

Lessons Learned as an AI Policy Advisor in the United States Senate

Serena Booth

Brown University
serena.booth@brown.edu

Prior to assuming my role as an Assistant Professor of Computer Science at Brown University, I served as an AI Policy Advisor through a AAAS Fellowship in the U.S. Senate. I worked for the Committee on Banking, Housing, and Urban Affairs on the Democrat side. In this unconventional talk, I will detail the lessons I learned about legislating, regulating, and governing AI systems as a policymaker, and how these lessons influence my research agenda as a new PI.

Regulatory Oversight Bodies

In the first part of this talk, I will provide an overview of how the United States federal government works, focusing on the differences between legislation and regulation. I will explain how the United States Congress considers AI legislation and detail the roles of federal agencies that have meaningful AI regulations in place from the financial services and consumer protection perspective. These federal agencies include the CFPB (Consumer Financial Protection Bureau), the FTC (Federal Trade Commission), the SEC (Securities and Exchange Commission), BIS (Bureau of Industry and Security), among others. I will also explain the role of the Judiciary branch in AI regulation, and of how these dynamics are changing in the aftermath of the downfall of the Chevron Deference, in which federal agencies formerly had assumed authority to interpret ambiguous legislation. I will highlight some changes needed to these oversight bodies—for example, the establishment of a new data protection agency or the addition of a bureau of data protection to the FTC.

Existing Laws

It is a common misconception that AI is not regulated in any meaningful way. The United States legislative record is generally technology-agnostic; this means that many existing laws apply and significantly affect AI development and usage. For example, consider the Equal Credit Opportunity Act of 1974. This law was designed to increase women’s access to financial services, as it is fundamentally a nondiscrimination law. One provision of this act is that whenever a financial institution takes an adverse action on a loan application—for example, by denying it or offering a worse interest rate—they must provide an explanation for this action. This law applies to financial institutions that choose to use AI systems to assist in their determinations of credit-worthiness. Although it does not mention “artificial intelligence” in any capacity, this law effectively precludes the use of deep learning-based decision support systems. This act is

one of many such examples of a technology-agnostic law with far-reaching implications for AI development and use.

Necessary Legislative Interventions

While many existing laws govern AI in financial services and consumer protections more generally, there are nonetheless many oversights in these laws. For example, many financial institutions rely on technology companies to provide access to services like cloud computing or to artificial intelligence models, like ChatGPT. These technology companies are known, in Congressional parlance, as “third-party service providers.” Of the seven financial regulators in the United States, only five have what is colloquially known as “third-party vendor authority,” in which regulators have the ability to both examine and regulate bank service companies. Two, however, do not, including the Federal Housing Finance Agency. This agency oversees one of the most sensitive issues in government, the oversight of mortgages. This is a significant risk surface, and the solution is simple: this agency needs expanded third-party vendor authority. I will share many several examples of necessary legislative interventions to ensure the good governance of AI systems.

Consumer protection laws, more broadly, are one of the main guardrails in place for encouraging safe AI development. With the increasing integration of AI in consumer applications, ensuring the safety and fairness of these systems is paramount. I will examine existing consumer protection laws, such as the Fair Credit Reporting Act and the Gramm-Leach-Bliley Act, which offer frameworks for protecting consumer data and financial data privacy. I will also highlight the role of the CFPB and FTC in enforcing these laws and how their focus on deceptive practices can be applied to AI. I will also propose necessary updates to existing regulations, like disparate impact law, to better address concerns such as algorithmic bias and transparency in AI decision-making, advocating for robust mechanisms that empower consumers to understand and contest AI-driven outcomes.

Implications for AI Researchers

In my new role as faculty, I research how to specify, inspect, comprehend, and govern the behaviors of AI systems. That last piece—governance—necessarily requires an understanding of our existing legislative and regulatory structures and laws, from government procurement to fiduciary duty to tort law and liability. I will discuss how my experiences as a policymaker have shaped my research agenda, and how this knowledge of legislation and process influence how I think about the development of AI systems. I will emphasize the importance of interdisciplinary and substantive

collaboration between computer scientists and policymakers to foster innovations that not only advance technology but also uphold democratic values and protect societal interests.