



OpenAI

1960 Bryant Street
San Francisco, CA 94110

August 21, 2024

The Honorable Scott Wiener
California State Senate
1021O Street, Room 8620
Sacramento, CA 95814

Re: Senate Bill 1047 (Wiener) - Safe and Secure Innovation for Frontier Artificial Intelligence Models Act - OPPOSE

Dear Senator Wiener,

OpenAI was founded in 2015 as a research laboratory with the goal of creating safe artificial general intelligence for the benefit of all of humanity. We have since released a suite of AI-powered tools like ChatGPT designed to make this technology accessible to everyday Americans from all walks of life.

The rapid advancements in AI hold great promise, and we've been clear about our support for federal regulation that balances the benefits, addresses potential risks, and ensures that the U.S. maintains its lead in AI development. We're encouraged by, and support, efforts to develop a clear set of AI policies – including the [White House Executive Order on AI](#) and [proposals in Congress](#) – to make AI safe and accessible to more people.

We appreciate your leadership on this issue, including your staff's engagement with us over the last several months. SB 1047 has inspired thoughtful debate, and we support the intent behind some of its provisions, including first and foremost its focus on ensuring that frontier AI systems are developed and deployed safely.

However, the broad and significant implications of AI for U.S. competitiveness and national security require that regulation of frontier models be shaped and implemented at the federal level. A federally-driven set of AI policies, rather than a patchwork of state laws, will foster innovation and position the U.S. to lead the development of global standards. As a result, we join other AI labs, developers, experts and members of California's Congressional delegation in respectfully opposing SB 1047 and welcome the opportunity to outline some of our key concerns.

National security matters should be regulated at the federal level

As currently written, SB 1047 includes provisions with significant national security implications. For instance, the bill seeks to address critical harms – such as chemical, biological, radiological, and nuclear (CBRN) – through the creation of Safety and Security Protocols (SSPs), and confers enforcement and compliance responsibilities to state agencies like the California Attorney General's Office and through the creation of a Board of Frontier Models within the Government Operations Agency.

CBRN risks have national security implications best managed by the federal government and agencies with in-depth policy and technical expertise, including the White House Office of Science and Technology Policy, the Department of Commerce (i.e., the National Institute of Standards and Technology and the U.S. AI Safety Institute), the National Security Council and the various defense and intelligence agencies. These agencies have the resources and knowledge to manage crises related to AI risks and deal with potential international implications. If states attempt to compete with the federal government for scarce talent and resources, it will dilute the already limited expertise across agencies, leading to a less effective and more fragmented policy for guarding against national security risks and critical harms.

SB 1047 comes at a time when the Biden administration has already signed onto several agreements designed to coordinate international efforts on AI safety and governance, including the Bletchley Declaration, the G7 Hiroshima Process, and the Seoul Declaration for Safe, Innovative and Inclusive AI. Closer to home, last July the White House secured voluntary commitments around AI safety and evaluations from leading AI labs, including OpenAI. Subsequently, the White House issued a landmark Executive Order meant to spur AI innovation while ensuring the technology is developed and implemented safely and securely.

Furthermore, a clear federal framework of AI regulations would help the U.S. maintain its competitive advantage against countries like China and to advance democratic governance and values around the world. In a recent *Washington Post* op-ed, OpenAI CEO Sam Altman suggested that the U.S. may want to share AI technology with allies and the developing world to align with democratic values and maintain its global leadership in innovation. Striking the right balance between open source and closed source models involves complex trade-offs that intersect with issues like investment rules and export controls which are best managed by federal authorities.

Maintaining the U.S. and California’s technological lead

As a San Francisco-based company, we share concerns about the bill’s potential impact on California’s ability to help the U.S. maintain our current global technological lead. Many of the industry’s leading developers, entrepreneurs and researchers live and work here, making California home to both AI’s biggest players and a thriving ecosystem of start-ups and other smaller companies.

