February 11, 2025

The Honorable Robert Craven, Chair
House Committee on Judiciary
Rhode Island General Assembly
Providence, RI 02903

Re: HB 5224 – Artificial Intelligence Liability

Dear Chair Craven and members of the Committee:

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over 4.5 million employees and countless customers in the fields of information technology, artificial intelligence, e-commerce, the sharing and gig economies, advanced energy, transportation, cybersecurity, venture capital, and finance.

AI has the potential to help us solve the greatest challenges of our time. It is being used to predict severe weather more accurately, protect critical infrastructure, defend against cyber threats, and accelerate the development of new medical treatments, including life-saving vaccines and ways to detect earlier signs of cancer. However, recognizing and addressing the genuine risks associated with AI is crucial for its responsible advancement.

As states engage in the dynamic and ever-changing landscape of AI-related policy, TechNet members ask that policymakers consider first evaluate existing laws and whether they can be leveraged or amended to address AI-related risk without the need to create new policy out of whole cloth. If policymakers determine that new laws are needed, TechNet seeks to work with the legislature to ensure that they are **risk-based** and **interoperable** with existing state and federal laws and regulations.

The multistate working group that has informed legislation in Colorado, Connecticut, Virginia and elsewhere is developing model legislation that identifies known risks with specific applications of AI and tailors safety and transparency

certain size are inherently dangerous, regardless of intended use or application and imposes untenable liability risks on developers of such models. This bill creates an unnecessary presumption of negligence and strict liability for developer who is likely removed from various downstream uses and deployments of the underlying model where negligence should be attributed to other parties. The provisions within this bill pertaining to negligence are also conflated with intentional torts and crimes which have a different requisite mental state than negligence. Furthermore, the $100M cost threshold for covered models is arbitrary and likely to be come quickly outdated.

TechNet absolutely supports holding bad actors accountable for the harm they cause. However, HB 5224 does not define what "user of the model" means, and therefore, would hold developers of AI systems for any potential harm caused by a model built off their original model, even if they had no role in building the derivative and regardless of the acts of intervening third parties. It is critical to determine whether "user of the model" captures "deployers" and/or "consumers".

The threat of such ruinous downstream liability will completely foreclose the possibility of open-sourcing large models, as there is no way that developers could account for potential misuse down the line. The uncertainty raised by such an overbroad and heavy-handed regulation of an emerging industry would unquestionably derail related investment in Rhode Island.

We ask that the committee hold this bill for further study. Thank you for your consideration.

Sincerely,

Christopher Gilrein
Executive Director, Northeast
TechNet
cgilrein@technet.org