Testimony of Kinsey Fabrizio President, Consumer Technology Association

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Committee on Oversight and Government Reform
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"Shaping Tomorrow: The Future of Artificial Intelligence"
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Chairwoman Mace, Ranking Member Brown, and Members of the Subcommittee, thank you for the opportunity to testify today. I am Kinsey Fabrizio, President of the Consumer Technology Association (CTA).

CTA represents the more than \$537 billion U.S. consumer technology industry, which supports over 18 million U.S. jobs across manufacturing, retail, software, content, and services. Our membership includes more than 1200 companies, 80 percent of them startups or small and mid-sized businesses. These entrepreneurs are the engine of American dynamism.

We also own and produce CES®, the world's most powerful technology event. In 2025, CES drew more than 142,000 attendees and over 4500 exhibitors. Attendees didn't just see products, they saw the future: Artificial Intelligence (AI)-driven health breakthroughs saving lives, accessibility technologies opening new doors, innovations bolstering agriculture and food production, and smarter systems making our roads and skies safer. Startups in Eureka Park buzzed with transformative ideas while industry leaders unveiled innovations poised to redefine entire sectors.

Looking ahead, CES 2026 will launch CES Foundry, a new destination where brilliant minds in AI, blockchain, and quantum will convene and collaborate to solve civilization-scale challenges: curing disease, reinventing finance, decarbonizing industry and strengthening national security.

CTA is also an ANSI-accredited standards development organization with more than 100 technology standards published. These include frameworks for AI transparency and accountability. By convening startups and global companies—CTA ensures that U.S. AI leadership is guided by openness, trust, and consumer benefit.

I. <u>Innovation Pathways in Al</u>

Since joining CTA nearly two decades ago, I have had a front row seat to this revolution – watching companies digitize processes, connected systems transform industries, and consumers' digital lives accelerate with the rise of mobile connectivity, e-commerce, and an exponential expansion of online engagement.

At CES, I've seen this transformation up close: startups that began in our Eureka Park with little more than an idea, are now global companies shaping industries; entrepreneurs once pitching prototypes are now delivering lifesaving health tools, autonomous vehicles, and sustainable energy solutions. Every year, CES shows how

fast innovation compounds—and how one breakthrough enables the next.

Five centuries ago, the Renaissance fused art, science, and invention to remake human civilization. It was an age of cathedrals and printing presses, of da Vinci's flying machines and Copernicus reordering the cosmos.

Today, we stand at the dawn of a Second Renaissance—a digital renaissance powered by AI. But unlike the Renaissance of old, which unfolded over centuries, this one is moving at breakneck speed.

Al is not a gadget. It is not a feature. It is a general-purpose capability—like the written word, like electricity, like the internet—that is weaving itself into every aspect of life and work. It is the superagency that magnifies human capability, enabling each of us to think faster, design better, and build more.

We are moving from an age of automation to an age of augmentation—where every worker, creator, and entrepreneur can wield intelligence at scale. Just as the Renaissance greats used perspective to paint depth onto canvas, AI is giving us new dimensions of productivity, creativity, and understanding.

While much of the public debate about AI focuses on what *might* happen, the reality is that AI is already here—and already delivering meaningful benefits. Across our member companies, we see AI opening vast new frontiers: increasing productivity, enhancing customer experiences, and even saving lives.

- *Digital Twins:* Al-powered digital twin technology offers rapid and nearly infinite simulation to increase real-world enterprise productivity for smart factories, city development, and weather forecasting.
- Agentic Al: This is a fundamental shift from Al responding to prompts to Al taking initiative. It's no longer, "help me write an email," it's tasking an autonomous Al agent to manage your inbox for the day.
- Vertical AI: Large language and foundational models remain vital to AI
 development, but they aren't the only disruptive models. Some AI models are
 becoming smaller and more specialized to be tailored to specific industries, or
 verticals, like healthcare, mobility, and even agriculture.
- Industrial AI: Here, AI is embedded directly into sectors like infrastructure, logistics, and manufacturing to address workforce shortages and operational efficiencies like safety. This is where companies are using digital twin technology to limitlessly reshape factories to boost the productivity, resilience, and scalability of entire industrial sectors.

