

**SUPPORTING STATEMENT
U.S DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS
QUARTERLY SURVEY OF PAYMENT CARD AND BANK CARD TRANSACTIONS
RELATED TO INTERNATIONAL TRAVEL
OMB Control Number: 0608-0072**

A. Justification

1. Explain the circumstances that make the collection of information necessary.

The Bureau of Economic Analysis (BEA) produces the International Transactions Accounts (ITAs) of the United States. These accounts provide a comprehensive and detailed view of economic transactions between the United States and other countries. In addition, they provide input into other U.S. economic measures and accounts, contributing particularly to the National Income and Product Accounts (NIPAs). The ITAs are used extensively by both government and private organizations for national and international economic policy support and for analytical purposes. The services transactions accounts are contained within the current account of the ITAs and are divided into several major components. Travel is a major component of trade in services in the ITAs, accounting for 26 percent of U.S. exports and 23 percent of U.S. imports of services in 2014.

The proposed information collection, Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel, is necessary for ensuring the quality of the travel component of the ITAs. BEA measures travel by multiplying Department of Homeland Security (DHS) counts of foreign and U.S. travelers by an estimate of average travel expenditures for foreign and for U.S. travelers. Average expenditures are based on the Survey of International Air Travelers (SIAT) administered by the International Trade Administration. The SIAT information is used to establish baseline estimates of average travel expenditures, which are supplemented with information from (1) the Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel, (2) other sources of information on traveler expenditures, including studies commissioned by BEA, and (3) bilateral comparisons of source data. The baseline estimates are adjusted to account for particular limitations often faced by expenditure surveys, including underreported spending. These adjustments are necessary to ensure the accuracy of the travel estimates.

The proposed survey would be mandatory, under the authority of the International Investment and Trade in Services Survey Act (P.L. 94-472, 22 U.S.C. 3101 through 3108), hereinafter “the Act.” It is the subject of this supporting statement. The survey will ask U.S. credit card companies and personal identification number (PIN)-based debit network companies to report payment and bank card transactions between U.S. cardholders and foreign businesses and between foreign cardholders and U.S. businesses – by country of the foreign business (for U.S.

cardholders) and by location of the card-issuing bank (for foreign cardholders). Data will be collected at an aggregate level; data on the transactions of individuals will not be collected.

2. Indicate how, by whom, and for what purpose the information is to be used.

The information will be used by BEA in estimating the travel component of the U.S. ITAs. For each country and region, BEA will estimate the expenditures made by U.S. travelers abroad and foreign travelers in the United States from data collected from U.S. credit card companies and PIN-based debit network companies. The survey respondents will report payment and bank card transactions to BEA. These data will be used in conjunction with data from the SIAT and from other sources as discussed in A.1.

Data from the survey are also needed by the U.S. Government to monitor U.S. exports and imports of travel; analyze their impact on the U.S. and foreign economies, develop U.S. international trade policy on travel; and assess and promote U.S. competitiveness in international trade in travel.

The Section 515 Information Quality Guidelines apply to this information. The information is collected according to documented procedures in a manner that reflects standard practices accepted by the relevant economic/statistical communities. BEA conducts a thorough review of the survey input data using sound statistical techniques to ensure the data quality before the final estimates are released. The data are collected and reviewed according to documented procedures including the use of check lists, procedures manuals, and on-going review by the appropriate supervisor or team leader. The quality of the data are validated using computerized edit checks to detect potential errors and to otherwise ensure that the data are accurate, reliable, and relevant for the estimates being made. The collection and use of this information complies with all applicable information quality guidelines, i.e., OMB, Department of Commerce, and those of the Bureau of Economic Analysis.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

eFile is BEA's electronic filing system and has been used successfully for many of BEA's surveys. The *eFile* system makes use of fillable Adobe PDF forms that can be downloaded, completed, saved, and submitted securely to BEA. The proposed survey will use *eFile* or a similar system for electronic data submission. Use of *eFile* will be required to complete the survey and as such BEA expects that 100 percent of the total responses will be filed electronically.

4. Describe efforts to identify duplication.

The SIAT is a Federal data source on international travel. The SIAT is BEA's primary source for data on average expenditures per traveler, which BEA uses in conjunction with DHS counts of foreign and U.S. travelers to estimate aggregate travel expenditures. While the SIAT provides the baseline estimates of international travel, these estimates face

certain limitations, including underreported spending. The data are dependent on foreign travelers' recall of their expenditures and on U.S. travelers' forecasts of what they expect to spend during their trip. Therefore, adjustments based partly on the Quarterly Survey of Payment Card and Bank Card Transactions Related to International Travel and other sources are necessary to ensure the accuracy of the travel estimates.

5. If the collection of information involves small businesses or other small entities, describe the methods used to minimize burden.

