

*Before the*  
United States Department of Commerce, Bureau of Industry and Security  
Washington, D.C.

*In re* Request for Comments on Establishment  
of Reporting Requirements for the  
Development of Advanced Artificial  
Intelligence Models and Computing Clusters

Docket No. 240905-0231

**COMMENTS OF  
THE COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION (CCIA)**

In response to the request for comment, published in the Federal Register at 89 Fed. Reg. 62,421 (Sept. 11, 2024), the Computer & Communications Industry Association (“CCIA”)<sup>1</sup> submits the following comments regarding reporting requirements for developing advanced AI models and computing clusters.

**I. Introduction**

CCIA understands and appreciates the Bureau of Industry and Security’s (BIS) efforts to take actions as needed to ensure that dual-use foundation models operate in a safe and reliable manner, pursuant to E.O. 14110. CCIA submits the following comments to support such efforts and ensure that the reporting process is tailored, appropriate, and subject to necessary safeguards. Our comments recommend that BIS revise the proposed rule to:

- Adopt a semi-annual or annual reporting schedule, with responses to follow-up questions required within 60 days.
- Allow covered persons, upon initially reporting applicable activities without any subsequent developments, to affirm continued operation instead of providing detailed reporting.

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<sup>1</sup> CCIA is an international nonprofit membership organization representing companies in the computer, Internet, information technology, and telecommunications industries. Together, CCIA’s members employ nearly half a million workers and generate approximately a quarter of a trillion dollars in annual revenue. CCIA promotes open markets, open systems, open networks, and full, fair, and open competition in the computer, telecommunications, and Internet industries. A complete list of CCIA members is available at <http://www.ccianet.org/members>.

- Detail the information security protocols used to safeguard reporting information, including data minimization standards and a method for securely submitting requested information.
- Explicitly state that reporting information will be exempt from FOIA requests.
- Establish consistent guidance for measuring and reporting compute, based on best practices.
- Develop the standard questionnaire through an open consultation and ensure sufficient consultations prior to subsequent revisions.

Detailed comments are as follows.

## **II. Comments**

### *A. Quarterly Notification Schedule*

The proposed rules would require covered U.S. persons with models or clusters exceeding the technical thresholds for reporting to notify BIS on a quarterly basis of developing, or having the intent to develop within the next six months, an AI model or computing cluster above certain technical thresholds specific in this proposed rule. It would also require covered persons to respond to follow-up inquiries by BIS within 30 days.

As proposed, the quarterly reporting schedule would impose too heavy a burden on respondents, without providing sufficient justification for doing so on such a frequent basis. This would also impose a significant burden on BIS to rapidly review large amounts of information, given the broad nature of the information requested. The rule should instead adopt semi-annual or annual schedules, ensuring frequent enough reporting to capture developments without imposing an undue burden, and should extend the follow-up response timeline to 60 days.

In addition, the proposed rule estimates that the specific survey required by this proposed rule will have an estimated burden of 5,000 hours per year aggregated across all new respondents, estimated to be 15 companies that exceed the reporting thresholds for models and computing clusters at the time of publication. This estimation, which assumes an average of 333 hours per year for each respondent vastly underestimates the time and resource intensity involved, especially under a quarterly schedule. Based on industry experience and given the complexity of the information being requested, respondents will likely undertake a far greater

average number of hours per year, underscoring the importance of a semi-annual or annual reporting schedule.

The proposed rule also waives detailed reporting requirements if covered persons have no “applicable activities” to report, requiring that they only affirm the fact to BIS, with “applicable activities” defined as developing or having the intent to develop within the next six months, an AI model or computing cluster above certain technical thresholds specific in this proposed rule. The language as written is unclear about the obligations for covered persons regarding reporting obligations for a model or compute cluster previously reported that remains in operation. The rule should allow covered persons, upon initially reporting applicable activities without any subsequent developments, to affirm continued operation instead of providing detailed reporting. Additionally, given the lack of clarity in the definition of “training” or “training run”, the rule should explicitly list categories of activities not subject to reporting requirements.

#### *B. Collection and Storage*

CCIA appreciates BIS’ acknowledgment of the extremely sensitive nature of the information collected through these reporting requirements, deeming it as business confidential and treated in accordance with Section 705 of the Defense Production Act of 1950 prohibiting the disclosure of such information unless its withholding is determined to be contrary to national defense. To ensure necessary safeguards for data collection and storage, the rule should detail the information security protocols that will be used to protect the confidentiality of reporting information. BIS should develop information security protocols with data minimization standards in mind and should adopt greater safeguards for submitting requested information, beyond email submission as proposed in the rule. In addition, the rule should explicitly state that reporting information will be exempt from FOIA requests. Such measures will ensure the protection of proprietary information with potential security implications and will foster trust between BIS and the private sector.

#### *C. Collection Thresholds*

The proposed rule would impose collection thresholds based on the technical conditions specified in E.O. 14110 for models and computing clusters, subject to updates as necessary. While various methodologies exist for calculating compute usage, BIS should ensure relative

consistency for measuring and reporting compute, drawing on best practices, including the Frontier Model Forum’s proposed methodology principles.<sup>2</sup>

*D. Other*

To further improve the proposed reporting process, CCIA recommends that BIS ensure that surveys remain predictable and collect only essential data points to avoid imposing undue burdens on respondents and reviewers. This should be balanced with flexibility, as needed, to reflect evolving benchmarks and threat models. BIS should therefore develop and refine the reporting process in close consultation with industry, especially with persons likely to exceed the technical thresholds for reporting, and should provide adequate time for consultations prior to adopting changes to the reporting process.

**III. Conclusion**

CCIA appreciates the opportunity to provide feedback on the proposed rulemaking regarding reporting requirements for developing advanced AI models and computing clusters. CCIA looks forward to continuing to collaborate with and provide expertise to BIS on these important issues.

Respectfully submitted,

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<sup>2</sup> See <https://www.frontiermodelforum.org/updates/issue-brief-measuring-training-compute/>.