

Tech Summit on Artificial Intelligence: Consumer Facing Applications

Overview

On January 25, 2024, the FTC held a Tech Summit on Artificial Intelligence. The event page, with the full 4.5 hour recording of the event, is available [here](#).

In the third panel, we hosted the following panelists:

- **Atur Desai**, Deputy Chief Technologist for Law and Strategy, U.S. Consumer Financial Protection Bureau
- **Karen Hao**, award-winning journalist covering the impacts of artificial intelligence on society and a contributing writer for The Atlantic
- **Conrad Kramer**, Co-Founder and CTO of Software Applications Incorporated, a new startup building consumer software using AI
- **Ben Winters**, Senior Counsel at EPIC, and leads EPIC’s AI and Human Rights Project

Panel Summary: The panelists discussed norms of tech product design and deployment as products are being released to hundreds of millions of users with harms and without incentives for companies to mitigate risks upfront. In addition, panelists mentioned that end-user AI applications can create harmful outcomes that stem from data collection, sharing, use, and monetization tactics, discriminatory algorithms, and security practices. Finally, panelists shared that companies may be employing marketing tactics such as ill-defined “AI Safety” or “Privacy Enhancing” labels to falsely build trust with consumers.

Why a Quote Book? The voices of people on the ground can sometimes be lost in discussions involving dense technical, policy, or legal language. While the benefits or risks of new technologies are being debated by policymakers, these individuals—investigative journalists, startup founders, and consumer advocates—experience the effects of innovation in real-time.

The FTC recognizes that this is not a representative sample of the entire population, and we strive to continue to listen and engage with a variety of perspectives. The goal of the quote book solely aims to reflect and compile quotes from the participants aggregated into common themes. This summary aims to be a resource, to see various perspectives on topics.

Factors to Build a Model

- “The best models are currently available for purchase or for rent from the larger companies, versus the open-source models are a little bit lagging behind on quality.” - Conrad Kramer

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robocaller and telling voters that they shouldn't vote, or they should vote on the wrong day or something to that effect.” - Ben Winters

Discrimination

- “The discrimination problem that we see on all sorts of automated systems... there's been a lot of studies on this that generative AI systems specifically really entrench discriminatory stereotypes that we've seen for a long time. You type in ‘doctor,’ you're going to see a white guy. You type in ‘homemaker,’ you're going to see a woman. It is not advancing anything, it is keeping us stuck in the past.” - Ben Winters

Looking forward: How to approach AI consumer product and service development

Existing laws apply

- “Stated simply, there's no AI or fancy technology exception to the laws that CFPB enforces. The fact that you're using a complicated AI model, or that you may not understand why your model is reaching the conclusions it is reaching does not diminish your legal obligations under our laws or consumers' rights.” - Atur Desai
- “... at the end of the day, if using a technologically complex model means that a company cannot comply with its obligations under federal consumer financial laws? They really shouldn't be using that model.” - Atur Desai
- “Breaking the law should not be a company's competitive advantage. So I think as a first principle as we start to think about this, companies really should adhere to their obligations under the law. If a company can't comply with laws like federal consumer financial laws because their technology is too complex or otherwise? Then they really shouldn't be using that technology.” Atur Desai

Integrating technologist expertise

- “One thing that is important is that we ensure that we have people with diverse perspectives and skill sets in the room, and this is a focus area for the CFPB. In 2022, we started our technologist program. And what this specifically means is that we began a program to tightly embed and integrate folks with technical expertise within our supervision and enforcement teams. These are data scientists, AI ML experts, design experts amongst other technical staff. So CFPB is putting a focus on making sure that we're building these interdisciplinary teams, so we're not just approaching problems from the perspective of lawyers, or economists or other professionals, but rounding it out with technologists who have deep knowledge of the markets that we're overseeing.” - Atur Desai

Regulation & Law Enforcement

- “There is a place for legislators and regulators to force that, there are good mechanisms like audits and impact assessments.” - Ben Winters

- “The other laws still exist. We have civil rights laws, consumer protection laws, fair competition laws, and while we do need a comprehensive baseline privacy law, we need laws that ban specific, really just unconscionable uses of AI. We can, a little bit, little by little, tweak and improve the status quo with the laws that are on the books.”
- Conrad Kramer

AI safety and other labels

- “...when we start talking about AI safety in the public domain, safety has a totally different definition than public domain. And so now it's become a really clever marketing trick for companies to lean into the common interpretation of the term, which is that... It is related to privacy, security, fairness and the economic impacts of AI or its military implications, and that is a really big disconnect that ultimately allows companies to continue doing a lot of things that are not necessarily great for the consumer in the long run.” - Karen Hao
- “... a lot of other startups share this responsibility, and I think further that doing the minimum or doing what is required is one approach, but I think startups that take this seriously and actually innovate ways to give privacy to users and to build safer models, I think, will ultimately succeed.” - Conrad Kramer

More transparency and information

- “So I think just one thing is just to try to empower consumers, regulators, legislators, writers, that you can understand it and push back about it.” - Ben Winters
- “...really question what companies say and how they message things to us, not only in terms like AI safety or in the other kind of marketing that they use, but also in the way that they frame what is good for us, like the idea of deploy now and iterate later.” - Karen Hao

More governance

- “...Open AI launched ChatGPT within two to three weeks, on a whim of a decision, based on competitive pressures, and then suddenly, it bursts forth and we're all living in this new era and we all have to grapple with it, I don't feel like any of us had any kind of agency, any kind of democratic governance over that decision.” - Karen Hao