

January 2024

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Welcome to the January edition of Akin Intelligence. Artificial Intelligence (AI) remains a key area for state and federal legislators in the new year. State executives and legislators continue to propose AI-related initiatives and legislation, while federal agencies work to implement the Biden administration's Executive Order (EO) on the Safe, Secure and Trustworthy Development and Use of Artificial Intelligence as the first round of deadlines approaches. Meanwhile, industry is using AI tools to assist with, among other things, drug discovery and material science to speed up research that may have previously taken years to complete.

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In This Issue

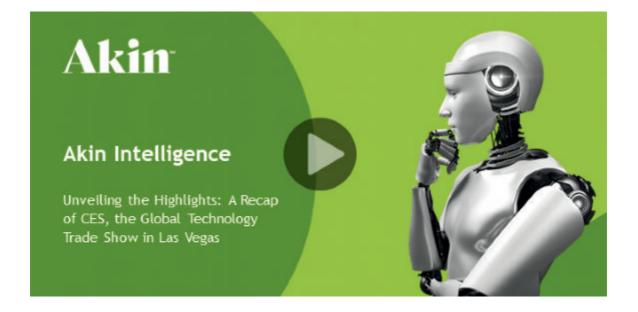
- Akin Spotlight
- Federal Action
- Congressional Action
- Health Care
- Judicial Action & Administrative Proceedings
- State Action
- Industry Action
- EU and U.K. Updates
- <u>China Updates</u>
- On Air with Akin
- <u>Akin Thought Leadership</u>
- <u>Upcoming Events</u>

Akin Spotlight

Listen Now: Unveiling the Highlights: A Recap of CES, the Global Technology Trade Show in Las Vegas

In this episode of *OnAir with Akin*, lobbying and public policy partner <u>Hans Rickhoff</u> and senior counsel <u>Reggie Babin</u> lead a discussion with international trade partner <u>Christian</u> <u>Davis</u>, senior policy advisor <u>Virgil Miller</u>, and senior advisor <u>Ryan Thompson</u> to recap their experience at CES, an annual trade show organized by the Consumer Technology Association that occurred from January 9th to 12th in Las Vegas, Nevada. This year, AI was a major theme at the conference, and in this discussion our team delves into how some of the new AI-powered technologies showcased at CES and how they could be impacted by federal policy.

You can listen to this episode wherever you consume podcasts. Subscribe and listen to OnAir with Akin via <u>iTunes</u>, <u>SoundCloud</u>, <u>YouTube</u>, <u>Spotify</u> or <u>Google</u> podcasts.



Federal Action



NIST Pushes Ahead on Implementation of the AI EO

On December 21, 2023, the National Institute for Standards and Technology (NIST) <u>published</u> a request for information (RFI) to assist it in developing standards and best practices required under the Biden administration's October <u>Executive Order on the Safe, Secure, and</u> <u>Trustworthy Development and Use of Artificial Intelligence</u> (AI EO). Under the AI EO, NIST is <u>required</u> to, among other things, develop guidelines for evaluation and red-teaming of AI models, facilitate development of consensus-based standards and provide testing environments for the evaluation of AI systems.

The RFI requests input on (1) AI safety and security, including generative AI risk management, AI evaluation and red-teaming; (2) synthetic content risks, including creation, detection, labeling and auditing; and (3) global technical standards, including AI-related

consensus standards, cooperation, coordination and information sharing. Comments must be received by February 2, 2024.

NIST also <u>issued</u> guidance for employing differential privacy as a privacy-enhancing measure, pursuant to the AI EO, which called for an evaluation of "the efficacy of differentialprivacy-guarantee protections, including for AI." The agency will accept public comments through 11:59 p.m. ET on January 25, 2024 to <u>privacyeng@nist.gov</u> using this <u>comment</u> <u>template</u>.

