developers:

- ANSI/CTA-2096: Guidelines for Developing Trustworthy AI Systems – This standard provides a structured approach for companies to design AI systems emphasizing transparency, accountability, and fairness.

- ANSI/CTA-2125: Best Practices and Recommendations for Information Disclosure – This standard outlines recommendations for clear and effective disclosure practices to enhance trust and user understanding of AI systems.

These voluntary standards allow companies to innovate responsibly while reinforcing public trust in AI technologies and avoid rigid mandates that hinder innovation.
We urge policymakers to use and support such frameworks as models for effective AI governance.

Strengthening AI Infrastructure Growth Through Public-Private Collaboration

We need public-private collaboration to advance AI research, workforce development, and technical standards. The successful examples of US leadership on HDTV and the Internet reinforce the strength of US industry and government can work together towards clearly defined shared national goals. If industry and regulators cooperate and encourage and facilitate the progress in AI and the necessary infrastructure the US can and will succeed with AI. This includes developing governance frameworks that encourage responsible AI deployment while maintaining our competitive edge.

To further bolster U.S. leadership in AI, we need to prioritize infrastructure development. This means expanding domestic chip production and data center capacity. It means we need the computing power to innovate and compete globally. It means leadership in AI safety and autonomous vehicle (AV) applications. And it means energy policies must align with AI's increasing demands, ensuring sustainable and efficient power solutions to support the next generation of AI technologies.

Maintaining U.S. Leadership in AI Globally

It also means we must not allow any special interest to put a chokehold on our rapid and beneficial use of AI. For example, AI requires access to factual information just as libraries and then the Internet previously gave researchers access to troves of copyrighted information , AI systems rely on publicly available data—including research literature—to train models and improve performance. We urge Congress to follow the 1985 Supreme

Court precedence in the Sony Betamax case holding that fair use serves important societal purposes and allows access and even helpful reproduction of copyrighted works. Congress could create, a clear opt-out mechanism for rights holders balancing protecting intellectual property and enabling AI progress, But Congress should do so cautiously, lest it handcuff progress in “Science and the useful arts”.

More, national security must always be a federal government priority. Thus export policies must safeguard national security without inadvertently stifling innovation or pushing it offshore. Overly restrictive controls—especially those not aligned with our allies—may harm U.S. companies and benefit foreign competitors. We recommend a calibrated approach that preserves U.S. competitiveness in the global AI marketplace.

Conclusion

AI is a transformative technology. We need a competitive, innovation-driven AI ecosystem is to maintain America's economic strength and technological leadership. CTA urges Congress to advance policies that support AI innovation, competition, and responsible growth.

We appreciate the Subcommittee’s attention to these issues and offer to work with policymakers to advance policies securing America’s AI leadership.

Sincerely,

Gary Shapiro
CEO and Vice Chair
Consumer Technology Association

Kinsey Fabrizio
President
Consumer Technology Association