The FTC is on the Front Lines of AI Innovation & Regulation

AI-Related Programmatic Advances at the FTC
(June 2021 - January 2025)

For over a century, the FTC has followed key technological developments and market trends. As technologies such as the radio and the Internet beha the FTC

has tackled the next great technological shift: artificial intelligence (AI). Over the past several years, the agency has looked closely at AI issues that impact competition and consumers—and taken steps to address the root causes of these issues.

Enforcement Actions

- Restricted companies from unlawful use, sale, licensing, or collection of data
- Prohibited companies from training AI models on ill-gotten data
- Required companies to create strong data retention schedules or minimize the data they collect in the first place
- Required companies to substantiate claims about AI safety, bias, and efficacy
- Banned RiteAid from using facial recognition technology
- Banned NGL Labs from offering anonymous messaging apps to kids under 18
- Launched law enforcement sweep to fight AI-powered fraud and scams
- Joined DOJ to submit Statement of Interest in algorithmic price-fixing case

Proposed and finalized relevant rules

- Banned fake reviews and testimonials
- Proposed to ban the impersonation of individuals, a practice that has been turbocharged by technology like AI-generated deepfakes.
- Amended the Telemarketing Sales Rule to facilitate FTC action against deceptive marketers who use AI robocalls
- Strengthened COPPA to limit companies' ability to profit from kids' data, including by training of AI models
- Proposed and finalized other rules and guidance to improve competition and protect consumers in technology markets: Merger Guidelines, Click-to-Cancel, Non-Competes Rule

Research & Horizon Scanning

- Created the Office of Technology
- Launched 6(b) studies on Surveillance Pricing and on AI Investments and Partnerships
- Published 6(b) Staff Report on Social Media and Video Streaming Services
- Wrote "Combatting Online Harms Through Innovation" report to Congress
- Conducted a Cloud Computing RFI and public panel
- Held roundtable and published report on AI & the Creative Economy
- Organized Voice Cloning Challenge to protect consumers from the misuse of AI-enabled voice-cloning for fraud & other harms
- Published technical blog posts and "AI and Your Business" blog posts
- Published two sets of research questions of interest to the Office of Technology

The FTC has taken several enforcement actions to crack down on unlawful uses of AI.

to-Cancel" rule that applies to relevant subscription-based AI services, and a rule banning non-competes to ensure new ideas in AI have a chance to come to market.

The FTC is researching AI trends to stay on top of the latest developments and challenges.

- Created the agency's first-ever Office of Technology (OT) to bring AI and technological expertise in-house, including software and privacy engineers, user experience researchers, data scientists, investigative data journalists, and other experts, led by Chief Technologist Stephanie T. Nguyen.

- Launched an inquiry into and issued interim research summaries about surveillance pricing to understand the opaque market for products that claim to use advanced algorithms and AI, along with personal information about consumers, to categorize individuals and set a targeted price for a product or service.

- Launched an inquiry into and issued a staff report about corporate partnerships and investments between the three largest cloud service providers and generative AI companies, scrutinizing five major companies: Alphabet, Amazon, Anthropic, Microsoft, and OpenAI.

- Wrote "Combatting Online Harms Through Innovation," a report to Congress about whether and how AI may be adopted to address a wide variety of specified "online harms."

- Conducted a Cloud Computing Request for Information and hosted a public panel of experts examining four specific areas of cloud computing (competition, single points of failure, security, AI).

- Held a Tech Summit on AI to explore the layers of the generative AI tech stack and potential competition and consumer protection concerns at each level.

- Held a roundtable on the Creative Economy & AI and published a report to surface perspectives and concerns of creators around generative AI including writers, photographers, digital graphic artists, voice actors, open-source software contributors, musicians, and models.

- Published numerous technical blog posts about AI and its intersection with the FTC's work, including generative AI and competition, open-weights foundation models, privacy, and more.

- Ran an exploratory Voice Cloning Challenge to encourage the development of new products, policies, and procedures to protect consumers from AI-enabled voice cloning harms, including fraud and the broader misuse of biometric data and creative content.

¶ Hosted the eighth annual PrivacyCon, including a panel focused on the intersection of AI, privacy, and security.

¶ Published a series of blog posts, "AI and Your Business," to send clear and unequivocal messages from the FTC staff to industry that there is no AI exception to consumer protection laws.

¶ Released two sets of research questions of interest to the Office of Technology aimed at the research community on issues including AI-enabled fraud and scams, AI and competition, and surveillance pricing.

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