NIST Hosts Workshop on Secure AI Software Development

On January 17, 2024, NIST held a <u>virtual workshop</u> examining secure software development practices for AI models to inform the agency's efforts (per the AI EO), to "develop[] a companion resource to the [Secure Software Development Framework (SSDF)] to incorporate secure development practices for generative AI and for dual-use foundation models." The workshop was divided into three sessions and featured presenters from agencies and the private sector, followed by Q&A segments with each set of presenters. Participants included the Cybersecurity and Infrastructure Security Agency (CISA), the Software Alliance (BSA), IBM, Google, OpenAI, AWS, Microsoft, and HiddenLayer. The three sessions were:

- Secure Software Development Challenges with Large Language Models (LLMs) and Generative AI Systems, which focused on the cybersecurity challenges and impacts of AI development.
- Secure Development of LLMs and Generative AI Systems, which discussed security practices specific to AI development.
- Secure Use of LLMs and Generative Al Systems, which covered security practices for deploying LLMs and generative Al.

The presenters addressed both current practices and steps being taken to address "unknown unknowns"—i.e., novel issues that may arise as more powerful models are developed. Some themes throughout included commonalities with existing cloud and "big data" security practices, an emphasis on trust and security as ongoing requirements of AI development and deployment, and the need for a whole-system based approach.

A recording of the workshop is available on the <u>event page</u> and the presentation slides are expected to be posted soon.

NIST Releases Guidance on AI Cyberattacks

On January 4, 2024, NIST <u>released</u> a publication titled <u>Adversarial Machine Learning: A</u> <u>Taxonomy and Terminology of Attacks and Mitigations (NIST.Al.100-2)</u>, which identifies threats to AI and machine learning systems along with potential mitigation strategies. The guidance aims to help developers and users understand attacks on AI, which are grouped into four categories:

- Evasion attacks that attempt to alter an input to change how the system responds to it, such as causing an autonomous vehicle to misinterpret visual cues.
- **Poisoning** attacks that, e.g., introduce corrupted or untrustworthy data during training by creating many copies of incorrect information to cause the model to rely on that information.
- **Privacy** attacks that attempt to learn sensitive information about an AI model, or its training data, to misuse the model. These attacks include, e.g., reverse engineering

prompts to reveal model weaknesses.

• Abuse attacks that compromise a generative AI tool to force it to carry out malicious acts that overcome model safeguards, such as promoting hate speech or enabling cyberattacks.

The document includes mitigation guidance for various types of attack, but also notes the limitations of mitigation techniques and the need for ongoing efforts to identify risks and potential defensive strategies.

OMB Kicks Off First Chief Al Officers Council Meeting

On December 12, 2023, the Office of Management and Budget (OMB) <u>convened the first</u> <u>meeting of the Chief Al Officers Council</u>, which was created by the Al EO and is chaired by OMB and vice-chaired by the White House Office of Science and Technology Policy (OSTP).

FTC to Host Virtual Tech Summit on AI Products and Services

The Federal Trade Commission (FTC) <u>announced</u> that its Office of Technology will be hosting a virtual summit on key AI developments on January 25, 2024. The summit will feature "representatives from academia, industry, civil society organizations, and government to discuss the state of technology, emerging market trends, and real-world impacts of AI."

The event will feature three panel discussions, as well as remarks from Chair Lina Khan, Commissioners Rebecca Kelly Slaughter and Alvaro Bedoya, and representatives from the FTC's Office of Technology and Bureau of Competition & Consumer Protection. The panels are:

- Al & Chips and Cloud, focusing on hardware and infrastructure needed for Al development.
- Al & Data and Models, discussing issues related to the data and models used in Al.
- *Al & Consumer Applications*, examining potential risks and harms of Al-powered consumer applications.

A tentative agenda for the summit is available on the event's <u>page</u>. Advance registration is not required to attend and details on how to access the summit will be posted on the event page.

