<u>Section-by-Section Summary</u>

FRONTIER Act — Frontier Risk Oversight, National Transparency, Independent Evaluation, and Reporting Act

Sec. 1. Short title.

This section provides that the Act may be cited as the **Frontier Risk Oversight, National Transparency, Independent Evaluation, and Reporting Act** — the FRONTIER Act.

Sec. 2. Definitions.

This section defines the key terms used throughout the Act, including the following:

Frontier model / frontier developer — The term "frontier model" means a foundation model trained using more than 10^{26} operations, counting the original training run and any subsequent substantial modification. The term "frontier developer" means any entity operating in interstate or foreign commerce that has trained, or initiated training of, such a model.

Large / very large frontier developer — These terms establish the higher coverage tiers, keyed to AI-related development expenditures and measured with affiliates over the preceding 36 months: gross revenues above $50M plus at least $1B in such expenditures for the large tier, and gross revenues above $5B plus at least $10B in such expenditures for the very large tier. Each higher tier carries every lower tier's duties.

Catastrophic risk — The term "catastrophic risk" means a foreseeable, material risk that a frontier model materially contributes to 50+ deaths or serious injuries, or $1B+ in property damage, in a single incident involving the model (i) providing assistance not otherwise publicly available in developing or releasing a CBRN or cyber weapon, (ii) engaging in conduct without meaningful human oversight that is a cyberattack or would constitute murder, assault, extortion, or theft, or (iii) evading the control of its developer or user. The definition excludes publicly accessible information, lawful federal activity, and harm to which the model did not materially contribute.

Imminent catastrophic risk — The term "imminent catastrophic risk" means a present or impending catastrophic risk, and serves as the predicate for emergency orders and mandatory IVO referral.

Acceptable levels of catastrophic risk mitigation — The term means risk mitigation adequate to ensure a model's anticipated benefits outweigh its catastrophic risk, and serves as the benchmark for IVO assessment.

Critical safety incident — The term "critical safety incident" means unauthorized access to or exfiltration of model weights; harm from a materialized catastrophic risk; loss of control; or the model deceiving its developer to subvert controls, outside a designed evaluation, demonstrating materially increased catastrophic risk.

Under Secretary of Commerce for AI Security — The term refers to a new officer, appointed by the Secretary of Commerce, who holds the Act's rulemaking authority, receives incident reports and registrations, and licenses and oversees IVOs.

Sec. 3. Rulemaking.

This section vests the Under Secretary with narrow notice-and-comment rulemaking authority to carry out the Act. It places three rulemakings on 180-day clocks: minimum requirements for frontier AI frameworks; IVO licensing and oversight; and criteria for substantial (model) and material (framework) modifications. It further authorizes the Under Secretary to increase, by rule, the compute, revenue, and expenditure coverage thresholds, calibrated to reach the developers whose activities present catastrophic risk.

Sec. 4. Transparency and reporting.

This section requires large frontier developers to write, implement, comply with, and publish a frontier AI framework — covering catastrophic-risk thresholds and assessment, model-weight cybersecurity, incident response, and deployment and internal-use decisions, incorporating widely-accepted national, international, and industry approaches, best practices, frameworks, and methods, and conforming to the Sec. 3 minimum requirements — and to undergo an annual independent compliance audit and register with the Under Secretary. It requires publication of the redacted audit report and its transmittal to the Under Secretary, the Attorney General, and opted-in State Attorneys General, and directs the Under Secretary to maintain the public registry of filed developers. It further requires all frontier developers to publish, before or when deploying a new or substantially modified frontier model, a transparency report on its capabilities, intended uses, restrictions, and risk assessments, with redactions permitted to protect trade secrets, risk-prevention mechanisms, cybersecurity, public safety, or national security. It requires reporting of critical safety incidents to the Under Secretary and requires large frontier developers to also report catastrophic risk arising from their models, including internal use. It permits State Attorneys General to opt in to receive reports, and it establishes a civil penalty of up to $1M per violation per day, enforceable by the Attorney General and opted-in State Attorneys General.

Sec. 5. Independent verification.

This section directs the Under Secretary to license and oversee IVOs. It requires each very large frontier developer to retain an IVO for ongoing assessment of whether its framework, governance, risk-monitoring, and mitigations achieve acceptable levels of catastrophic risk mitigation, with access to unredacted materials, records, and assessments at any time. It requires an IVO that determines a model poses an imminent catastrophic risk to refer the matter to the Secretary within 72 hours for consideration of a Sec. 8 emergency order. It permits IVOs to subcontract specialized portions of an assessment while remaining fully responsible, and it prohibits material misrepresentations in any report or opinion. It establishes a civil penalty for developer violations of up to $1M per violation per day, enforceable by the Attorney General and opted-in State Attorneys General.

Sec. 6. Cumulative obligations.

This section provides that, except as expressly provided, each higher tier complies with every requirement applicable to the tiers below it.

Sec. 7. GAO report on the IVO market.

This section directs the Comptroller General to report annually to House Energy & Commerce and Senate Commerce on the state of the IVO market, IVOs' independence from the AI industry, and recommendations to preserve that independence.

Sec. 8. Emergency orders addressing imminent catastrophic risk.

This section authorizes the Secretary of Commerce to suspend or restrict a frontier developer's development, deployment, or internal use of a frontier model upon a written finding that it presents an imminent catastrophic risk. A provisional order may issue on a preliminary determination — with notice and an opportunity to cure unless the imminence of the risk forecloses them — and expires after 45 days; a final order requires the written finding, expires after 90 days, and may be renewed only on a fresh finding. Each order must state its basis, the restrictions imposed, and the conditions for rescission, and the Secretary must rescind the order once those conditions are met or the risk has passed. The developer may seek an expedited administrative hearing at which the Secretary bears the burden of justifying the order, with exclusive judicial review in the D.D.C. and appeal to the D.C. Circuit. Congress receives each order and semiannual reports on the use of the authority. This section is the exclusive means by which any federal actor may restrict a frontier model on imminent-catastrophic-risk grounds. Violations carry a civil penalty of up to $10M per violation per day, and willful violations are criminal.

Sec. 9. Relationship to State laws.

This section matches preemption to the governance functions the Act occupies: it prohibits any State or political subdivision from imposing new substantive obligations on AI developers as to frontier AI catastrophic-risk transparency, third-party auditing and independent verification, or incident reporting. It includes a rule of construction preserving generally applicable laws, use- and deployment-based regulation of deployers and users, laws protecting minors, and State procurement and use rules. The clause is aimed at closely related State frontier-safety statutes (e.g., CA SB-53, NY RAISE, IL SB-315).