Before the
Office of Science and Technology Policy
Washington, DC

In re	
REQUEST FOR INFORMATION; REGULATORY REFORM ON ARTIFICIAL INTELLIGENCE	Docket No. OSTP–TECH–2025–0067

COMMENTS OF
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION

The Computer & Communications Industry Association (CCIA)[1] submits the following comments in response to the Office of Science and Technology Policy's September 26, 2025, Request for Information.[2]

CCIA members are at the forefront of research and development in technological fields such as artificial intelligence (AI) and machine learning, semiconductor manufacturing, and other computer-related inventions. Many of the key innovations in modern artificial intelligence have stemmed from research done by CCIA members, including the original development of transformer models by Google and the development and open-sourcing of frameworks for deep learning such as Meta's PyTorch and Google's TensorFlow. A regulatory environment that enables continued development of these innovations is essential to the continued development of artificial intelligence in the United States.

[1] CCIA is an international, not-for-profit trade association representing a broad cross section of communications and technology firms. For more than 50 years, CCIA has promoted open markets, open systems, and open networks. CCIA members employ more than 1.6 million workers, invest more than $100 billion in research and development, and contribute trillions of dollars in productivity to the global economy. A list of CCIA members is available online at https://www.ccianet.org/about/members.
[2] 90 Fed. Reg. 46422 (Sept. 26, 2025).

AI models do not operate in a vacuum and a wide variety of entities use these models in a vast range of applications. Because of this, a deliberate and balanced approach to regulation is necessary to both harness the benefits of AI technologies and mitigate its potential risks. As CCIA has documented in related filings to the U.S. Government, including to the National Institute of Standards and Technology,[3] Department of Justice,[4] the U.S. Patent and Trademark Office,[5] and the U.S. Copyright Office,[6] these varied use cases necessitate careful consideration of federal regulations, particularly when examining AI as a rapidly evolving technology that builds upon other technologies. Blanket strategies run the risk of hindering the development of new forms of AI.[7]

Critically, existing laws can address most aspects of AI, particularly aspects that are not unique to AI technology. These issues, such as discrimination or consumer safety, recur in many different industries. Allowing existing laws to cover AI where relevant, as well as identifying the limited instances where AI technologies introduce unique challenges, creates a predictable and stable environment where innovation can thrive and benefit Americans. Because of this, CCIA warns against overly prescriptive approaches and emphasizes the need for clear guidelines that

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[3] *See, e.g.*, CCIA Comments *in re* NIST's Assignments Under Sections 4.1, 4.5 and 11 of the Executive Order Concerning Artificial Intelligence (Sections 4.1, 4.5, and 11) (Feb. 2024), https://ccianet.org/wp-content/uploads/2024/02/ARTIFICIAL-INTELLIGENCE-CCIA-Comments-to-NIST-on-AI-RFI.pdf.

[4] *See, e.g.*, CCIA Comments *in re* Competition in Artificial Intelligence (July 15, 2024), https://www.justice.gov/atr/media/1361156/dl.

[5] *See, e.g.*, CCIA Comments *in re* the Impact of the Proliferation of Artificial Intelligence on Prior Art, the Knowledge of a Person Having Ordinary Skill in the Art, and Determinations of Patentability Made in View of the Foregoing (July 29, 2024), https://ccianet.org/wp-content/uploads/2024/07/USPTO-CCIA-Comments-on-the-Impact-of-AI-on-Prior-Art-and-the-PHOSITA-PTO-P-2023-00004.pdf; *cf.* Testimony of Joshua Landau to the House Judiciary Committee, Subcommittee on Intellectual Property, "*Hearing on Artificial Intelligence and Intellectual Property, Part III - IP Protection for AI-Assisted Inventions and Creative Works*" (Apr. 10, 2024), https://judiciary.house.gov/sites/evo-subsites/republicans-judiciary.house.gov/files/evo-media-document/Landau%20Testimony.pdf.

[6] *See, e.g.*, CCIA Comments *in re* Artificial Intelligence and Copyright (Dec. 2023), https://ccianet.org/wp-content/uploads/2023/12/Comments-to-Copyright-Office-on-AI.pdf.