FCC to Reinstate Communications Security, Reliability and Interoperability Council

On December 20, 2023, the Federal Communications Commission (FCC) <u>announced</u> that it will be reinstating its Communications Security, Reliability and Interoperability Council to fulfill its duties under the AI EO. FCC Chairwoman Jessica Rosenworcel will request that the Council consider AI and machine learning policies or programs that can be "developed or leveraged to enhance the confidentiality, integrity, and availability of communications networks in a nondiscriminatory, transparent, and socially responsible way."

This will be the Council's ninth charter and it will be re-established for two years, with its first meeting expected to take place in June 2024. The FCC is also seeking nominations for membership and a chairperson(s) for the Council. Nominations can be submitted to the FCC by <u>email</u> until Saturday, February 3, 2024.



"Group of Four" Call on Appropriators to Fund Al Safety Institute

On January 7, 2024, House and Senate leaders announced a fiscal year (FY) 2024 funding proposal that includes \$772.7 billion for non-defense discretionary spending. Notably, ahead of the announcement, the "Group of Four"—Senate Majority Leader Chuck Schumer (D-NY) and Sens. Mike Rounds (R-SD), Martin Heinrich (D-MN) and Todd Young (R-IN)—sent a <u>letter</u> to appropriators outlining the need to include in the soon-to be negotiated Commerce, Justice and Science appropriations bill \$10 million for the establishment of the NIST United States Artificial Intelligence Safety Institute.

House Financial Services Committee Forms AI Working Group

On January 11, 2024, House Financial Services Committee Chair Patrick McHenry (R-NC), and Ranking Member Maxine Waters (D-CA) <u>announced</u> the formation of the panel's bipartisan Working Group on Artificial Intelligence, which will be spearheaded by Digital Assets, Financial Technology and Inclusion Subcommittee Chairman French Hill (R-AR) and Ranking Member Stephen Lynch (D-MA). Among other responsibilities, the Working Group will conduct oversight over AI directives in the AI EO within its jurisdiction.

Lawmakers Introduce New Standalone Bills

- Al-Generated Fakes: Reps. Maria Elvira Salazar (R-FL), Madeleine Dean (D-PA), Nate Moran (R-TX), Joe Morelle (D-NY), and Rob Wittman (R-VA) introduced a <u>discussion draft</u> of the *NO AI Fraud Act*. This bill would establish a federal framework to protect Americans' individual right to their likeness and voice against AI-generated fakes and forgeries. A one-pager on the bill is available <u>here</u>.
- Agency Guidelines/Procurement: Moreover, Reps. Ted Lieu (D-CA), Zach Nunn (R-IA), Don Beyer (D-VA), and Marc Molinaro (R-NY) have introduced the <u>Federal Artificial</u> <u>Intelligence Risk Management Act</u>, which would require U.S. federal agencies and vendors to adhere to NIST's AI Risk Management Framework (RMF). The Senate version of the bill (<u>S. 3205</u>) was previously introduced by Sens. Jerry Moran (R-KS) and Mark Warner (D-VA) in November. A one pager on the bill is available <u>here</u>.
- Training Data Disclosure: Reps. Don Beyer (D-VA) and Anna Eshoo (D-CA) have introduced the *AI Foundation Model Transparency Act of 2023* (<u>H.R. 6881</u>), which would require entities deploying AI models of a certain size to disclose their training data to avoid copyright violations. Specifically, the bill would (1) direct the FTC, in consultation with NIST, the Copyright Office, and OSTP, to set transparency standards for foundation model deployers; (2) direct companies to provide consumers and the FTC with information on the model's training data, model training mechanisms, and whether user data is collected in inference. "Covered entities" are defined to include the use of or services from a foundation model which generate, over 100,000 monthly output instances, or use of or services from a foundation model which has over 30,000 monthly users.
- **Financial Services:** Sens. Mark Warner (D-VA) and John Kennedy (R-LA) have introduced the *Financial Artificial Intelligence Risk Reduction (FAIRR) Act* (<u>S. 3554</u>), which would require the Financial Stability Oversight Council (FSOC) to (1) coordinate financial regulators' response to threats to the stability of the markets posed by AI; (2) identify gaps in existing regulations, guidance, and examination standards that could hinder

effective responses to AI threats; and (3) implement specific recommendations to address such gaps.

