



February 28, 2023

Mr. Jeff Zients
Chief of Staff
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. Zients:

Congratulations on your recent appointment by President Biden to serve as White House Chief of Staff. The Consumer Technology Association (CTA)[®] and our members look forward to working with you to promote innovation, advance national competitiveness and create American jobs.

CTA represents the \$505 billion U.S. consumer technology industry, which supports more than 18 million U.S. jobs. Our members are innovators, manufacturers, service providers and job creators. The majority of CTA members are small and medium-sized enterprises (SMEs). CTA also owns and produces CES[®]—the most influential technology event in the world.

As inflation and competitive threats from rival nations intensify, a focus on pro-innovation policies can help the Biden Administration achieve many of the goals outlined in the Build Back Better Framework, including creating American jobs, growing the labor force, and boosting the economy.¹ To ensure we remain the global leader in advanced technologies, CTA urges the Administration to consider the following recommendations:

Advanced Air Mobility: Integrating New Aviation Technology and Facilitate Innovation

CTA works with all levels of government to shape policy and promote the beneficial use of drone technology and advanced air mobility. As a champion of innovation, CTA is a long-time advocate of clear rules authorizing drones in a safe manner within the national airspace. We urge the Administration to finalize rules for expanded drone operations, such as flying beyond visual line of sight, which is essential to realizing economic and societal benefits from drone technology and maintaining American leadership in aviation.

¹ The White House, The Build Back Better Framework, available at <https://www.whitehouse.gov/build-back-better/>.

Artificial Intelligence (AI): Establishing Policy and Frameworks Supporting U.S. Leadership

AI technology offers tremendous potential for human and societal development: promoting inclusive growth, improving the welfare and well-being of individuals, and enhancing global innovation and productivity. CTA has supported efforts within the federal government to create a flexible and voluntary risk management framework that will help identify and address risks in the design, development, use, and evaluation of AI products and services across a wide range of applications. Given the development of risk management frameworks and the fast-moving progress of AI, policymakers should avoid prescriptive regulations. Rigid restrictions on the use of AI or on data that is necessary for AI to function would risk undermining the many consumer benefits in fields such as healthcare, accessibility, cybersecurity and entertainment.

Broadband: Expanding Deployment and Adoption

The pandemic made clear that high-speed broadband is a necessity for millions of Americans. CTA applauds this Administration for its continued focus on expanding broadband deployment and adoption. As these efforts continue, it is important that they be guided by a technology-neutral approach. Whether rural or urban, each community has unique connectivity needs, and through advances in technology, there are now a range of solutions to meet those challenges, including fiber, fixed wireless, satellite and traditional mobile.

Access to additional commercial spectrum is critical to supporting innovative communications technologies and maintain U.S. leadership in the technology space. To that end, CTA has long encouraged more efficient licensed and unlicensed spectrum use to facilitate the next generation of wireless applications and services, including 5G and beyond. While the FCC's spectrum auction authority is expected to be extended by Congress until May 19, 2023, a long-term extension is necessary to support continued broadband innovation.

Competition: Promoting Competition by Protecting Consumers, Not Competitors

U.S. tech companies are the envy of the world. Thanks to a U.S. framework that has allowed the market rather than the government to pick winners, these companies have the freedom to innovate, and with that freedom, they've developed products and services that transform the world.

A predictable legal environment allows an open market driven by consumer choice to reward companies that prioritize user experience and customer service. For decades, the consumer welfare standard has guided U.S. antitrust policy, instructing elected officials to hold companies accountable when they impede U.S. economic growth and harm consumers. Current and future competition policies should therefore be focused on the wellbeing of consumers, rather than legacy businesses using government to protect them from new entrants and innovators.

Cybersecurity: Promoting a Secure Internet of Things for Consumers

CTA has long been engaged with industry and government stakeholders to address the challenge of Internet of Things (IoT) security. With the growth of IoT devices have come questions about how to effectively promote secure connected devices, avoid introducing vulnerabilities into our nation's wireless networks, and keep the United States a global leader and innovator.

Government has and should continue to embrace a light-touch regulatory approach that fosters industry-driven best practices for consumer device cybersecurity, not mandates; creatively partners with the private sector to improve consumer IoT security; looks at legal safe harbors for companies that choose to use any certifications or labeling that the government might want to encourage; and harmonizes standards and expectations, domestically and internationally.

