

April 8, 2024

The Honorable Rebecca Bauer-Kahan
Chair
Assembly Committee on Privacy and Consumer Protection
Room 162, Legislative Office Building
1020 N Street, Sacramento
CA 95814

Dear Chair Bauer-Kahan and members of the committee,

On behalf of Chamber of Progress, a tech industry association supporting public policies to build a more inclusive country in which all people benefit from technological leaps, we urge you to oppose AB 2013.

AB 2013 stifles competition by requiring online platforms to disclose AI data on their websites

Requiring online platforms to disclose data used to train their artificial intelligence (AI) systems and services on their website stifles competition in the digital marketplace. A healthy competition marketplace is essential to ensure better quality of services for consumers and encourages platforms to innovate. The disclosure requirement risks revealing important business information and strategies. Additionally, the inclusion of "but not be limited to" in such requirements makes the expectations placed on online platforms unclear.

AB 2013 stifles innovation with extensive disclosure requirements

Innovation thrives in an environment where experimentation is encouraged. Although transparency is important in the digital marketplace, the extensive disclosure mandates in this bill may create a deterrent effect. Instead of transparency, this bill will discourage smaller platforms from exploring new approaches. Specifically, AB 2013 would force disclosure of essential business intelligence to competitors and customers. This would stifle innovation in the

entire AI ecosystem - both at the model level and the application level - ultimately harming consumers.

For these reasons, we urge you to **oppose AB 2013**.

Sincerely,

Robert Singleton

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Director of Policy and Public Affairs, California and US West