Congressional Committees Continue AI Hearings in 2024

- Senate Homeland Security Committee: On January 10, 2024, the Senate Homeland Security Committee (HSGAC) held a <u>hearing</u> on "Harnessing AI to Improve Government Services and Customer Experience." During the hearing, Chair Gary Peters (D-MI) outlined the need to explore needed changes to the federal procurement framework to better obtain and use capabilities like AI, as well as measures that can be taken in federal procurement to promote competition. A full summary of the hearing is available <u>here</u>.
- Senate Judiciary Committee: On January 10, 2024, the Senate Judiciary Committee held a <u>hearing</u> on "Oversight of A.I.: The Future of Journalism." During the hearing, media executives and academic experts discussed concerns related to Al's contributions to the decline of journalism and raised alarms about the dangers of AI-powered misinformation. Subcommittee Chair Richard Blumenthal (D-CT) outlined the need to explore a range of solutions, including licensing for content use, an AI framework for transparency and copyright use, clarification that Section 230 immunity does not apply to claims based on generative AI, and updates to antitrust laws. A full summary of the hearing is available <u>here</u>.
- House Administration Committee: Looking ahead to January, the House Administration Committee has noticed a <u>hearing</u> for January 30, 2024, on "Artificial Intelligence (AI): Innovations within the Legislative Branch."

Industry and Civil Society Groups Unite Against Bill Undermining Section 230

At the end of 2023, Sen. Hawley called for unanimous consent to pass his *No Section 230 Immunity for AI Act* (S. 1993), which would waive immunity under Section 230 for claims and charges related to generative AI. In response, a coalition of industry and civil society groups formed to oppose the bill via a <u>letter</u> to Senate leadership, asserting that it "would threaten freedom of expression, content moderation, and innovation." The letter was organized by Tech Freedom, and other groups signing on include Chamber of Progress, Americans for Prosperity, the American Civil Liberties Union (ACLU), and the Electronic Frontier Foundation (EFF).

Health Care

Congress and White House Press Ahead on AI in Health Care & Life Sciences

Last year, both Congress and the Biden-Harris administration noticeably increased their attention on Artificial Intelligence (AI). Key congressional committees explored AI implications for health care & life sciences, and the U.S. Department of Health and Human Services (HHS) and its agencies advanced their own initiatives and as part of the federal government's efforts to implement President Biden's <u>AI executive order (EO)</u>. Akin's full summary of the progress is available <u>here</u>.

Final Rule on Non-Discrimination Through Clinical Algorithms Pending at the OMB

The final rule will revise the implementing regulation for <u>Section 1557</u> of the Affordable Care Act (ACA), which prohibits discrimination on the basis of race, color, national origin, sex, age, or disability in certain health programs or activities. The <u>proposed rule</u>, issued in July 2022, provided for the addition of specific language to bar discrimination through the use of clinical algorithms. Digital health stakeholders have expressed opposition to the Alspecific language.

Congressman Murphy (R-N.C.) Sends Letter to FDA Regarding Plans for Al Regulation

On January 3, 2024, Congressman Greg Murphy, M.D. sent <u>a letter</u> to the Food and Drug Administration (FDA) requesting responses to specific questions, including whether the agency supports a voluntary alternative pathway for review of AI products and/or a liability safe harbor for physician use of AI-enabled medical devices in the context of continued compliance with post-market surveillance programs.

FDA Hosts Webinar on Credibility of Computational Models to Support Medical Device Submissions

On January 11, 2024, the FDA hosted a <u>webinar</u> about how manufacturers can show that computational models used to support submissions for medical devices are credible. The webinar focused on FDA's <u>final guidance</u> on the topic, which was released in November 2023.

