



Committee: House Judiciary Subcommittee on Courts, Intellectual Property, Artificial Intelligence & the Internet
Event: [AI at a Crossroads: A Nationwide Strategy or Californication?](#)
Date: September 18, 2025
Time: 10:00 AM
Place: 2141 Rayburn House Office Building

Member Toplines:

*Chair Darrell Issa (R-CA-48)*¹: Issa cautioned that the U.S. could lose its competitive edge in artificial intelligence (AI) if innovation does not outpace regulation, warning that a patchwork of more than 1,000 state laws threatens certainty for the AI industry. He contrasted America's record of innovation with China's duplication efforts and Europe's regulatory framework, calling for a restrained federal framework and support for the Trump Administration's AI Action Plan to ensure U.S. leadership remains strong.

*Ranking Member Hank Johnson (D-GA-04)*²: Johnson warned that federal preemption of state AI laws could wipe out long-standing common law protections and harm consumers. He argued that common law provides a critical baseline of accountability and cautioned against a "race to the bottom" that would strip families of recourse, particularly as harms to children from AI technologies are already emerging.

*Full Committee Ranking Member Jamie Raskin (D-MD-08)*³: Raskin highlighted AI's transformative potential in science and the economy while warning of risks such as deepfakes, surveillance, and user safety. He opposed broad federal preemption, arguing that state regulations build trust, protect consumers, and support startups, and he stressed that America should compete with China by advancing strong and trustworthy AI under democratic safeguards.

Witness Toplines:

[David Bray, Distinguished Fellow and Chair, Accelerator at the Alfred Lee Loomis Innovation Council](#): Bray emphasized that U.S. AI strategy should advance reliable, trustworthy AI policy without putting too many regulations on the AI market. He highlighted innovations such as active inference, open-weight models, and federated learning as ways to improve efficiency, data control, and access to services. Bray called for a minimal, domain-specific policy approach that allows companies to continue to innovate.

¹ Issa's opening statement was not available online at the time of this memo's distribution

² Johnson's opening statement was not available online at the time of this memo's distribution

³ Raskin's opening statement was not available online at the time of this memo's distribution

[Kevin Frazier, AI Innovation and Law Fellow, University of Texas School of Law](#): Frazier argued that regulating frontier AI must remain a federal responsibility, warning that a patchwork of state laws would undermine national security, economic stability, and technological progress. He stressed that extraterritorial state regulations violate constitutional principles of equal sovereignty and risk imposing one state's rules on the entire country. Frazier urged Congress to preserve individual liberty by reserving AI development to the federal government while allowing states to regulate local deployment and consumer protections.

[Adam Thierer, Senior Technology and Innovation Fellow, R Street Institute](#): Thierer urged Congress to swiftly establish a single, pro-innovation national AI framework, warning that a patchwork of precautionary state laws would halt AI investments and undercut U.S. competitiveness. He argued that under the Commerce Clause, federal preemption should cover frontier AI labs and models to prevent extraterritorial spillovers, with the National Institute of Standards and Technology and the Center for AI Standards and Innovation coordinating consistent standards.

[Neil Richards, Koch Distinguished Professor in Law, Washington University Law](#): Richards urged Congress not to preempt state AI laws, arguing that AI is still evolving and state "laboratories of democracy" are essential to identify risks and build the consumer trust that enables adoption. He noted that states have led sensible tech governance for decades and that restrained, adaptable state regulation will help innovation while protecting users.

Major Takeaways:

- Federal vs. State AI Regulation:
 - Johnson warned that broad federal preemption could eliminate common law claims, citing lawsuits against Character Technologies and OpenAI after children were harmed or killed following extensive chatbot interactions.
 - Raskin defended state laws as essential to addressing these harms, arguing that preemption without federal replacement would create a dangerous legal vacuum. He also framed state AI laws as vital to federalism, likening them to state labor and environmental protections that preceded federal standards.
 - Issa stressed that any federal preemption must preserve state causes of action, citing product liability laws. He pledged bipartisan action to build a federal framework that addresses harms like deepfakes while ensuring state accountability remains intact.
 - Rep. **Zoe Lofgren** (D-CA-15) and Ross highlighted the effectiveness of current state-level AI regulations and stressed that state authority should complement rather than be displaced by a national framework. Rep. **Lou Correa** (D-CA-46) stressed that AI is moving faster than policymakers and urged coordination between state and federal governments.
 - Rep. **Kevin Kiley** (R-CA-03) argued that California's government is ill-equipped to regulate AI despite the state's innovation leadership,

warning that state dominance in policy could set national standards absent a federal framework.

- Rep. **Ted Lieu** (D-CA-36) applauded the previous work of the House AI Task Force in forging consensus on eighty bipartisan proposals to regulate AI. He also criticized the Trump Administration's proposal for a 10-year moratorium on state AI laws, emphasizing that state and federal frameworks must operate together.
- Rep. **Scott Fitzgerald** (R-WI-05) cautioned against adopting too many restrictions on AI, arguing that premature restrictions would stifle innovation and small businesses while undermining U.S. competitiveness.
- Other Related Topics:
 - Rep. **Ben Cline** (R-VA-06) emphasized Virginia's leadership in data center development and pressed for transparency in AI training data, private rights of action for tampering with content credentials, and accountability for bad actors
 - Kiley highlighted AI's exponential advances and called for increased federal investments in risk assessments, safety research, and alignment.
 - Ross pointed to AI's transformative potential in medicine and biopharma but also warned that companies may push for preemption to exploit congressional inaction.
 - Rep. **Laurel Lee** (R-FL-15) underscored the importance of current copyright law in protecting creators and suggested applying an economic analysis to AI's use of creative works.
 - Rep. **Deborah Ross** (D-NC-02) highlighted illegal copyright practices by AI firms and called for additional hearings to promote company accountability while encouraging positive AI innovation.