We share the concerns that Rep. Zoe Lofgren, the ranking member of the House Committee on Science, Space, and Technology, expressed in a recent letter¹ to your office detailing her opposition to the bill. As Rep. Lofgren noted, “High tech innovation is the economic engine that drives California’s prosperity,” particularly in the Bay Area. If the bill is signed into law, she rightly pointed out, there “is a real risk that companies will decide to incorporate in other jurisdictions or simply not release models in California.”

Rep. Lofgren isn’t the only member of Congress who opposes the bill. Speaker Emerita Nancy Pelosi and members of California’s Congressional delegation cautioned recently that SB 1047 poses significant

¹<https://lofgren.house.gov/sites/evo-subsites/lofgren.house.gov/files/evo-media-document/8.7.24%20to%20Senator%20Wiener.pdf>

unintended consequences that could stifle innovation and harm the U.S. AI ecosystem. They even took the rare step of encouraging Governor Newsom to veto the bill if it passed the State Assembly in its current form.

The AI revolution is only just beginning, and California's unique status as the global leader in AI is fueling the state's economic dynamism. SB 1047 would threaten that growth, slow the pace of innovation, and lead California's world-class engineers and entrepreneurs to leave the state in search of greater opportunity elsewhere. Given those risks, we must protect America's AI edge with a set of federal policies – rather than state ones – that can provide clarity and certainty for AI labs and developers while also preserving public safety.

Existing federal efforts to address AI risks and benefits

As we mentioned earlier in this letter, we support the bill's goal of ensuring that frontier AI models are developed and deployed safely, and are encouraged by the progress we've seen at the executive and legislative branch to address AI's potential risks and leverage its benefits.

Last year, we signed on to the Biden administration's Executive Order (EO) on AI that included a series of voluntary commitments aimed at promoting the development of safe, secure, and trustworthy artificial intelligence. Those provisions of the EO reinforced our existing practices and provided a valuable framework to standardize and formalize safety efforts across the industry and internationally. This collective effort enhances the overall trustworthiness of AI systems and promotes a collaborative environment for addressing the challenges and opportunities presented by AI.

In Congress, lawmakers have presented a series of bills to regulate frontier AI models. For example, we recently endorsed the Future of AI Innovation Act (S. 4178) which provides Congressional backing for the new U.S. AI Safety Institute (US AISI). We also announced our support for the CREATE AI Act, which formalizes the creation of a new effort to democratize access to AI research resources, and the National Science Foundation AI Education Act, which will strengthen the country's AI workforce and teach the next generation about AI tools.

The EO and bills in Congress share a common vision of maximizing AI's economic and educational benefits while minimizing its risks. We will continue to work with federal stakeholders and other industry leaders to advance a clear set of AI policies.

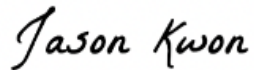
Looking toward the future

While we believe the federal government should lead in regulating frontier AI models to account for implications to national security and competitiveness, we recognize there is also a role for states to play. States can develop targeted AI policies to address issues like potential bias in hiring, deepfakes, and help build essential AI infrastructure, such as data centers and power plants, to drive economic growth and job creation. OpenAI is ready to engage with state lawmakers in California and elsewhere in the country who are working to craft this kind of AI-specific legislation and regulation.

We believe AI holds great promise and that the world is at the beginning of a technical transformation on par with the creation of the telephone or the internet. Those technologies are primarily regulated by the federal government, not at the state level, and AI needs to be regulated in the same way.

We must continue to work toward effective federal policies that help protect America's national security and that of our allies, secure democratic governance and values, and preserve both our nation's and California's competitive edge.

Sincerely

A handwritten signature in black ink that reads "Jason Kwon". The signature is written in a cursive, slightly slanted style.

Jason Kwon
Chief Strategy Officer
OpenAI

Cc: The Honorable Gavin Newsom, Governor of California
Senate President pro Tempore Mike McGuire
Members of the California State Assembly