Judicial Action & Administrative Proceedings

Chief Justice Roberts Focuses on AI in Year-End Report

On December 31, 2023, Supreme Court Chief Justice John Roberts released his <u>2023 Year-End Report on the Federal Judiciary</u>—his 19th annual report. In his report, Chief Justice Roberts discusses the role of AI in the legal industry, as posing both risk and reward. The report includes a short history of how the legal profession slowly adopted new technology like the typewriter and telephones. Ultimately, Chief Justice Roberts predicts that AI will "significantly affect[]" judicial work but that "human judges will be around for a while."

New York Times Accuses OpenAI and Microsoft of Copyright Infringement

On December 27, 2023, the New York Times (NYT) filed a <u>complaint</u> in the Southern District of New York (SDNY) against Microsoft and OpenAI, alleging that unauthorized copies of NYT works were used to train GPT models; that "memorized" copies are encoded in the parameters of the LLMs as either copies or derivative works; and related allegations that the models provide unauthorized reproductions of NYT works.

Responsive filings are due in the coming months, however, OpenAI published a <u>statement</u> refuting the allegations as "without merit." In its statement, OpenAI emphasizes its collaboration with news organizations, indicates that training is fair use, and identifies that "memorization" is an uncommon bug that primarily relies on misuse of the model (e.g., engineering prompts to cause malfunction).

State Action

California

As the California legislature reconvened in 2024, Sen. Steve Padilla introduced two Alfocused bills:

- <u>Senate Bill 892</u> would require the Department of Technology to establish safety, privacy, and nondiscrimination standards relating to AI services. The bill would prohibit the state from entering into any public contract for AI services unless the provider meets those standards. If passed, the bill would take effect in August 2025.
- <u>Senate Bill 893</u>, the *California Artificial Intelligence Research Hub Act* (), would establish the California Artificial Intelligence Research Hub in the Government Operations Agency, which would be tasked with facilitating collaboration between government agencies, academic institutions, and private sector partners.

New Jersey

- On December 18, 2023, <u>New Jersey Governor Phil Murphy alongside Princeton University</u> <u>President Christopher Eisgruber announced</u> plans to create a state AI hub. The objective of this initiative is to raise the state's current position in the field of AI. The New Jersey Economic Development Authority has partnered with the university to help advance the state's AI capabilities and stimulate economic growth. The proposed AI hub would unite researchers, industry leaders, start-ups, and other stakeholders as they research and develop ethical ways to use AI and implement them in workforce development.
- On January 9, 2024, Governor Murphy <u>announced</u> in his sixth State of the State address the launch of an "Al Moonshot," which aims to "to galvanize New Jersey's innovators and industry leaders to unleash a new generation of Al-powered discoveries and create economic opportunities for New Jersey's workers and families."

New York

In her State of the State address, New York Governor Kathy Hochul <u>pledged</u> \$275 million for a public-private research consortium on AI. The proposal will require approval from the New York State Legislature.

Maryland

On January 8, 2024, Maryland Governor Wes Moore signed an <u>executive order</u> establishing fundamental principles and values for the use of AI in state government affairs. The six principles are:

- Fairness and equity
- Innovation
- Privacy
- Safety, security, and resiliency
- Validity and reliability
- Transparency, accountability, and explainability

The order emphasizes the care that must be taken when using AI, and especially when

exploring ways to use AI to improve state services. The EO also creates an AI subcabinet that will develop a plan to create appropriate safety measures for state agencies that use AI.

Governor Moore also <u>announced</u> the creation of the Maryland Cybersecurity Task Force. The task force will be comprised of cybersecurity experts from the state's information technology department, the Maryland Military Department, and the Maryland Department of Emergency Management. A new Maryland Digital Service to support website and application redesigns was also announced as well as a new digital accessibility policy for state residents.

Utah

Schools across the state of Utah are set to <u>receive</u> new gun detectors that use AI to identify guns in video feeds from existing security cameras. The legislature <u>funded</u> this change by allocating \$3 million during the 2023 legislative session. The bill passed last year in March and the software is meant to identify weapons that are not concealed. If a gun is detected, the program used will send a photo to a live monitor where someone will review the photo and call the police if necessary. The program is available to all 1,086 schools in the state if they choose to use the software.