- Physical AI (Robotics): All is pushing forward the robotics space further by:
 - o Making humanoids more lifelike in motion and language capability,
 - Adding capabilities to existing robots like arms on robotic vacuums to complete more complex cleaning tasks, and;
 - Scenario simulation to allow robotaxis to accelerate their development and deployment into the real world.

These advances are possible because of U.S. leadership in semiconductors, cloud infrastructure and entrepreneurial culture. And they are not speculative: they are in the marketplace now, driving growth and creating jobs.

II. Cutting-Edge Examples of Al-Driven Innovation from CES 2025

At CES 2025, this New Renaissance took shape:

- In **healthcare**, Abbott's Lingo leverages Al and algorithms to offer personalized coaching, while Withings' Al-powered *Omnia smart mirror* assesses key health aspects.
- In agriculture, John Deere's all-electric autonomous lawn mower, designed for large-scale commercial landscaping, features four stereo cameras providing a complete 360-degree view, enabling efficient and autonomous lawn maintenance.
- In **mobility**, Oshkosh's Collision Avoidance Mitigation System (CAMS) detects speed, trajectory, and proximity of nearby vehicles using AI and advanced sensors to give notice of impending collisions. On the water, Brunswick's Boston Whaler 405 Conquest is equipped with an autonomous docking system, and through the use of six stereo cameras, provides a 360-degree view around the boat, which works with smart sensors to use AI algorithms to automatically detect and avoid both stationary and moving obstacles. And on the road, Waymo's latest autonomous driving system combines LiDAR, cameras and radar with AI and machine learning (ML) to create a fully driverless ride-hailing service.
- With digital twin technology, Siemens' Xcelerator Platform offers Al-powered, comprehensive digital twins that virtualize manufacturing processes to help derisk and boost the efficiency of the design, build, and operation stages.

These aren't incremental improvements. They are leaps – like moving from parchment to the printing press, from oil lamps to electricity.

III. Barriers to Continued Al Innovation

But let us be clear: this Second Renaissance is not guaranteed to be American. The stakes could not be higher: leadership in American innovation is the prerequisite to American leadership in the global economy, in technological progress, and in national

security. From the semiconductor to the internet, American prosperity and influence have always been built on the foundation of our ingenuity.

If America falters in AI, we don't just risk losing the next wave of startups – we risk ceding entire industries, entire supply chains, and the global standards that will govern the future. We risk a world where adversaries, not allies, dictate the terms of technology. We risk outsourcing the jobs of the future, the hubs of innovation, and the trust of global markets.

This is why the barriers before us demand urgent attention:

• Global Competition — The Challenge from China

China has made AI central to its national strategy, investing billions to dominate chips, data centers, and applications across civilian and military domains. If China leads in AI, it will not only erode our economic strength but also threaten national security. We risk outsourcing the next generation of jobs and innovation hubs to Beijing. That means fewer American factories producing advanced hardware, fewer startups launching here at home, and weaker global influence over how AI is deployed. To maintain leadership, U.S. policy must reinforce—not weaken—our ability to out-innovate China. If China leads, it will erode our economic strength and threaten our national security.

• Europe's Regulatory Overreach — A Cautionary Tale

The European Union's AI Act shows the risks of acting hastily with rigid frameworks. Early reports already show companies restricting the rollout of consumer-friendly features in Europe to avoid running afoul of EU regulations. The lesson for America is clear: overly prescriptive rules do not just slow innovation, they outright restrict it. If we import that model, we could push high-paying engineering, research, and manufacturing jobs abroad, rather than anchoring them in the U.S.

• Patchwork of State and Local Laws — A Fragmented Landscape

At home, more than 1000 Al-related bills have been introduced across all 50 states this year, many with conflicting definitions, requirements, and liability rules. For a startup, navigating this patchwork is nearly impossible. For global companies, it creates unnecessary compliance costs and deters investment. Every dollar spent hiring lawyers to interpret conflicting laws is a dollar not spent hiring engineers, technicians, or customer service staff.

That is why CTA strongly urges Congress to adopt a 10-year moratorium on the enforcement of state and local Al laws. This pause would prevent a patchwork of conflicting regulations from strangling innovation before it scales, while giving Congress time to establish a clear, national framework.

