



June 26, 2025

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20510

Dear Leader Thune:

On behalf of our nation's venture capital (VC) investors and the entrepreneurs they support across the U.S., I write to express our strong support for the 10-year moratorium on all state and local artificial intelligence (AI) regulation. AI is one of the most transformative technologies of the 21st century, unlocking new frontiers in national defense, biotechnology and drug discovery, energy security, and beyond.

The U.S. has long been the world leader in AI development. However, realizing AI's full promise requires a stable, innovation-friendly policy environment – one that fosters experimentation, facilitates capital formation, and provides regulatory clarity across all 50 states. It is imperative for the federal government to take an active role in harnessing the startup ecosystem to ensure the U.S. remains at the forefront of global AI innovation.

The current fragmented AI regulatory environment in the United States creates unnecessary challenges for startups, stifles innovation, and threatens our dominance in the industry. With over 1,000 AI-related bills across state legislatures, startups and investors struggle to navigate conflicting mandates and legal uncertainty. For early-stage companies, navigating multiple and potentially contradictory legal frameworks is not only costly but poses existential risks. Inconsistent state-level AI laws would stifle innovation, slow deployment, and drive capital and talent away from the United States at a time when China and other nations are rapidly advancing strategic AI ambitions.

We commend Congress' effort to establish a national AI policy framework that both safeguards the public interest and preserves the dynamism of the U.S. innovation ecosystem. A decade-long moratorium on state AI regulation – paired with thoughtful, adaptive federal standards – will give entrepreneurs, researchers, and investors the clarity they need to develop AI responsibly at scale.

NVCA welcomes the opportunity to partner with you in shaping effective national AI governance. Strong federal leadership is essential to ensuring that the U.S. remains the best place in the world to build and invest in transformative technologies. Thank you for your leadership on this issue, and for your commitment to America's continued global leadership in AI.

Sincerely,

A handwritten signature in cursive script that reads "Bobby Frankel".

President and CEO
National Venture Capital Association (NVCA)