

March 3, 2026

The Honorable Ted Budd
Chairman
Subcommittee on Science, Manufacturing, and Competitiveness
Committee on Commerce, Science, and Transportation
United States Senate
Washington, District of Columbia 20510

The Honorable Tammy Baldwin
Ranking Member
Subcommittee on Science, Manufacturing, and Competitiveness
Committee on Commerce, Science, and Transportation
United States Senate
Washington, District of Columbia 20510

RE: Subcommittee hearing, “Less Hype, More Help: AI That Improves Safety, Productivity, and Care”

Dear Chairman Budd and Ranking Member Baldwin,

ACT | The App Association (ACT) appreciates the opportunity to submit this Statement for the Record for the Senate Committee on Commerce, Science, and Transportation’s Subcommittee on Science, Manufacturing, and Competitiveness hearing titled “Less Hype, More Help: AI That Improves Safety, Productivity, and Care.” This hearing’s focus on concrete uses of AI that improve safety, productivity, and care is timely. Americans most often encounter AI incrementally through practical improvements to existing tools, such as streamlining workflows, enabling accessibility, improving diagnostics, optimizing logistics, and strengthening cybersecurity.

Small businesses are leading the way on AI. As some of the leading consumers, developers, and adapters of AI tools, ACT members have a major stake in how policymakers view AI markets. ACT represents an ecosystem valued at approximately \$1.8 trillion domestically, supporting 6.1 million American jobs.¹ ACT members are innovators that create the software bringing your smart devices to life. They also make connected devices that are revolutionizing healthcare, agriculture, public safety, financial services, and virtually all other industries. We are concerned that state-level efforts to regulate AI technologies before the risks and the benefits of their use are fully understood could unnecessarily preempt ACT members’ ability to compete in AI markets and leverage the technologies.

AI is an evolving constellation of technologies that enables computers to simulate elements of human thinking, including learning and reasoning. In practice, Americans most often encounter AI incrementally through improvements to existing digital services, such as streamlined workflows, image analysis, voice recognition, and predictive

¹ <https://actonline.org/wp-content/uploads/APP-Economy-Report-FINAL-1.pdf>.

analytics. We urge policymakers to recognize these applications as “narrow” AI, meaning systems that already deliver significant societal benefits and are widely deployed by small and medium-sized innovators. Examples of these “narrow” AI applications include detecting financial fraud, strengthening cybersecurity, enabling accessibility tools for people with disabilities, improving healthcare diagnostics, and supporting more efficient infrastructure and resource management. These “narrow” and applied AI systems already deliver significant benefits in the real world. The policy challenge is to ensure that governance approaches remain risk-based, interoperable, and grounded in existing legal guardrails, while supporting the infrastructure, standards, and workforce needed for responsible deployment at scale.

ACT urges the Subcommittee to keep the following principles in mind.

Existing Law Already Provides Strong Guardrails Against Harmful Conduct

A wide range of federal and state laws already prohibit harmful conduct regardless of whether AI is involved,² and there is no AI exemption. Section 5 of the Federal Trade Commission Act³ prohibits unfair or deceptive acts or practices (UDAP), and state consumer protection statutes apply similar standards to digital services. These authorities reach a broad set of practices relevant to AI-enabled products and services, including misleading claims about safety or efficacy, failing to mitigate reasonably foreseeable risks, or designing systems in ways that create foreseeable harms. Together, these existing frameworks already provide meaningful guardrails for AI developers and deployers.

Congress could take meaningful action by passing a comprehensive federal data privacy law, laying out a single set of rules for how companies should handle consumer data. In the absence of a federal privacy law, we urge Congress and federal agencies to continue evaluating the application of these longstanding authorities before considering new legal structures. To support a more grounded approach, ACT launched a research initiative examining how existing federal, state, and local laws already apply across common AI use cases.⁴ This project aims to map notable current legal obligations across areas such as civil rights, consumer protection, privacy, safety, labor, competition, and intellectual property, demonstrating that AI systems are already subject to extensive legal accountability. By establishing a clear baseline of existing law, this effort aims to inform federal coordination, reduce regulatory duplication, and help policymakers distinguish between genuine gaps and areas where improved guidance or standards may be more effective than new legislation.

² How Existing Laws Apply to AI Chatbots for Kids and Teens, Georgetown Law Institute for Technology Law & Policy (Nov. 10, 2025), <https://www.law.georgetown.edu/tech-institute/insights/how-existing-laws-apply-to-ai-chatbots-for-kids-and-teens/>.

³ Federal Trade Commission Act § 5(a), 15 U.S.C. § 45(a) (prohibiting “unfair or deceptive acts or practices in or affecting commerce”).

⁴ ACT | The App Association. Mapping Existing Laws to AI, https://actonline.org/wpcontent/uploads/ACT_Mapping_Existing_Laws_to_AI_Outline.pdf.