• Lack of a Federal Privacy Framework — The Missing Piece

Without a comprehensive federal privacy law, businesses and consumers are stuck in a confusing patchwork of state-by-state rules. This fragmentation makes it harder for startups to scale, and harder for consumers to trust how their data is used. A federal standard would create clarity, lower compliance costs, and reassure consumers—enabling more innovation and more job creation in industries that rely on responsible data use, from non-HIPAA covered entities to autonomous vehicles.

Liability and Copyright

CTA believes the core principles of American intellectual property and product liability law are not only strong but uniquely adaptable to the rise of Al. For decades, our courts have recognized that accessing, analyzing, or temporarily storing information in the course of legitimate use does not, on its own, create infringement. The focus has always been on outcomes—on whether the final product unlawfully substitutes for or exploits protected works.

That clarity is a competitive advantage for the United States. It ensures that our system protects creators while giving innovators the freedom to build. At a time when Europe risks stifling startups with rigid mandates and China is racing to dominate next-generation technologies, America's flexible, principle-based legal framework is an asset we must preserve. It is the foundation that allows U.S. companies—from the smallest startup to the largest global brand—to harness AI responsibly, drive economic growth, and extend our leadership in the technologies that will define the 21st century.

Crafting a Federal Framework for Al

A light touch, risk-based approach to regulation protects consumers, gives business clear rules of the road, and empowers innovators to keep building in America. This can be achieved through a uniform national AI framework. In 2023, CTA outlined such a framework that proposes to preserve U.S. competitiveness while protecting consumers. That includes:

- Guardrails for transparency, accountability, and safety: Consumers and
 enterprises alike need confidence that AI systems operate responsibly. Baseline
 expectations around explainability, documentation and testing should be clear
 and consistent, without imposing one-size-fits all mandates that smother startups
 and small firms. Guardrails should be designed to strengthen trust, not slow
 deployment.
- Regulatory flexibility to let innovation evolve; Al is advancing at extraordinary speed, and static rules will quickly become obsolete. A durable framework must focus on principles rather than prescriptive checklists, allowing innovators to experiment, iterate, and adapt. The same flexibility that allowed the U.S. internet to flourish, should guide Al, ensuring America remains the most attractive place

in the world to start and build new ventures.

A rational approach to liability that protects against litigation abuse. Al companies
must not be buried underneath opportunistic or speculative lawsuits that drain
resources from research and development. Clear, balanced liability standards are
essential to channel innovation toward consumer benefit while protecting against
abuse.

The Al Action Plan released by the White House in July 2025 provides a powerful and positive blueprint for action. The Plan's focus on promoting Al innovation, streamlining outdated regulations, and strengthening public-private partnerships are exactly what we need to position the U.S. for long-term leadership in Al.

Innovation and consumer protection are not opposing goals – they are complementary. A national framework that embodies these principles will ensure the United States leads not only in AI invention, but also AI deployment, commercialization, and global standard setting.

V. Conclusion

The United States has led every great wave of innovation—from semiconductors to the internet to the smartphone. Today, by working in collaboration with our allies committed to advancing innovation, Al gives us the opportunity to lead again on an even greater scale.

If we seize this moment, AI will be the engine of a Second Renaissance—creating millions of jobs, empowering workers, curing disease, strengthening industries, and shaping a freer, more prosperous world. And for individual Americans, the benefits will be tangible: AI helping doctors catch disease earlier and deliver better care; AI-powered tools making education more personalized and accessible; safer cars and roads; more efficient food production; smarter energy systems that lower household costs; and new forms of creativity and connection in our daily lives.

But if we hesitate—if we let fragmentation, fear, or foreign adversaries write the rules—we risk exporting not only our industries, but also these life-changing benefits that belong to the American people.

The renowned artists of the Renaissance built cathedrals that still stand today, monuments to imagination and ambition. In our time, AI is the cathedral we are building—an enduring structure of knowledge, creativity, and progress.

Let us ensure it is built here, in America, guided by our values, powered by our entrepreneurs, and open to every dreamer with the courage to create—so that every American family can share in the prosperity, health, and opportunity this Second Renaissance will deliver.

Thank you for the opportunity to testify. I look forward to your questions.