Industry Action



Machine Learning Used to Identify First New Class of Antibiotic in Six Decades

Massachusetts Institute of Technology (MIT) researchers published <u>a paper</u> describing compounds, discovered using a deep learning tool, effective against methicillin-resistant *Staphylococcus aureus* (MRSA) and vancomycin-resistant enterococci (VRE)—bacteria that are difficult to treat and commonly found in healthcare settings. The tool predicted antibiotic activity and human toxicity for over 12 million compounds, then the researchers tested several hundred promising compounds from those results. In addition to identifying candidates, researchers were able to identify the information that the model was using to make its predictions, which may enable further development of more effective compounds.

Microsoft Assists Researchers with AI to Identify a New Lithium Battery Material

Researchers at the US Department of Energy's (DOE) Pacific Northwest National Laboratory (PNNL) <u>discovered</u> a material, dubbed N2116, that may reduce the amount of lithium needed in batteries. Using Microsoft's <u>Azure Quantum Elements</u> platform, researchers were able to narrow from millions of proposed materials to identify hundreds of thousands of "mostly stable new materials," and then to hundreds of more stable candidates. The combination of AI with traditional high-performance computing (HPC) reduced what would have potentially taken years of manual research to a matter of days.

OpenAl Announces Election Integrity Efforts

On January 15, 2024, OpenAI released a <u>statement</u> on its plans to prevent misuse and protect the integrity of upcoming elections. The plan includes three key initiatives: preventing abuse, AI-generated content transparency, and improving access to voting information.

OpenAI's statement identifies that the company is continuing to refine its tools and policies to combat misuse, especially uses that interfere with the democratic process. OpenAI plans to start using the Coalition for Content Provenance and Authenticity's digital credentials.

These credentials encode provenance information using cryptography in images generated with products like DALL-E 3. Additional efforts include a tool for detecting images generated by OpenAl's products and providing links to real time news with source attribution. To provide US voting information, ChatGPT is working with the National Association of Secretaries of State (NASS) and will direct users to CanlVote.org.

OpenAl Launches GPT Store

On January 10, 2024, OpenAI launched the <u>GPT Store</u> which provides custom versions of ChatGPT (GPTs) that were <u>first announced</u> at OpenAI's DevDay last November. Users can build customized GPTs and list them on the GPT Store, which will be monetized to pay the user-creators based on other users' engagement. An enterprise version will be available soon for businesses to create and deploy their own GPTs.

Study Confirms General-Use LLMs Make Legal Errors

A <u>study</u> by Stanford RegLab and the Institute for Human-Centered AI indicates that LLMs make pervasive mistakes on legal queries, consistent with heavily publicized anecdotes and the disclaimers present on nearly every AI application. Several types of common mistakes were identified, including case law hallucination and contrafactual bias from prompts that include erroneous information (e.g., the model assumes the premise is correct). The study did not examine models designed or augmented specifically for legal tasks.

CES Sees Heavy AI Push

The Consumer Technology Association's (CTA) annual Consumer Electronics Show (CES) was held in Las Vegas from January 9 - 12, 2024. Exhibitors showed new products incorporating AI, ranging from TVs with built-in chatbots to wearable AI assistant devices that promise to handle day-to-day tasks. The event also included panels exploring the ethical use and mental health implications of AI design and implementation, among others.

ITI Publishes Guidance on Content Authentication

On January 4, 2024, the Information Technology Industry Council (ITI) published <u>guidance</u> for lawmakers on approaches to authenticating content generated by AI. The guidance examines tools such as watermarking, provenance, metadata auditing, and human authentication and emphasizes the importance of consensus standards.

