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Re: SB 1047 (Safe and Secure Innovation for Frontier AI Models Act)

April 2, 2024

The Honorable Thomas Umberg
Chair, Senate Judiciary Committee
1021 O Street, Suite 6530
Sacramento, CA

Good afternoon, Chair Umberg, and members of the committee,

I'm Jess Miers, Senior Counsel at Chamber of Progress, where we advocate for technological innovation to benefit Americans. Today, we address our significant concerns with Senate Bill 1047, the Safe and Secure Innovation for Frontier AI Models Act. This legislation threatens to stifle competition and slow innovation in a state known for its technological leadership. Rather than fostering California's tech ecosystem, SB 1047 represents a regressive move for the State's economy.

The bill, while raising legitimate concerns about AI development, particularly with recent advances in Generative AI, misguidedly focuses on regulating model developers instead of tackling the problematic use or specific applications of AI.

Senate Bill 1047 introduces certification requirements that are overly broad and unrealistic for practical application.

Before any development and even model training commences, the bill demands that AI developers preemptively tackle a vast array of potential hazards, including those indirectly related to their models through hypothetical third-party misuse. This means developers are expected to anticipate risks at a point when the scope of a model's capabilities and vulnerabilities is yet to be determined.

A common adage in cybersecurity, "if you build it, they will hack it," aptly applies to AI. Given the complexity and evolving nature of AI systems, it's impossible to create a system devoid of potential hazards. But especially unique to AI is the fact that some technical aspects of the decision-making process remain unknown even to the developers that created it. This inherent transparency barrier makes it nearly impossible to adequately ensure a model remains under the hazard threshold prescribed.

Alongside SB 1047's other constraints, the certification process poses a significant threat to the progression of AI technology. By potentially halting innovation, SB 1047 places the U.S. at a competitive disadvantage in the critical global technological arena.

SB 1047 stifles innovation by unfairly favoring established tech giants over emerging startups.

The bill also creates an unjustifiable divide between so-called "derivative" and "non-derivative" AI models without considering the inherent risks in all AI technologies. This distinction acts as a regulatory moat around incumbent firms, contradicting persistent efforts by this Legislature to reduce Big Tech's influence and ironically bolstering their dominance.

Competition is key to driving innovation, adaptation, and robust defenses against evolving threats. Startups are vital for injecting new ideas and challenging the status quo. Similarly, a competitive AI landscape is essential for innovation, cost reduction, and equitable benefits distribution across California, underscoring the need for legislative support that fosters diversity and innovation in AI development.

We commend your inclusion of the CalCompute cluster which would advance innovation and accelerate application development. However, we believe that the problematic aspects of this bill outweigh the benefits of CalCompute.

Generative AI stands to revolutionize education, catalyze medical advancements in previously - and tragically - treatment resistant conditions like Alzheimers. It offers California's critical creative industries new advances in scale by removing barriers to creating the next great American classic of cinema.

And with California being home to 35 of the world's top 50 AI companies and a leader in tech innovation, it is essential that its own leaders do not introduce legislation that hinders public policy and its own economy.

For these reasons we **oppose SB 1047**.