[7] *See generally* CCIA, *Understanding AI: A Guide to Sensible Governance* (June 2023), https://ccianet.org/library/understanding-ai-guide-to-sensible-governance/.

address specific issues, including those related to privacy or accountability. As the landscape of AI continues to rapidly advance, OSTP must consider where regulation is actually required and create thoughtful, adaptable regulation in those arenas, while applying a light touch approach to the many areas where AI shares common considerations with other industries.

I. Specific Regulations, Proposed Regulations, and Laws

At present, we have not identified specific regulations that are already in effect that have negative impacts on AI development. However, a number of proposed regulations at the federal level, as well as numerous proposed state laws, present reason for concern.

A. Trade

As examples in the context of trade, there is a forthcoming BIS OICTS Import Control that would affect data center inputs. Should this be scoped improperly, it could make the construction of U.S. data centers more costly and difficult, leading to reduced AI development in the U.S. and transferring some of that research and development work overseas. Similar issues arise from proposed legislation such as the Remote Access Act, GAIN AI Act, and the Chip Security Act. Each of these would impact U.S. firms; whether, as with Remote Access, by reducing the ability to lease compute power or, as with GAIN AI and CSA, by reducing availability and increasing cost of the chips used to train AI models. Because these are not currently in effect, they do not impose any burdens on AI developers. However, in order to avoid harm to American AI, these regulations and statutes should be carefully examined to minimize their potential harm to AI technology.

B. Privacy

Regarding privacy laws that impact AI, we have identified no federal law that has such impacts. However, there are other considerations. Internationally, for example, GDPR Article 22 can be applied in such a way as to make AI improvement to processes that involve individuals

far more difficult to operate. Because Article 22 allows individuals to opt-out of automated processing in all decision-making circumstances, the efficiency gains from automation are reduced and thus the benefit of AI; this, in turn, reduces the market for American AI products in Europe.

C. State Level Actions

During the past legislative session, CCIA tracked more than 1,100 proposed state AI laws, nearly 200 of which ultimately passed.[8] While widely varying in effects, the most significant impact is simply in the ongoing creation of a regulatory patchwork. The more distinct legal regimes AI developers have to operate within, the higher the cost of doing so. This creates a barrier to entry for new AI firms and increases compliance costs for pre-existing firms, taking away resources from developing the technology.

While the patchwork compliance quilt is the most significant state-level impact, some state laws are being passed which will themselves have significant impacts on AI development and existing state laws are being applied to AI in potentially disruptive ways. The California Privacy Protection Agency (CPPA) recently issued regulations[9] that provide a similar right to the GDPR Article 22 opt-out in the context of "significant" decisions. While disruptive, even more disruptive regulations have been considered—in an earlier draft,[10] ultimately not adopted, CPPA required risk assessments for all AI training. In the final regulation, this was reduced to the more reasonable requirement of risk assessments only for systems that make significant decisions about a consumer, but the potential for disruptive regulation exists.

[8] While CCIA has attempted to track all such proposed legislation, our list may not be complete and the total number of both proposed laws and passed laws may be higher.
[9] https://cppa.ca.gov/regulations/pdf/ccpa_updates_cyber_risk_admt_appr_text.pdf
[10] https://cppa.ca.gov/regulations/pdf/ccpa_updates_cyber_risk_admt_ins_text.pdf

In order to avoid this negative outcome, CCIA strongly urges the Administration to work with Congress on legislation at least partially preempting state AI regulation. In areas in which preemption exists, it is critical that it fully preempt states from acting. A federal law that provides a floor below which states cannot go, but no ceiling above, will ultimately result in just the type of regulatory morass that preemption seeks to avoid.

II. Copyright and Fair Use

The regulations discussed above are regulations whose presence may damage AI development. But in the realm of copyright, the regulation in question is essential to keep. Fair use, codified at 17 U.S.C. § 107, is foundational to the ability to create AI models at all.[11] With respect to copyright law, rather than eliminating existing regulations, it is critical that the Administration stand behind the uniquely American principle of fair use. As AI Czar David Sacks put it, "[t]here must be a fair use concept for training data or models would be crippled."[12]