BSA Releases Copyright Policy Primer

The Software Alliance (BSA) issued a <u>policy two-pager</u> outlining the flexibility of copyright law to address issues raised by AI systems. The document suggests that using material for training data does not infringe copyright, but outputs may and remedies should be available to rights holders. It also proposes that copyright protection should extend to creators using AI.

Chamber of Progress Uses AI to Analyze 2023 Congressional Hearings

On December 21, 2023, the Chamber of Progress, a "a center-left tech industry association promoting technology's progressive future," <u>published</u> an analysis of AI Congressional hearings created using an AI tool, <u>Levity</u>, to review all 28 AI hearings Congress held in 2023 and to dissect the discussion. Among other themes, the analysis found that, while discussion of comprehensive regulatory frameworks such as licensing requirements gained momentum during early hearings, such discussion "declined as lawmakers learned more about the technology and understood the wide variety of use cases."

Deloitte Deploys Al Chatbot

On January 8, 2024, Deloitte <u>deployed</u> a generative AI chatbot, PairD, for 75,000 employees across Europe and the Middle East to boost productivity by helping workers with everyday tasks including drafting content, writing code, and carrying out research.

JPMorgan Publishes Research on LLM for Enterprise Documents with Complex Layouts

On December 31, 2023, JPMorgan AI Research released a <u>paper</u> describing DocLLM, an LLM extension that can handle documents with intricate formatting by considering textual semantics and visual cues. The model was designed to enable reasoning from visually complex documents that are challenging for standard text-based LLM models, such as forms, reports, and invoices.

EU and U.K. Updates

Leaked Drafts of EU Artificial Intelligence Act Shed Light on its Implications for Companies

The leaked drafts of the proposed EU Artificial Intelligence Act, which surfaced on January 22, 2024, have provided the public with a much-anticipated glimpse into the regulatory framework that will govern AI in the EU. This Act is set to have significant implications for companies involved in AI development, usage, and the provision of AI-generated content for professional activities within the EU. Although the leaked text is not yet in its final form, it is anticipated that there will be no significant alterations. As the remaining provisions of the draft EU AI Act are being finalized in the coming weeks, businesses are strongly encouraged to actively participate in the process to ensure their voices are heard regarding the intricate details of the Act. The <u>Global Akin AI Group</u> is available to discuss the draft EU AI Act, and other AI developments at your convenience.

Germany, France, and Italy to Agree on Common Position on Final EU AI Act Text

Germany, France, and Italy have all raised criticisms of last December's deal between the European Council and Parliament on the proposed EU AI Act, raising questions over the text's final shape. On December 27, 2023, German Digital Minister Volker Wissing <u>stated</u> that the current text's strict hurdles for large foundation models created an "[un]fair competitive environment" that could put new entrants and smaller companies at a disadvantage compared to established players. Minister Wissing's statement followed criticisms by French President Emmanuel Macron, who <u>asserted</u> earlier in the month that it was "not a good idea" to regulate AI more than other countries like the United States. The three countries are currently in the process of <u>establishing</u> a common position on their concerns. It is unclear whether they will seek to block the Act's final passage—which will require a fourth EU Member's support—or whether they will merely seek to extract further concessions, such as a mandatory periodic review of the legislation as President Macron has proposed.

Italy to Make AI a Focus of its G7 Presidency

On January 4, 2024, Italian Prime Minister Giorgia Meloni <u>stated</u> that addressing AI risks will be one of two key themes of Italy's one-year presidency of the Group of Seven (G7), which includes the U.S., Canada, Japan, Germany, France, the United Kingdom and Italy. Prime Minister Meloni noted that she was "hugely concerned about the impact [of AI] on the labour market," where "we are faced with a revolution where [human] intellect is in danger of being replaced." She also announced that Italy would hold a special G7 leaders' summit before June 2024 on addressing these and other dangers posed by AI.