We were honored to participate in the White House's October 2022 strategic discussion on IoT security labeling, and believe that the success of this effort will depend on meaningful legal incentives to accelerate manufacturer adoption, such as an 'earned safe harbor.'

Healthcare: Promoting Innovative Digital Health Solutions

CTA's Health Division strives to advance the use of consumer-based technology enabled health solutions to deliver better health outcomes and reduce overall healthcare costs. CTA applauds the Administration's support of telehealth, which has proven to be critical for patients to continue to access quality care during the COVID-19 public health emergency (PHE). With the announcement that the COVID-19 PHE will officially end on May 11, 2023, CTA urges the Administration to work with stakeholders to ensure patients and providers can continue to use digital health tools such as telehealth after the end of the PHE.

As a part of the Administration's focus on health equity, CTA urges continued engagement with stakeholders to ensure Medicare and Medicaid/CHIP beneficiaries can access innovative digital health tools that are proven to bridge access gaps and delivery high-quality care to those who may not have access through traditional health care settings.

Privacy: Advancing a Comprehensive Data Privacy Bill

Thanks to a legislative and regulatory philosophy that has emphasized flexible but clear rules of the road, U.S. technology companies have flourished. CTA urges the Administration to work with Congress to deliver a bipartisan, bicameral comprehensive data privacy bill for Americans. Federal privacy legislation that protects consumer privacy and enables innovation without fear of frivolous lawsuits or complex regulatory schemes is key to American economic success.

The emerging patchwork of state privacy laws across the country is unworkable for small businesses and startups and does not afford adequate protection for consumers. Federal preemptive legislation should use a risk-based approach – legal requirements and enforcement

should be focused on addressing specific, concrete privacy harms. There is no one-size-fits-all solution to privacy, instead we need pragmatic solutions that address the key issues while still allowing for flexibility and room to innovate.

Self-Driving Vehicles: Enacting a Framework for Testing and Deployment

The U.S. needs a federal, preemptive self-driving vehicle bill to remain the leader in development and deployment. We urge the Administration to prioritize efforts to enable the many benefits of self-driving vehicles (SDV) technology, including enhanced safety, sustainability, increased access to mobility solutions for seniors and people with disabilities, and supply chain resiliency.

SDVs are critical to our national competitiveness as China and the European Union invest heavily in the technology and seek to lead the industry. The current federal regulatory environment has created significant uncertainty as to how SDVs will be regulated and risks American companies moving their operations abroad to nations that welcome deployment.

Sustainability: Managing Various Environmental Regulatory Challenges

CTA seeks harmonized and rational environmental laws that allow companies to innovate. CTA notes that states are moving to enact differing and sometimes contradictory laws on labeling, materials restrictions and packaging that cause concern and may call for more active federal leadership.

Electronics are complex articles produced via global multi-layered supply chains and comprised of possibly hundreds of components. When it comes to chemical restrictions, we ask that regulators consider the unique performance requirements electronics demand to successfully operate and not provide a one size fits all approach to regulating our industry. Electronics are integral to climate reduction goals, but in order to produce chips, batteries, and other grid powering devices, we need sensible chemical regulations that allow for innovation.

Trade: Addressing Unnecessary Barriers

CTA applauds the Administration's efforts to strengthen U.S. national security and military relationships with its allies and address unnecessary barriers to trade that threaten those relationships. For the next two years, the Administration has an important window to build on the partnerships it is forming with the EU, Japan, and in the Indo-Pacific, Latin America, and Africa. CTA urges the Administration to negotiate binding and enforceable free trade agreements with liberty-loving and democratic allies as a means of pushing back against authoritarian governments who seek to shape the world in their image.

Only by strengthening the rule of law and championing the free-market, international trading system, will the Administration be able to fully take up the mantle of the leader of the free world. We believe that sufficient support in the Congress exists for this strategy, which will more closely tie the U.S market with those of its allies.

The United States must maintain its global leadership in innovation and remain competitive. We remain committed to working with you and the Biden Administration to shape the policies needed to strengthen our economy, create jobs and advance American innovation.

Sincerely,

A handwritten signature in black ink that reads "Gary Shapiro". The signature is written in a cursive, flowing style.

Gary Shapiro
President and CEO
Consumer Technology Association