This is because—as accurately stated by President Trump—"[y]ou can't be expected to have a successful AI program when every single article, book, or anything else that you've read or studied, you're supposed to pay for. It's not doable."[13] Under U.S. copyright law, every work of even minimal creativity is automatically protected by copyright at the moment it is fixed in tangible form. Every such email, every text, every YouTube video, every tweet receives copyright protection at the time it is first made. Given the immense scale of data required to train modern foundation models, a requirement that each and every piece be licensed in order to

[11] Cameron Miller et al., *The Economic Importance of Fair Use for the Development of Generative Artificial Intelligence*, Data Catalyst Institute (June 2025), https://ccianet.org/research/case-studies/economic-importance-of-fair-use-for-development-of-generative-artificial-intelligence/.
[12] David Sacks, @davidsacks on X (Jun. 24, 2025), https://x.com/DavidSacks/status/1937558998166954092.
[13] Mohar Chatterjee, *Politico*, "Trump derides copyright and state rules in AI Action Plan launch" (Jul. 23, 2025), https://www.politico.com/news/2025/07/23/trump-derides-copyright-and-state-regs-in-ai-action-plan-launch-00472443.

conduct training is not only impractical, but often impossible. Some works may be orphan works and have unclear rights such as after the author passed away without a clear estate; in some cases, the author will be impossible to identify to even reach to request permission.

And even if each and every author could be reached, the scale of works required as inputs to create foundation models—billions if not trillions of individual works—would impose crippling financial burdens on AI model developers if a copyright license were required for each one. Even if a statutory rate of $0.001 per work were imposed—a tenth of a cent for *Great Expectations*, a tenth of a cent for Van Gogh's oeuvre, a tenth of a cent even for this comment—that alone places the cost of licensing at tens or hundreds of millions of dollars. And the end result would help no one, with the value of the statutory license consumed in the cost of administering it.

When considering regulations that may block AI development, it is equally important to acknowledge those keystone laws and regulations which would block AI development if they were removed. Fair use is just such an area of law.

III. Breadth of AI Policy and Regulatory Reassessment

Artificial intelligence is already affecting a wide array of economic sectors and is likely to continue to expand to further sectors. And the technology behind artificial intelligence continues to develop rapidly, presenting ever-changing considerations for regulation. A regulation written to address the issues raised by deep learning-based image generation models like Deep Dream might apply poorly to diffusion-based image generation models such as DALL-E, even though the two techniques were released only six years apart from one another. Similar problems can be seen by comparing early transformer LLMs such as the GPT-1 to current models such as Gemini. Given the generally slow pace of regulatory change compared to the

speed with which artificial intelligence systems are developing, it is difficult at best to predict both where the technology might go and what the issues it creates will be.

While issues that currently block or delay artificial intelligence development may be able to be identified with a reasonable amount of effort, it is difficult to predict what regulations will create future impediments to AI development. Addressing known unknowns is relatively easy; ensuring that unknown unknowns are addressed will be harder.

One difficulty, especially given the breadth of areas that AI policy may impact, is that the United States lacks any process for reviewing regulations after passage. Industrial quality standards like ISO 9000 often include a requirement, or at least strong suggestion, that the operator engage in a continual review and assessment process to verify that the system is working as it is supposed to.[14] No equivalent exists—while the U.S. government studies issues and then creates a regulation, and may engage in piecemeal review of particular regulations or employ sunsets, these gross mechanisms generally do not support continuous improvement; there is no explicit requirement for an after-the-fact check to ensure that any given regulation is having its intended effects.

As AI continues to create new opportunities and considerations, more and more regulations will emerge as potential blockers to development. An "ISO 9000 for Regulation" would help ensure that regulations are regularly examined to ensure their success in achieving the original goals of the regulation. That, in turn, would help the long-term development of AI by ensuring that not just regulations currently interfering with AI development, but also regulations that are not currently interfering but might in the future, are reviewed. This does not mean that any regulation that has a negative impact on AI must be removed—a minor negative

[14] ISO, ISO 9001:2015 § 10.3 (2015) ("Continual improvement").

impact on AI would not justify overturning a regulation with significant positive impact overall. But, at a minimum, an ongoing process to perform this type of cost-benefit analysis would provide future certainty for AI development even if we do not currently know what regulations will need to be addressed in the future.

IV. Conclusion

CCIA appreciates the opportunity to comment on these critical issues and would be happy to assist OSTP with any further requests for information.

Respectfully submitted,

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