

CONTENT & TECHNOLOGY POLICY REPORT MARCH 8, 2024

I. Congressional Updates:

- Last week, Republican Study Committee Chairman Kevin Hern (OK-01) and RSC National Security Task Force Chairman Joe Wilson (SC-02) introduced HR 7476, the Countering Communist China Act. The bill aims to protect the national security, economic interests, and democratic values of the United States and its allies and partners from the malign influence and theft of the CCP. The bill contains 13 titles that outline various measures, such as imposing sanctions, enhancing oversight, strengthening alliances, promoting research and development, and protecting intellectual property. A one-pager on the Countering Communist China Act can be found <u>here.</u> The bill text for HR 7476 is <u>here.</u>
- In the recently released \$436 billion spending package, Congress plans to allocate up to \$10 million to the National Institute of Standards and Technology (NIST) within the Department of Commerce, to establish the US AI Safety Institute which will develop guidelines on training, testing, safety, and security for AI models for public use. Read more here.
- On Wednesday March 6, the House Judiciary Subcommittee on Crime and Federal Government Surveillance held a hearing titled, "A Voice for the Voiceless – CSAM Identification." Overall, the hearing examined joint efforts among federal, state, international entities, and non-government partners in the identification and rescue of CSAM (Child Sex Abuse Materials) victims. Witnesses shared their experiences and insights on the issue, emphasizing the importance of victim-centered approaches and the need for more resources and funding to

Headlines and Highlights:

- Congress Proposes \$10 Million for AI Safety Rules
- Living Wage for Musicians Act Introduced
- House TikTok Bill Unanimously Advances
- USTR Releases President Biden's 2024 Trade Policy Agenda and 2023 Annual Report
- USTR Secures Extension on E-Commerce Moratorium at MC13
- The Copyright Office Announces Webinar on Copyright Essentials: Myths Explained
- Microsoft Engineer Warns Company's AI Tool Ignores Copyrights

In the Blogs:

- Hugh Stephens Blog: <u>What Does</u> <u>Fair Use and Fair Dealing Mean in</u> <u>an Age of Artificial Intelligence (AI)</u>
- Variety: <u>President Biden Calls for</u> <u>Ban on AI Voice Impersonations</u> <u>During State of the Union</u>

support these efforts. Members expressed strong bipartisan support for empowering law enforcement to act. Of note, participants discussed concerns regarding tech companies and whether they shoulder responsibility for the proliferation of CSAM. Participants acknowledged the use of AI for nefarious purposes while also emphasizing the crucial and positive role that AI plays in examining CSAM and identifying victims. Numerous bills were mentioned, including: The <u>REPORT Act</u>, the <u>Child Online Safety Modernization Act</u>, the <u>Trafficking Survivors Relief Act</u>, the <u>End Child Exploitation Act</u>, and the <u>Project Safe</u> <u>Childhood Act</u>. The Child Abuse Prevention and Treatment Act (CAPTA) and the Protect Our Children Reauthorization Act were also discussed. A full memo from ACG can be provided upon request.

- On Wednesday March 6, Reps. Rashida Tlaib (D-MI) and Jamaal Bowman (D-NY) introduced the Living Wage for Musicians Act. According to the press release, the bill would create a new streaming royalty, with the aim to compensate artists and musicians more fairly at a penny per stream when their music plays on streaming services. The full text of the bill is available <u>here</u>. The full press release is <u>here</u>.
- On Thursday, March 7, the *Protecting Americans From Foreign Adversary Controlled Applications Act*, advanced out of the House Energy and Commerce Committee with unanimous consent (50-0). The bill is expected to receive a floor vote after Speaker Johnson voiced his support for it stating, "I support the bill being marked up by the Energy & Commerce committee. It's an important bipartisan measure to take on China, our largest geopolitical foe, which is actively undermining our economy and security." According to *The Hill* the White House also called the bill "important and welcome," but did not endorse it. Read more <u>here</u>.

