August 30, 2024

The Honorable Gavin Newsom
Governor of California
State Capitol
1303 10th Street, Suite 1173
Sacramento, CA 95814

Re: SB 1047, *Safe and Secure Innovation for Frontier Artificial Intelligence Models Act*

Dear Governor Newsom:

On behalf of the undersigned organizations, we write to urge you to veto SB 1047, the Safe and Secure Innovation for Frontier Artificial Intelligence Models Act. While well intentioned, we are concerned that SB 1047 proposes requirements that would fundamentally undermine innovation, hurt the California economy, and weaken U.S. national security.

Our organizations, representing thousands of companies across the technology and information sectors including small businesses and startups, have long supported guardrails around AI to mitigate risks and advance responsible development that addresses societal needs. Indeed, we remain optimistic that policymakers in California and in the federal government are moving towards solutions that help to achieve this objective while also supporting the innovation that has made California – and the United States – the global leader in AI. Unfortunately, we remain deeply concerned with the approach taken SB 1047, and we urge you to veto this bill. Not only would it drastically alter California's innovation economy and initiate a negative downstream effect on consumers, but SB 1047 is simply the wrong way to approach the broader challenges around AI, where federally coordinated efforts should remain the backbone.

Although SB 1047 purports to advance the safety of frontier AI models, in practice it is likely to have the opposite effect by restricting the development of AI tools designed for safety as well as red teaming, and by directing users to less safe foreign models. At a high level, the bill rests on an assumption that AI developers can assure the safety of their models if faced with the specter of legal liability. This, in turn, assumes that standards exist to measure the risk of malicious activity, misuse, and error that may be associated with frontier models. That is simply not the case. Instead of targeting malicious actors or focusing on ways to reduce the incidence of intentional or inadvertent harmful effects of AI tools, SB 1047 would force those at the forefront of AI innovation to attempt the impossible: to anticipate and mitigate every way that their models could be misused in the future. Placing the onus on well-intentioned developers — not

bad actors themselves — is not only a flawed enforcement regime. It would effectively prohibit developers from releasing adaptable AI models, where adaptability is the purpose and promise of AI for both California consumers and the California economy. [One commentator](#) has described the bill as "an industry-wide consent order enacted on the presumption that the industry is already guilty." We concur.

AI safety is a critical issue for policymakers at all levels of government. The federal government is already coordinating with industry and other stakeholders on an approach that is intended to provide uniformity across the nation. Leading AI firms are working closely with the AI Safety Institute within the National Institute for Standards and Technology (NIST) to advance the safety of frontier models. This is a sensible way to advance frontier model safety as measurement science and the development of metrics remain in their infancy. Leveraging the NIST AI Safety Institute to build out standards and convene the experts and compute resources necessary to evaluate AI safety will ensure a consistent approach to U.S. frontier model development that does not hinder continued innovation without tapping into budget limitations of states like California.

There are many reasons that California has, for decades, served as a global leader in technology. One of them is the reasonable approach that California has taken to legislation, one that has allowed innovation to flourish. Enacting SB 1047 will inevitably lead innovators to consider doing business elsewhere. And if this does not come to pass, U.S. innovators would struggle to maintain their edge internationally as they face the perpetually uncertain liability imposed by SB 1047. This is a concern that has also been [raised](#) by several members of Congress from California, who are rightly concerned about the impact this will have on the state's startup community, scientific development, and the trajectory of further protections against the potential harms posed by AI.

Thank you for considering our views. We look forward to continued engagement and would be happy to discuss any of these issues further with you.

Respectfully submitted,

Software & Information Industry Association (SIIA)

Consumer Technology Association (CTA)