The collection of information does not involve small businesses or other small entities. Data will be collected from major credit card companies and PIN-based debit network companies only.

6. Describe the consequences to the Federal program or policy activities if the collection is not conducted or is conducted less frequently.

If the survey of payment and bank card transaction related to international travel were not conducted, BEA would be unable to improve the accuracy and reliability of the travel estimates through the use of payment and bank card data on actual transactions reported from business records. Data from the survey also provide an important check against the estimates produced from the SIAT.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

No aspects of the proposed Quarterly Survey of Payment and Bank Card Transactions Related to International Travel require a special justification.

8. Provide a copy of the PRA Federal Register notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to that notice and describe the actions taken by the agency in response to those comments. Describe the efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

This submission follows a public request for comments in the *Federal Register* November 21, 2014 (Vol. 79, page 69423). **No** comments were received. BEA maintains a continuing dialogue with respondents and with data users, including its own internal users through the Bureau's Source Data Improvement and Evaluation Program, to ensure that, as far as possible, the required data serve their intended purposes and are available from existing records, that the instructions are clear, and that unreasonable burdens are not imposed.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

No payments or gifts to the respondents will be made.

10. Describe any assurance of confidentiality provided to respondents and the basis for assurance in statute, regulation, or agency policy.

Sec.5(c) of the Act (22 U.S.C. 3104) provides that the information collected may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act. The President may authorize the exchange of the information between agencies or officials designated to perform functions under the Act, but only for analytical and statistical purposes. No official or employee (including consultants and contractors and their employees) shall publish or make available any information collected under the Act in such a manner that the person to whom the information relates can be specifically identified. Reports and copies of reports prepared pursuant to the Act are confidential, and their submission or disclosure shall not be compelled by any such person without the prior written permission of the person filing the report and the customer of such person, where the information supplied is identifiable as being derived from the records of such customer.

The data from this survey will be used in conjunction with data collected on the Survey of International Air Travelers to estimate total U.S. travel exports and imports by major world region and selected countries for the U.S. International Transactions Accounts on a quarterly basis. The raw data provided by the survey respondents will not be published. However, BEA may publish aggregate descriptive statistics pertaining to the data in articles describing BEA's methodology.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

No questions of a sensitive nature are asked.

12. Provide estimates of the hour burden of the collection of information.

Six companies will respond to the survey. BEA expects the survey to take each respondent approximately 16 hours to complete on a quarterly basis. Therefore, the total annual burden estimate is 384 hours.

13. Provide an estimate of the total annual cost burden to the respondents or record-keepers resulting from the collection (excluding the value of the burden hours in #12 above).

Excluding respondent cost associated with the estimated burden of 384 hours (see A.12 above), the total annual cost burden to respondents is expected to be negligible. Total capital and start-up costs are insignificant because new technology or capital equipment would not be needed by respondents in order to prepare their responses to the survey. As a consequence, the total cost of

operating and maintaining the technology and capital equipment will also be insignificant. Purchases of services to complete the information collection are also expected to be insignificant.

14. Provide estimates of annualized cost to the Federal government.

The annual project cost to the Federal Government for this survey is estimated at \$150,000, which consists of \$100,000 for salaries and related overhead and \$50,000 for equipment, supplies, form design, and computer processing.

15. Explain the reasons for any program changes or adjustments.

This request is for an extension without change of a currently approved collection. There is no change to the overall respondent burden of 384 hours currently shown in the inventory maintained by OMB.

16. For collections whose results will be published, outline the plans for tabulation and publication.

Each quarter BEA mails notification letters to respondents, who all file electronically. Reports are due 45 days after the close of the calendar quarter.

The data from this survey will be used in conjunction with data from the Survey of International Air Travelers and data on numbers of travelers from the Department of Homeland Security to estimate total U.S. travel exports and imports by major world region and selected countries for the U.S. International Transactions Accounts on a quarterly basis. These estimates will be published in BEA's monthly journal, *Survey of Current Business*, and on BEA's web site (www.bea.gov). These estimates will also be used to construct monthly travel estimates, which will be included in a BEA-Census Bureau news release on U.S. trade in goods and services. The raw data provided by the BE-150 survey respondents will not be published. However, BEA may publish aggregate descriptive statistics pertaining to the data in articles describing BEA's methodology.

Sec.5(c) of the Act (22 U.S.C. 3104) provides that the information collected may be used only for analytical and statistical purposes and access to the information shall be available only to officials and employees (including consultants and contractors and their employees) of agencies designated by the President to perform functions under the Act.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons why display would be inappropriate.

The OMB expiration date will be displayed on the forms.

18. Explain each exception to the certification statement.

The Quarterly Survey of Payment and Bank Card Transactions Related to International Travel is consistent with all aspects of the certification statement.