February 13, 2026

House Committee on Communications, Technology and Innovation
Room C-206
1000 Bank Street
Richmond, VA 23219

Re: HB 713 - Fostering Access, Innovation, and Responsibility in Artificial Intelligence Act (Oppose)

Dear Chair Glass and Members of the Communications, Technology, and Innovation Committee:

On behalf of the Computer & Communications Industry Association (CCIA), I write to respectfully oppose HB 713. CCIA is an international, not-for-profit trade association representing a broad cross-section of communications and technology firms.[1] Therefore, proposed regulations on the interstate provision of digital services can have a significant impact on our members.

In the rapidly advancing landscape of AI, responsible development and deployment are paramount. However, it is crucial to strike a balance between regulation and flexibility, avoiding overly prescriptive laws that may stifle the development of the next generation of AI technologies.

HB 713 would impose an expansive and fragmented regulatory regime that risks chilling innovation and placing Virginia significantly out of step with recommended federal and international approaches to artificial intelligence governance.[2] Without amendments, the bill raises serious concerns for innovation and competitiveness.

HB 713 contains overly broad disclosure requirements and a vague enforcement scope.

The bill mandates disclosures that are extremely broad in scope, including model names, the developer, training data and other technical information. Because of this, HB 713 would expose development strategies and trade secrets, potentially allowing competitors to gain an unfair market advantage with proprietary information. When considering transparency obligations, the Assembly must avoid any mandatory disclosures related to training content that would compel companies to reveal confidential business information or trade secrets.

The enforcement fund proposed in the bill is allegedly intended to address harms related to "AI system misuse, bias, and workforce disruption." However, the term "workforce disruption" is not defined and could encompass innovation from technological advancement or even

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[1] 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 at https://www.ccianet.org/members.
[2] CCIA, *Understanding AI: A Guide To Sensible Governance* (June 2023), https://ccianet.org/library/understanding-ai-guide-to-sensible-governance/.

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efficiency improvements, creating uncertainty about what would constitute a violation. In reality, such distinctions are rarely clear, as business decisions are often multi-factor and rarely attributable to a single cause. Attempting to prove that a reduction in force occurred *because of* AI rather than market conditions or restructuring invites confusion, litigation, and subjective enforcement while providing little meaningful benefit to displaced workers. This vague language could deter legitimate AI deployment and penalize standard business practices from technology companies. Any enforcement should be limited only to demonstrable consumer harm with clear legal standards.

The enormous increases in productivity, real wages, and GDP per capita from the pre-industrial era to today are primarily attributable to the development of new automation-enhancing technologies and their deployment across the economy. Singling out automation-enhancing technology risks treating innovation as something to be punished, rather than encouraged. Technological change resulting in increased automation has reshaped society through the creation of new roles, higher productivity gains, and rising living standards across the economy.[3] The bill also eliminates the ability of developers and deployers to claim that harm was caused by an AI system as a defense in civil or criminal actions. This would impose strict liability for harms caused by AI, regardless of fault. AI policy must instead be balanced, flexible, and grounded in a clear understanding of the distinct roles played by developers, deployers, and users.

HB 713 risks premature state action, creating a fragmented regulatory environment.

The bill would also contribute to a proliferation of state artificial intelligence laws that impose inconsistent and potentially conflicting obligations on interstate digital services. Artificial intelligence systems are developed, trained, and deployed on a national and global scale. Prescriptive state-level mandates risk becoming outdated quickly, complicating compliance, and discouraging investment in jurisdictions that adopt rigid or punitive frameworks.

Also, the bill's effective date of July 1, 2027 only allows 18 months for compliance. Developing disclosure processes, protecting trade secrets, meeting obligations, and establishing internal safeguards require substantial legal and technical effort. The effective date should be extended to allow for thoughtful and careful implementation, as a rushed timeline could lead to over-disclosure and inadvertent non-compliance.

Existing laws already address many aspects of AI, including in high-risk scenarios.

Despite the ongoing trend of AI-specific legislation, it is important to recognize that many of the risks commonly associated with AI are already addressed through existing federal and state frameworks. AI does not operate in a legal vacuum but rather, it is a tool used within regulated markets that are already governed by long-standing consumer protection, civil rights, privacy, and other product liability laws. Ahead of proposing such laws, policymakers must consider what laws AI systems are already covered by. It is important to build upon existing

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[3] Trevor Wagener, *AI Is an Economic Engine Propelling Productivity and Wages Up, and Prices Down*, CCIA (Oct. 5, 2025), https://ccianet.org/articles/ai-is-an-economic-engine-propelling-productivity-and-wages-up-and-prices-down/.

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legal protections and focus narrowly on clearly defined gaps where demonstrable harms are not yet addressed. A balanced approach that does not layer expansive new liability regimes on AI developers will better protect consumers and preserve the innovation ecosystem. State efforts reflect a broader approach by the state that is overly rigid, insufficiently risk-based, and disconnected from the realities of the AI ecosystem.

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For these reasons, CCIA respectfully opposes HB 713 and urges the Committee to reject the bill. We appreciate consideration of these comments and stand ready to provide additional information as the Assembly considers proposals related to technology policy.

Sincerely,

Tom Mann
State Policy Manager, South
Computer & Communications Industry Association