

Senate Subcommittee Leaders Hold Hearing on Proposed Bipartisan Framework for U.S. AI Act

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On 12 September 2023, the U.S. Senate Subcommittee on Privacy, Technology, and the Law conducted a hearing titled ***Oversight of AI: Legislating on Artificial Intelligence***.

The hearing – which was held by Senators Richard Blumenthal (Democrat, Connecticut) and Josh Hawley (Republican, Missouri), Chair and Ranking Member of the Subcommittee – follows hearings in May and July dubbed *Oversight of AI: Rules for Artificial Intelligence* and *Oversight of AI: Principles for Regulation* respectively.

The hearing comes at a critical moment in the U.S. as Congress accelerates its attempts to catch up with advances in AI, with the senators having announced on 7 September, a **bipartisan legislative framework** to establish guardrails for AI.

As Senator Blumenthal previously declared, “This bipartisan framework is a milestone — the first tough, comprehensive legislative blueprint for real, enforceable AI protections.”

During the hearing, Blumenthal stated the possibility of regulation being achieved by the end of the year.

Taking a **risk-based approach** meant to encourage U.S. free enterprise and protect and benefit the American people, the framework touches upon five key areas:

- **Establish a Licensing Regime Administered by an Independent Oversight Body:** Developers of sophisticated general-purpose AI models (e.g., GPT-4) or models used in high-risk contexts must register with an independent oversight body created with the capability to assess AI, work with other government agencies and have the authority to audit companies seeking licenses.
- **Ensure Legal Accountability for Harms:** Companies developing AI can be held liable through oversight body enforcement and private rights of action when their models and systems cause harm through, for example, a breach of privacy or violation of civil rights.
- **Defend National Security and International Competition:** Congress must use legal restrictions like export controls and sanctions to limit the transfer of advanced AI systems and their use by U.S. adversaries to interfere in elections, destabilize critical infrastructure, violate human rights, etc.
- **Promote Transparency:** AI developers and deployers must adhere to responsibility requirements relating to the transparency of their systems through disclosure statements about the AI system’s training data, capabilities, and limitations, watermarking of AI-generated content, and provenance of authentication and tracking systems, among other measures.
- **Protect Consumers and Kids:** AI developers must implement safety and security architectures within their systems, with strict limits like age authentication requirements for systems used by children.

All five areas were covered during the hearing, with responses to senators’ questions by witness testimony from William Dally (NVIDIA), Woodrow Hartzog (Boston University School of Law), and Brad Smith (Microsoft).

Other issues considered included the need for effective enforcement of the above safeguards along with international coordination and how to ensure the proper protection against election interference, surveillance, and job displacement.

Regulatory compliance in the US and beyond.

Around the world, major jurisdictions are scrambling to regulate AI.

Notably, the European Union has proposed the sweeping **AI Act**, which is now in the final stage of the lawmaking process. Now, Senators Hawley and Blumenthal want to usher in an AI framework in the U.S.

This new dawn for AI regulation brings with it fresh compliance requirements for companies using AI in their business.

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