

**SUPPORTING STATEMENT FOR  
XBRL Voluntary Program Questionnaire**

This supporting statement is part of a submission under the Paperwork Reduction Act of 1995 (“PRA”), 44 U.S.C. Section 3501 *et seq.* This supporting statement consists of the discussion below and the following items provided by citation or in full as part of such submission:

- A. Statutory Authority
- B. Notice of Proposed Collection and Comment Request
- C. Notice of Submission for OMB Review and Comment Request
- D. XBRL Voluntary Program Questionnaire

**A. JUSTIFICATION**

**1 & 2. Necessity for and Purposes of the Information Collection**

We are proposing a collection of information entitled “XBRL Voluntary Program Questionnaire.” On April 20, 2007, in compliance with the Paperwork Reduction Act, the Commission had published in the Federal Register a notice soliciting comments on the proposed collection of information and advising that the Commission planned to submit the proposed collection of information to the Office of Management and Budget for approval.<sup>1</sup>

For the past several years, the Commission has been evaluating the use of interactive data tagging as a tool to improve the timeliness and accessibility of the information contained in electronic filings with the Commission under the federal securities laws.<sup>2</sup> As part of our evaluation of the potential of interactive data tagging technology, the Commission adopted rules in 2005 instituting a program that permits filers, including investment companies, to submit on a voluntary basis specified, financial statement disclosure tagged in eXtensible Business Reporting

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<sup>1</sup> 72 FR 19984 (Apr. 20, 2007).

<sup>2</sup> Data tagging uses standard definitions (or data tags) to translate text-based information into data that is interactive, that is, data that can be retrieved, searched, and analyzed through automated means. Tags are standardized through the development of taxonomies, which are essentially data dictionaries that describe individual items of information and mathematical and definitional relationships among the items.

Language, or XBRL, format as an exhibit to certain filings on the Commission’s Electronic Data Gathering, Analysis and Retrieval System (“EDGAR”).<sup>3</sup> The current voluntary program permits any registrant to participate merely by submitting a tagged exhibit in the required manner. These exhibits are publicly available but are considered furnished rather than filed. The Commission adopted the voluntary program to help evaluate the usefulness of data tagging and XBRL to registrants, investors, the Commission, and the marketplace.<sup>4</sup> The title for the information collected in these exhibits is “Voluntary XBRL-Related Documents.”<sup>5</sup>

Shortly after instituting the voluntary program in early 2005, the Commission began receiving submissions, and in 2006, the Commission announced an interactive data test group under the voluntary program, in which companies voluntarily agree to furnish financial data in a tagged format for at least one year and provide feedback on their experiences, including the costs

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<sup>3</sup> Securities Act Release No. 8529 (Feb. 3, 2005) (70 FR 6556 (Feb. 8, 2005)) (“XBRL Adopting Release”). See also Securities Act Release No. 8496 (Sept. 27, 2004) (69 FR 59094 (Oct. 1, 2004)) (“XBRL Proposing Release”); Securities Act Release No. 8497 (Sept. 27, 2004) [69 FR 59111 (Oct. 1, 2004)] (concept release soliciting comment on data tagging).

<sup>4</sup> XBRL Adopting Release, supra note Error: Reference source not found, 70 FR at 6556.

<sup>5</sup> On June 20, 2007, the Commission approved amendments, effective August 20, 2007, that will extend the voluntary program to enable open-end management investment companies (“mutual funds”) to submit tagged information contained in the risk/return summary section of their prospectuses on EDGAR as exhibits to filings on Form N-1A, their registration form. Securities Act Release No. 8823 (July 11, 2007) (72 FR 39290 (July 17, 2007)). In June 2006, the Investment Company Institute (the “ICI”), a national association of the American investment company industry, announced an initiative to create a taxonomy to cover the risk/return summary information in the prospectus. The amendments to the voluntary program will permit mutual funds to tag the information in the risk/return summary section of their prospectuses using the taxonomy developed by the ICI. The taxonomy received acknowledgement as a recognized XBRL taxonomy in June 2007.

and benefits.<sup>6</sup> To date, 47 companies have made approximately 192 submissions under the voluntary program.