II. Administration Updates

- At the end of last week the Office of the United States Trade Representative (USTR) released President Biden's 2024 Trade Policy Agenda and 2023 Annual Report to Congress. Ambassador Katherine Tai stated, "The 2024 Trade Policy Agenda and 2023 Annual Report include key accomplishments and priorities to realize this vision. We are creating new and innovative trade arrangements with our allies and partners, enforcing existing ones, and bringing more diverse voices to the table—to drive inclusive economic growth for more people across our society." Read the full report here and the press release here.
- Last week, Congressman Richard Neal (D-MA-01), House Ways and Means Committee Ranking Member, and Congresswoman Suzan DelBene (D-WA-01), Co-Chair of the Digital Trade Caucus applauded U.S. Trade Representative Katherine Tai's leadership in accomplishing an extension of the e-commerce moratorium at the World Trade Organization's (WTO) Thirteenth Ministerial Conference (MC13). Rep. Neal stated, "United States Trade Representative Katherine Tai continues to steadfastly represent the United States and was instrumental in the renewal of WTO's long-standing e-commerce moratorium that supports global business growth. I commend Ambassador Tai for her commitment to our trade priorities: strengthening transparency, modernizing the WTO, and reforming the dispute settlement system." Rep. Delbene stated, "I commend U.S. Trade Representative Katherine Tai and the rest of the Biden administration's strong leadership at the WTO on delivering a key victory for American workers and our economy. The renewal of this

longstanding tariff prohibition will ensure Americans are protected from new fees on products from music streaming and video game downloads to emails and text messages to friends and family abroad. This agreement will also enable businesses of all sizes in Washington and across our country to continue to reach new customers outside our borders." Read more <u>here</u>. Ambassador Tai's statement on MC13 can be viewed <u>here</u>.

III. USCO Updates:

- On Friday, March 8, the U.S. Copyright Office joined with national and regional intellectual property offices from around the world as well as the World Intellectual Property Organization (WIPO) to issue a support of women creators and innovators. The complete joint statement can be found <u>here</u>, and more information about U.S. Copyright research on women in the copyright system can be found <u>here</u>.
- On Thursday, March 7, the U.S. Copyright Office sent an invitation for the public to register for the upcoming online webinar, "Copyright Essentials: Copyright Myths Explained" on March 27, 2024, at 1:00 p.m. eastern time. The office will plan to discuss what is and is not true when it comes to copyright, copyright basics, functions of the Copyright Office, and additional educational resources. Speakers will include Jessica Chinnadurai and Laura Kaiser from the Office of Public Information and Education. Those interested can register to attend <u>here</u>.
- In February, the U.S. Copyright Office published a <u>notice of proposed rulemaking</u> (NPRM) proposing to create a new group registration option for two-dimensional artwork. The new option, which will be known as "GR2D," would allow applicants to register up to ten pictorial or graphic works which are created by the same author/copyright claimant published within a 30-day time period. The proposed filing fee for this new option is \$85. Comments are due to the Copyright Office by April 1.
- In January, the US Copyright Office issued a notification of inquiry seeking public comments regarding its periodic review of the designations of the mechanical licensing collective and digital licensee coordinator. Initial submissions from the existing designees must be received on April 1, 2024. Initial public comments must be received on May 29, 2024. Reply public comments must be received on June 28, 2024. Reply submissions from the existing designees must be received on July 29, 2024. More details are available on the rulemaking's webpage here.

IV. Industry Updates:

• On Wednesday, March 6, *CNBC* reported that Shane Jones, an AI engineer at Microsoft who has been red-teaming the AI image generator Copilot Designer, sent a letter to Federal Trade Commission Chair Lina Khan, and another to Microsoft's board of directors after months of his warnings and safety concerns went unanswered. While testing the OpenAI model that powers Copilot's image generator Jones said, "There were not very many limits on what that model was capable of. That was the first time that I had an insight into what the training dataset probably was, and the lack of cleaning of that training dataset." According to CNBC

copyright concerns are also at play as the Copilot tool produced images of "Disney characters, such as Elsa from "Frozen," Snow White, Mickey Mouse, and Star Wars characters, potentially violating both copyright laws and Microsoft's policies. Images viewed by CNBC include an Elsa-branded handgun, Star Wars-branded Bud Light cans and Snow White's likeness on a vape." Jones reiterated, "I am certainly convinced that this is not just a copyright character guardrail that's failing, but there's a more substantial guardrail that's failing," Read more here.