The Honorable John Thune Senate Majority Leader 511 Dirksen Senate Office Building Washington, DC 20515 **The Honorable Chuck Schumer** Senate Minority Leader 322 Hart Senate Office Building Washington, D.C. 20510

June 30, 2025

Dear Majority Leader Thune, Minority Leader Schumer, and Members of the U.S. Senate,

As a coalition of over 140 organizations working to support children's online safety, consumer protections, and responsible innovation, we write today to express deep concerns over the updated AI state law moratorium included in the Senate's budget and reconciliation bill. During the final hours of negotiation over Congress's budget and reconciliation bill, Senators Ted Cruz and Marsha Blackburn released a new version of the AI state law moratorium which continues to threaten children's online safety legislation, artist protections, and a range of tech and AI safeguards in all fifty states.

Contrary to what proponents of the updated moratorium claim, **recent changes to the proposal actually endanger the ability of states to enforce these laws.** While the revised language adds child safety and other "generally applicable laws" to its list of purported exemptions, it now requires states to *prove* these laws do not pose an "undue" or "disproportionate burden" on AI systems. Because many of these laws were passed in recent years to respond specifically to novel problems created by the rise of digital algorithms and AI systems, they burden AI systems by design, and for this reason fall outside the scope of the purported exemptions. Meanwhile, the vague standards set out in the moratorium will provide Big Tech a clear path to challenge nearly any state law in court, including ongoing litigation; this will lead to countless laws across the country becoming entangled in litigation.

Critically, the revised language still fails to address the very concerns that prompted widespread opposition. The language fails to specify whether states that accept the funding for AI infrastructure could risk losing their original BEAD allotments if found out of compliance, it fails to address the broad and vague definitions of covered technologies, and it fails to address the sole problem it sought to address: the so-called patchwork of state laws. With just \$500 million to divide among the states, many with existing AI laws and sufficient budgets will likely opt out, leaving the patchwork intact and a handful of states beholden to the whims of tech companies for a decade.

The revised moratorium also fails to uphold artist safeguards, including Tennessee's ELVIS Act. The ELVIS Act was written as a direct response to concerns that AI tools will be used to steal the name, image, and likeness of artists and creators, and for this reason, Tennessee's legislation is certain to have a disproportionate impact on AI. The ELVIS Act's targeted response to AI's harms means that the bill would likely fail the moratorium's test that a bill does not create an "undue or disproportionate burden" on AI models, AI systems, or automated decision systems.

Previously conflicted policymakers might be tempted to feel relieved at the shortened, five-year timeline; they should not be. Historical precedent shows that 'temporary' federal moratoria can easily become permanent. This mechanism must not be used to quietly enact a permanent federal block on a state's "police power" to address the real, pernicious, and unique threats posed by AI to consumers, kids, and families. We've already seen how AI has been quickly embedded into everyday life, often without transparency, oversight, or accountability. This unique challenge requires unique solutions that must be allowed to emerge, evolve, and endure at the state level absent meaningful federal action.

Champions of child safety in the age of AI must give this issue the attention it deserves. Lives have been irreparably altered – and lost – to the Silicon Valley culture of 'move fast and break things.' Now, Congress risks doing the same. A federal moratorium with potentially nationwide impacts cannot be cobbled together under tight deadlines and mounting pressure in a fast-tracked bill. Families across the country rely on state laws for protections today. Generations of children have already been harmed by the last wave of unregulated tech; the next generation, coming of age in the era of turbocharged AI, deserves better than rushed policymaking and recycled mistakes.

We, the undersigned organizations, call on you to strike the AI moratorium from the budget reconciliation text to protect our families. It is irresponsible and short sighted to strip children, creators, and Americans from all backgrounds of their most basic protections and tie the hands of state legislators.

Signed,

Common Sense Media Encode AI Young People's Alliance Americans for Responsible Innovation (ARI)

35 Mile Foundation AASA, The School Superintendents Association Access Now Accountable Tech Accountable.US/Accountable.NOW AFT Alexander Neville Foundation All Girls Allowed Alliance To Counter Crime Online Alliance to End Human Trafficking Alternative Solutions American Association of People with Disabilities American Economic Liberties Project **ANEW Life International** Autistic Women & Nonbinary Network Becca Schmill Foundation Better Tech Project Brave Movement **Buckets Over Bullying** C.A. Goldberg, PLLC Can We Talk Center for AI and Digital Policy Center for Arizona Policy Center for Biological Diversity Center for Digital Democracy Center for Family and Human Rights Center for Humane Technology Center for Justice & Democracy Chains Interrupted Children's Advocacy Institute at the University of San Diego School of Law Coalition Against Trafficking in Women (CATW) Consumer Action Consumer Federation of America **Consumer Reports** Consumer Watchdog Courage California Data & Society Dear Christian Parent Substack **Defend Young Minds Demand Progress** Design It For Us **Devin J Norring Foundation Digital Childhood Alliance** Disability Rights Education and Defense Fund (DREDF)

Economic Security Project Action EdTech Law Center **Emily Harrison Consulting** Emmy's Champions Englynroberts.com Enough Is Enough Erik's Cause Fan Alliance FLITE Center Friends of the Earth US Future of Life Institute Future of Music Coalition Four Norms Georgia WAND Global Hope 365 Good Mass Tort Plaintiffs Greenpeace USA Hach Rose Schirripa & Cheverie LLP HeartDance Foundation **Ignited Industries** Indivisible Media City Burbank International Centre for Missing and Exploited Children (ICMEC) International Federation of Professional and Technical Engineers (IFPTE) Issue One Just Love Worldwide Link Oregon (Oregon Fiber Partnership) Liberty Law Lynn's Warriors MAMA-Mothers Against Media Addiction Gary Marcus Mentari Multicultural Media, Telecom and Internet Council Music Artists Coalition Music Workers Alliance Music Managers Forum-US NAACP National Center on Sexual Exploitation National Consumers League National Digital Inclusion Alliance National Employment Law Project

National Hispanic Media Coalition NCAC NC Stop Human Trafficking NH Traffick-Free Coalition Oakland Privacy **Onyx** Impact **Open Markets Institute** Oregon Consumer Justice Oregon Consumer League Organization for Social Media Safety P Street Paradigm Shift Training and Consulting Parent Coalition for Student Privacy ParentsSOS ParentsTogether Action Paving the Way Foundation Porn Free Colorado Protect Digital Identity **Protect Young Eyes** Public Citizen Rape, Abuse, and Incest National Network (RAINN) Raven Reading, Pennsylvania Public Library Reconnect Nashoba Valley / Turning Life On ReHope **Resiliency Foundation** Representative Doug Fiefia **Rights4Girls** SAVE-Suicide Awareness Voices of Education Schools Beyond Screens Scrolling 2 Death Seneca Lake Guardian Sexual Violence Prevention Association (SVPA) Shared Hope International Sierra Cares Foundation Smartphone Free Childhood US Social Media Victims Law Center (SMVLC) socialmediaharms.org Society of Composers & Lyricists Southwest FL Coalition Against Human Trafficking

Speaking of Social Street Grace Student Borrower Protection Center Survivor Leader Network of San Diego The Carson Bride Family The Haba Law Firm, P.A. The Institute for Family Studies The McKenna Way The Stop Trafficking Project The Tech Oversight Project Thorn Together for Girls Turning Life On United Abolitionists, Inc. United Church of Christ Media Justice Ministry Virginia Citizens Consumer Council Walk Her Home We RISE, USA William E. Morris Institute for Justice Women Graduates-USA Working Partnerships USA Yellowstone Human Trafficking Task Force Youth Power Project