The Commission needs the questionnaire for the purpose of obtaining information that would enable the Commission to learn about the voluntary program from the participant perspective. The Commission plans to use the information to help it assess the feasibility and desirability of using tagged data on a more widespread and, possibly, mandated, basis in the future. In addition, the information may also be used by the Commission or its staff in connection with public analyses of the responses.<sup>7</sup>

### **3. Role of Improved Information Technology and Obstacles to Reducing Burden**

A response to the questionnaire could be submitted to the Commission electronically by preparing and submitting the response online or by preparing the response offline and submitting it by e-mail. Alternatively, a response could be submitted to the Commission in paper.

Responses to the questionnaire should help us assess the use of tagged data that has the potential to reduce burdens and enhance the use of information technology for the receipt, storage, review, dissemination and analysis of filed information on EDGAR.

### **4. Efforts to Identify Duplication**

There is no information similar to what the questionnaire seeks that already is available and can be used or modified for the purpose the questionnaire is intended to serve.

### **5. Effect on Small Entities**

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<sup>6</sup> The Commission announced that its staff would offer expedited reviews of registration statements or annual reports to companies that volunteered for the test group. SEC Offers Incentives for Companies to File Financial Reports with Interactive Data, Securities and Exchange Commission Press Release, Jan. 11, 2006, available at: <http://www.sec.gov/news/press/2006-7.htm>. For more information about the Commission's interactive data initiatives, see the Commission Web page "Spotlight On: Interactive Data and XBRL Initiatives" available at: <http://www.sec.gov/spotlight/xbri.htm>.

<sup>7</sup> Responses to the questionnaire would be voluntary and publicly available.

Responding to the questionnaire would be voluntary. Therefore, no small entities would be required to respond. The questionnaire does not distinguish between small entities and other participants but any issuer that chose to respond to the questionnaire could respond to as little of the questionnaire as it wished. We believe only one small entity has participated in the voluntary program to date.

**6. Consequences of Less Frequent Collection**

Without the questionnaire, the staff would be hampered in its efforts to assess the use of tagged data.

**7. Inconsistencies with Guidelines in 5 CFR 1320.5(d)(2)**

Not Applicable.

**8. Consultation Outside the Agency**

We did not receive any comments in response to the Notice of Proposed Collection and Comment Request published in the Federal Register on April 20, 2007 at page 19984 as required by 5 CFR 1320.8(d). The Commission and staff do, however, participate in an ongoing dialogue with persons and entities involved in data tagging through public conferences, meetings, and informal exchanges.

**9. Payment or Gift to Respondents**

Not Applicable.

**10. Assurance of Confidentiality**

Not Applicable.

**11. Sensitive Questions**

Not Applicable.

**12. Estimate of Respondent Hour Burden**

Based on the number of issuers that have participated in the voluntary program to date and we believe may do so in the future and the nature of the information sought by the questionnaire, we estimate that 80 issuers each would respond once and need four hours to do so for a total burden of 320 hours. We estimate that the entire burden would be borne internally by the issuer.

**13. Estimate of Total Annualized Non-Hour Cost Burden**

We estimate that the entire burden would be borne internally by the issuer and, as a result, is reflected only in item 12 of this Supporting Statement.

**14. Estimate of Cost to the Federal Government**

The estimated cost to the federal government of reviewing the responses is \$25,000.

**15. Explanation of Changes in Burden**

The questionnaire would be a new collection of information and, as a result, create a new burden. In this regard, we estimate that 80 issuers each would respond once and need four hours to do so for a total burden of 320 hours.

**16. Information Collections Planned for Statistical Purposes**

Not Applicable.

**17. Explanation as to Why Expiration Date Will Not Be Displayed**

Not Applicable.

**18. Exceptions to Certification**

Not Applicable.

**B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS**

Not Applicable.