



Center for AI and
Digital Policy

#fairness #accountability
#transparency #Alguardrails



FEDERAL TRADE COMMISSION
PROTECTING AMERICA'S CONSUMERS

#OpenTheInvestigation
[CAIDP.org/cases/OpenAI](https://www.ftc.gov/cases/OpenAI)



What does the Complaint seek?

Halt	Further commercial deployment of GPT by OpenAI
Require	Independent assessment of GPT products before deployment
Require	Compliance with FTC AI Guidance before deployment
Require	Independent assessment throughout the GPT AI lifecycle
Establish	Publicly accessible incident reporting mechanism for GPT-4
Initiate	A rulemaking to establish baseline standards for Generative AI based products



Why this complaint? - WE NEED GUARDRAILS!

OpenAI acknowledged risks

- Disinformation and influence operations
- Proliferation of conventional and unconventional weapons
- Cybersecurity

OpenAI disclaims liability

OpenAI in the market

- DALL-E, GPT-4, OpenAI Five, ChatGPT, and OpenAI Codex for commercial use
- OpenAI describes these AI models as “products”
- Plugins for GPT-4 for consumer services - travel, finance, and shopping

Unfair and Deceptive Practices

- Bias
- Safety – particularly children
- Consumer Protection
- Cybersecurity
- Deception
- Privacy
- Lack of Transparency
- Public Safety



Legal Basis for the Complaint

FTC's Mandate

- Section 5 Authority
- AI Guidelines

Established Public Policies on AI Governance

OECD AI Principles

- Human Centered Values and Fairness
- Robustness, Security and Safety
- Transparency and Explainability
- Accountability

Universal Guidelines for AI

- Human Centered Values and Fairness
- Robustness, Security and Safety
- Transparency and Explainability
- Accountability



What has happened since?

FTC Action

- **Investigation pending**
- Guidance on Generative AI - *the Luring Test*
- Signal on future enforcement – Chair Khan’s NYT Op-Ed

US Govt. Action

- President Biden statement to Council of Advisors
 - *tech companies have a responsibility, to make sure their products are safe before making them public*
- WH Statement on advancing responsible AI
 - *the private sector has an ethical, moral, and legal responsibility to ensure the safety and security of their products*
- CFPB, DOJ, EEOC, FTC

Other Public Policies and Agency Action

- Italy bans ChatGPT, restores after safeguards
 - Restores operations after safeguards
- OECD Report on LLMs
- BEUC Calls for EU wide investigation under Unfair Commercial Practices Directive