Use Risk-Based Governance and Voluntary Standards, Not Fragmented, Precautionary Regulation

ACT strongly supports risk-based approaches to AI governance aligned with recognized standards of safety, efficacy, and reliability. Frameworks such as the National Institute of Standards and Technology (NIST) AI Risk Management Framework (RMF) provide a flexible and interoperable foundation for managing risks across diverse sectors and use cases.⁵ In addition, industry-led, voluntary, consensus-based standards are a cornerstone of U.S. technological leadership. The U.S. approach reflected in OMB Circular A-119 has historically supported innovation, interoperability, and global adoption while allowing standards to evolve with rapidly changing technologies.⁶ Congress should continue to support agency participation in voluntary standards development and remove barriers that limit small business engagement in these processes. A standards-forward, risk-based approach is especially important for the types of applied AI at issue in this hearing, including industrial systems, robotics, and health-care workflow tools. These domains often depend on multi-layer supply chains and interoperable technology stacks where clarity, testability, and practical risk controls matter more than formalistic compliance.

Clarify Roles and Shared Responsibility Across the AI Value Chain

Effective governance depends on clearly understanding the roles and responsibilities of different actors across the AI value chain, from developers to deployers to downstream integrators and end users. Assigning obligations based on demonstrated harms and each actor's ability to mitigate risk promotes accountability while avoiding misplaced burdens. To support this approach, ACT developed an AI Roles & Interdependencies Framework aligned with the NIST AI RMF, describing key stakeholders across development, distribution, deployment, and use, and identifying practical responsibilities that support safety and reliability.⁷ This shared-responsibility model reflects the reality that risk mitigation is most effective when implemented by the actors best positioned to identify and reduce risks at each stage of the lifecycle.

The Need for a National AI Framework to Avoid a Patchwork of State Laws

Congress should avoid a fragmented AI regulatory environment. States are already advancing a growing number of AI-specific laws, many of which would impose overlapping or inconsistent requirements for disclosures, data practices, and risk assessments.⁸ This patchwork is creating significant uncertainty for developers and deployers, especially small businesses that lack the resources of their larger competitors

⁵ National Institute of Standards and Technology. AI Risk Management Framework. U.S. Department of Commerce, <https://www.nist.gov/itl/ai-risk-management-framework>.

⁶ <https://www.whitehouse.gov/wp-content/uploads/2017/11/Circular-119-1.pdf>.

⁷ ACT | The App Association. AI Roles & Interdependencies Framework (May 2024), <https://actonline.org/wpcontent/uploads/ACT-AI-Roles-Interdependencies-Framework-final-text-May-2024-UK-English.pdf>.

⁸ Stevens, Morgan. "State of Confusion: How a Patchwork of AI Laws Hurts Small Businesses and U.S. Competitiveness." ACT | The App Association, Oct. 2025, <https://actonline.org/2025/10/10/state-of-confusion-how-a-patchwork-of-ai-laws-hurts-small-businesses-and-u-s-competitiveness/>.

to navigate 50 different compliance regimes. Early evidence shows that even small deviations in state requirements can trigger substantial compliance costs, diverting limited resources from product development to legal review, recordkeeping, and bespoke technical implementations. Recent analyses show that state AI laws modeled on European-style precautionary approaches can impose unknown and potentially significant costs to companies,⁹ while delays in state-level implementation underscore the difficulty of managing complex AI obligations at the state level.

A single national baseline is preferable to a system where the most restrictive state rules dictate outcomes nationwide. Federal preemption of conflicting state AI requirements, paired with state attorney general enforcement of that federal baseline, would give consumers clarity, reduce compliance burdens, and ensure that small business innovators can safely build and deploy the beneficial AI tools that enhance safety, productivity, and care for all Americans.

Conclusion

ACT appreciates the Subcommittee's leadership in focusing on practical AI tools that improve safety, productivity, and care. Congress can reinforce the benefits of applied AI by emphasizing: (1) risk-based governance grounded in existing law; (2) voluntary standards and interoperable frameworks; (3) clarity on shared responsibility across the AI value chain; and (4) a national approach that avoids fragmented, inconsistent state-by-state mandates. We stand ready to work with the Subcommittee, federal agencies, and standards bodies to support responsible AI deployment that delivers measurable benefits for workers, consumers, and patients, while ensuring that small business innovators can continue to compete and contribute to American technological leadership.

Thank you for your consideration.

Respectfully submitted,
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⁹ "The Hidden Cost of AI Regulations: A Survey of EU, UK, and U.S. Companies." ACT | The App Association, Oct. 2025, <https://actonline.org/the-hidden-cost-of-ai-regulations-a-survey-of-eu-uk-and-u-s-companies/>.