

# [***AI Regulations Passed In Europe, But Also Need To Be Enacted In The US***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BJK-Y4K1-JBCM-F0CX-00000-00&context=1516831)

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**Byline:** CIO, Forbes Staff

**Highlight:** The published version of Forbes CIO newsletter delivers the latest news for chief innovation officers and other technology-focused leaders to inboxes every Thursday.

**Body**

**This is the published version of Forbes CIO newsletter, which offers the latest news for chief innovation officers and other technology-focused leaders. Click here to get it delivered to your inbox every Thursday.**

More than a year into our collective frenzy over AI, the world took a big step toward official government regulations that will govern acceptable uses of the technology, mandatory disclosures, and banned uses. The**European Union s Parliament** on Wednesday, with 523 votes in favor, 46 against and 49 abstentions. The law will go into effect on a rolling basis, with some provisions enforced later this year and some to take effect within three years.

The European law is the world s first that governs the use of AI, and its backers**touted both the EU s single-mindedness to deliver such an important law first and the challenges that lie ahead** as use of AI becomes more widespread. AI will push us to rethink the social contract at the heart of our democracies, our education models, labour markets, and the way we conduct warfare, Romanian member Dragos Tudorachesaid. The AI Act is a starting point for a new model of governance built around technology. We must now focus on putting this law into practice.

In October, President Joe Bidenunveiled an executive orderto deal with AI governance in the U.S., but**it doesn t go nearly as far as the EU s new law**. Since it was only an executive order, it directed government departments to study the risks and make policy recommendations, but Biden said at the time the order was aimed at curbing the risks and seizing the promise of AI.

In policy governing the online world,**it doesn t always matter which country or region develops it first**. In a global digital marketplace, companies tend to follow the most stringent rules, especially because there is no way of knowing where users are from. The U.S. stilldoesn t have a specific lawgoverning data privacy, yet most websites have a disclaimer allowing users to opt out of third-party cookies because of the EU s General Data Protection Regulation. The EU s AI laws will likely have a similar effect when it comes to transparency disclosures of content produced through AI: It will make sense for AI platform owners to embed required disclosures in its services for all users. However, some of the uses of AI prohibited under the EU law are attached to users at a physical location including creating biometric categorization systems, scraping existing data to create facial recognition databases, and using image matches for predictive policing. A company can create AI platforms for these uses and sell them to U.S.-based organizations without worrying that someone in the EU could also be impacted.

**It is time for the U.S. to get caught up on creating AI regulations**. Considering the sometimes less-than-logical priorities of the federal government and the fact that this is an election year, it s unknown if much will happen in 2024. However, as AI becomes more prevalent, and bad actors are using the technology tosow political confusionandprofit from pornographic deepfakes, it may give the U.S. more of a push to enact its own rules.

The**underlying infrastructure to run AI is something that doesn t get a lot of play in the discussion about the technology**, but it is extremely important. Lumen Technologies has been using its Network-as-a-Service offering to increase bandwidth for AI and other applications companies use. I talked to CEO Kate Johnson about the company s technology and what it plans for the next year. For more about Lumen s internal people-first revamp, see my interview in this week sForbes CEO.

**POLICY + REGULATIONS**

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(Photo by OLIVIER DOULIERY/AFP via Getty Images)

AFP via Getty Images

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**Washington, D.C. has been consumed with a non-AI tech platform this week: TikTok**. On Wednesday, the House of Representativesoverwhelmingly passed a billthat would have the practical effect of forcing ByteDance, TikTok s Chinese owner, to sell the app to a U.S.-based entity within six months or be banned. The legislation, which got a floor vote in near-record time, isn t all about TikTok, though. It applies to any app that is 20% or more owned by an entity in a country deemed a U.S. adversary China, Russia, Iran or North Korea though right now, that s mostly just TikTok.

TikTok is wildly popular among Americans, especially those in Gen Z. According to TikTok s most recent statistics last year, it s used regularly by 150 million people in the U.S. It s also beenscrutinized by policymakers. ByteDance hasused the app to track individual Americans, including**Forbes**journalists, and**some are leery of the access the app may give the Chinese government to things going on in the U.S.**A total of 39 states and the federal government havebanned TikTok from government-issued devices, but private citizens have had unrestricted access to it.

While the ***politics*** of TikTok are currently a hot topic in Washington, it s important to note what this bill actually does.**It s essentially the U.S. blocking any other tools from foreign nations that may want to do us harm**. China has amassive hacking program FBI Director Christopher Wray estimated in September that China s hackers outnumber the total number of cyber intelligence analysts in the FBI at a rate of 50 to one while theU.S. Cybersecurity & Infrastructure Security Agencysees Russia as a top threat, especially targeting U.S. critical infrastructure. It wouldn t be surprising if these governments add surveillance or data theft capabilities to creations from native developers.

It s unknown if TikTok has any malicious intent baked into the stream of videos featuring dances, storytelling, challenges and influencers that come to millions of smartphones in the U.S. daily. But**whether this bill will go anywhere is also a big question mark**. It s moved to the Senate for their consideration, and Majority Leader Chuck Schumerhasn t said it will get a vote. Meanwhile, wealthy Americans includingformer Treasury Secretary Steven Mnuchinandformer Activision Blizzard CEO Bobby Kotickhave expressed interest in buying TikTok something that would immediately nullify concerns over an outright ban.