Spain Unveils One of World's Largest Supercomputers Focused on Al Research

On December 21, 2023, Spain <u>inaugurated</u> MareNostrum 5, a supercomputer developed by the EuroHPC Joint Undertaking (EuroHPC JU) and operated by the Barcelona Supercomputing Center. MareNostrum 5 claims a peak performance of 314 petaFLOPS—ranking as the eighth most powerful supercomputer on the <u>Top500 list</u>—and was developed to "strengthen research" in AI applications, with a "particular focus on enhancing European medical research" in fields like drug and vaccine development and "virus spread simulations." At the inauguration, EuroHPC JU Executive Director Anders Dam Jensen noted that MareNostrum 5 was now "ready for access by European researchers to push the boundaries of scientific and technological innovation."

UK Supreme Court Rules AI is not an "Inventor" for Patent Purposes

On December 20, 2023, the UK Supreme Court, <u>ruled</u> that an "inventor must be a person," not an AI, for purposes of patent applications under the UK Patents Act of 1977. The ruling concerns an AI named DABUS, which its developer claimed autonomously created two products, a light beacon and a food or drink container, and thus deserved to be named as an inventor on their patents. The Court further found that the developer was not entitled to own any invention made by DABUS or to apply for a patent for inventions created by DABUS based on the developer's ownership of the AI. The ruling affirms the earlier decision of the UK Comptroller-General of Patents, Designs and Trademarks.

China Updates



China's First Al Voice Infringement Case

On December 12, 2023, Beijing Internet Court <u>heard</u> China's first AI voice infringement case. The plaintiff discovered that his voice was cloned using AI and sold on an app without his authorization. The parties argued whether an AI-powered imitation of a person's voice can be considered unauthorized use of the person's original voice, and if the technology used in the process infringes upon the person's right to their voice. The case is still under review by the court and the verdict will be announced at a later date.

Research Report on AI and Intellectual Property Legal Issues

In December 2023, the China Academy of Information and Communications Technology (CAICT) <u>published</u> its Research Report on Legal Issues of AI Intellectual Property (2023), which summarizes the development of the global AI industry and identifies key intellectual property (IP) issues. It conducts an in-depth analysis of issues, such as the reasonable use of data training and the scope of content copyright protection, and combines example cases with an in-depth analysis of different practices in various countries' intellectual property regimes.

On Air with Akin

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Exploring the Intersection of Intellectual Property, Copyright and Artificial Intelligence | Akin Intelligence (December 20, 2023)

Artificial Intelligence (AI) Executive Order | Akin Intelligence (November 22, 2023)

Akin Thought Leadership

<u>Akin IP Lawyers Author Article on Safeguarding Fund Data and IP When Using AI - Part</u> <u>Two</u> (January 16, 2024)

ONC Steps into AI Regulation by Imposing Requirements for 'Predictive Decision Support Interventions'; Also Updates Information Blocking Rules (January 11, 2024)

<u>Congress and White House Press Ahead on AI in Health Care & Life Sciences</u> (January 4, 2024)

Political Deal on the EU AI Act: A Milestone but the Journey Continues (December 12, 2023)

Lawmakers Advance Artificial Intelligence Provisions in Must-Pass Defense Bill (December 7, 2023)

President Biden's Al EO: Key Takeaways for Cybersecurity & Data Privacy (December 1, 2023)

<u>Digital Lords Committee Hears Evidence From Artificial Intelligence (AI) Firms and</u> <u>Regulators</u> (November 22, 2023)

<u>Timeline: Executive Order on the Safe, Secure and Trustworthy Development and Use of</u> <u>Artificial Intelligence</u> (November 13, 2023)

President Biden's AI EO: Key Takeaways for Health Care & Life Sciences (November 9, 2023)

Exploring government action on AI: State attorneys general define priorities (November 9, 2023)

Upcoming Events

Join Akin for an in-person briefing focused on the emerging risks and key considerations for private fund managers implementing artificial intelligence (AI) and machine learning tools. Our program, featuring insights from our policy team, includes panels on:

- The Current AI Policy and Regulatory Landscape
- Privacy and Intellectual Property Rights in the Age of AI
- Compliance Considerations for Fund Managers

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