**ARTIFICIAL INTELLIGENCE**

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(Photo by Jakub Porzycki/NurPhoto via Getty Images)

NurPhoto via Getty Images

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Elon Musk issetting xAI s Grok free. On Monday, Musk announced on his social media platform X that the**Grok chatbot would go open source this week**. Previously, Grok had only been available to X users who paid a $16 monthly subscription. While Musk doesn t always explain his decision making process, making Grok open source likely stems from hislawsuit against OpenAI, which he helped form in 2015 and stepped away from in 2018. In the lawsuit, Musk says OpenAI was started as a non-profit organization to develop AI for the benefit of humanity with open-source work, but has since changed its focus to profits. It s difficult to hold up a lawsuit filed on that premise and keep your own AI work only available to subscribers.

**BITS + BYTES**

**Lumen Technologies CEO Kate Johnson On Pushing Telecom To The Cloud**

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Lumen Technologies CEO Kate Johnson.

Lumen Technologies

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**Lumen Technologies is a company in transition. It got its start as an old-school telecommunications company nearly 100 years ago, and has been continually modernizing to keep up with the latest technology. Today, CEO Kate Johnson said, Lumen is cloudifying telecommunications, building more high tech digital capabilities and network availability on top of their existing fiber network. Sometimes referred to as Network-as-a-Service, Johnson said Lumen Technologies is making the speed and bandwidth of its network available on-demand to its customers, much like cloud computing does for processing and data storage. I spoke with Johnson about Lumen s technology and plans. This conversation has been edited for length, clarity and continuity.**

**How do you cloudify telecommunications?**

**Johnson:** Getting brilliant at the basics is really, really important. Number one: our intellectual property. It starts with the crown jewel asset, which is the fiber network. The second thing is making sure that we can digitize it. Just like the world is digitizing everything, and devices have sensors and connection to clouds and things like that, same kind of thing. Making sure that we can recognize every element of the network, and plate it up as a service, so that a customer can fulfill the dream of any port, any time, any service, anywhere. To be plugged into their applications as easily as calling an API.

We re making a huge amount of progress. We launched in the summer. This month, we re releasing some pretty significant capability and functionality that is going to provide step-level improvement of not only availability of Network-as-a-Service from Lumen, where you can get this, but also the capabilities that it will allow you to dynamically change bandwidth, for example, or use APIs to call.

I would say that the second step is redefining connectivity. Today there s a pretty complicated and friction-filled architecture for connecting applications to the cloud. Everybody thinks about it as plumbing, and they take it for granted. Customer connects to Lumen, Lumen connects to a data center company, a data center company connects to one of the public clouds, for example. We actually created an optical switching platform, which redefines that architecture and makes it very simple. It gets rid of several of the legs, and just has it so that a customer can connect to Lumen. And we are connected to the cloud already. It simplifies it, it s less expensive, it s more eco-friendly, it s faster, and it has monstrously huge capacity, which we re excited about. It opens up the opportunity for companies to put their really large workloads that demand fast pace and low latency into the cloud.

**How does this capability work with AI?**

We re creating a single experience for our customers to be able to push huge amounts of data anywhere it s economical to do compute. That s kind of the trick with AI. There s AI training and inference. It s kind of like, I ve got to have a ton of data available to be able to figure out the answers to questions for users that are located everywhere. You don t want that all on the cloud because it could be overly expensive. You want to push it to the most efficient place to be able to process it. You need a network that s flexible and dynamic and digital to be able to do that. As we see companies adopting gen AI, the swath of data goes up and they need more ability to manage their resources across that complex hybrid environment.

**You ve said 2023, your first full year as Lumen CEO, was a reset year. What can we expect from 2024?**

So 2024 is about execution. We re driving adoption of the collection of the four capabilities we have named Lumen Digital. Those four capabilities are inherently new and different, and we re working with very big names across several different industries to talk about adopting these capabilities to drive cost out, to drive performance up, et cetera. That ll be essential: Let s set the foundation for growth, and [then] it s about customers having the courage and the know-how to adopt these new technologies, so that you can then get to scale later. That takes obsessing about customer problems and being able to articulate how your technology solves them. It s about constant innovation, quick and cyclical so that you re just iterating and constantly making better. It s about being able to demonstrate it and break it off into pieces that people can bite off and chew.

We re cloudifying telco, and the reason why I talk about it that way is because the world went through cloudification. It was hard because most CIOs were like, I don t want to change. I don t want to put my apps in the cloud. I m not putting my data in the cloud. There s no way. The way that technology companies, cloud companies, convinced CIOs to do it was [saying], Hey, I m going to be the central place to drive efficiencies in compute, efficiencies in storage and networking. I m going to put more money in making this thing secure than you can ever do as an individual company, because I m going to specialize in this. As the pace of innovation keeps going, I m going to keep up with it because that s what I do, and you can do your core business.

We are doing the same thing [to explain our services], and that s what CIOs love.

**FACTS + COMMENTS**

Last summer,**amid an SEC investigation and regulatory pressure**, Donald Trump reportedly discussedselling his Truth Social network to Elon Musk.

**More than $31 million:** How much Trump Media & Technology Group had lost since it started operating Truth Social in 2021, according to 2023 SEC filings

**90%:** Trump s stake in Truth Social

**Never been to Mar-a-Lago :** Musk s response to**Washington Post** questions about the report, referring to Trump s club in Palm Beach, Florida, where the**New York Times**reported Trump spoke to Musk

**STRATEGIES + ADVICE**

Now that the EU AI Act has been approved,**companies need to be ready for its implementation**. Here s a rundown of what it may mean for your business andwhat you need to do.

**Low code applications that require little to no coding**for development have become popular, but they need to be implemented well. Here are sometips to rememberwhen adding this kind of capability to your organization.

**QUIZ**

***Politics*** aside, a code leak revealed**TikTok may be working on a new app**. What is its function?

A. Health and wellness tracking

B. A marketplace for users to buy and sell items

C. Music streaming

D. Photo sharing

See if you got the answer righthere.

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