

Supporting Statement
U.S. Department of Commerce
Bureau of Economic Analysis
Quarterly Survey of Insurance Transactions by U.S. Insurance
Companies with Foreign Persons (Form BE-45)
OMB Control Number: 0608-0066

B. Collections of Information Employing Statistical Methods

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g. establishments, State and local governmental units, households, or persons) in the universe and the corresponding sample are to be provided in tabular form. The tabulation must also include expected response rates for the collection as a whole. If the collection has been conducted before, provide the actual response rate achieved.

The potential respondent universe for the BE-45 quarterly survey is all U.S. insurance companies that engage in reinsurance or other insurance transactions with foreign persons. A company must report if it has covered insurance transactions (either sales or purchases) that exceeded \$8 million (positive or negative) for the previous calendar year or if it expects to have such transactions in excess of that amount during the current calendar year, applied separately to each of the individual types of transactions covered by the survey.

BEA intends to mail a notice to approximately 500 U.S. insurance companies per quarter (2,000 annually) notifying the companies of the requirement to file the survey and providing links to eFile, BEA's electronic filing system. BEA will estimate data for respondents that do not report their data in a timely manner, including those U.S. persons that fall below the reporting threshold for the quarterly survey but reported on a previous benchmark survey. Estimates will be based on prior reports and growth in the value of transactions from a matched sample of respondents. BEA will allocate the estimated data by country and by type of transaction based on the distribution of reported transactions for inclusion in the published totals. Thus, estimates will cover the entire universe of transactions.

Response rates to this quarterly survey in past years have been very high, with a response rate of approximately 95 percent. BEA expects that these high response rates will continue for the survey, providing information of sufficient accuracy and reliability for its intended purposes.

2. Describe the procedures for the collection, including: the statistical methodology for stratification and sample selection; the estimation procedure; the degree of accuracy needed for the purpose described in the justification; any unusual problems requiring specialized sampling procedures; and any use of periodic (less frequent than annual) data collection cycles to reduce burden.

The BE-45 survey will be administered to U.S. insurance companies. BEA expects most of the potential respondents to file the survey on a timely basis. In the case that a survey is not filed, or

is filed too late to be used for the current estimate, BEA will generate an estimate based on data previously reported or estimated for the non-respondent in conjunction with information on changes in data for companies that did respond. No unusual problems have been identified that would require the use of specialized sampling procedures. BEA will collect data from a cutoff sample of firms meeting the reporting criteria.

The list of respondents will be derived from public and private sources, including business directories and establishment lists.

A high degree of accuracy is needed for the purposes stated in the justification. The proposed survey is a quarterly survey conducted four times a year.

3. Describe the methods used to maximize response rates and to deal with nonresponse. The accuracy and reliability of the information collected must be shown to be adequate for the intended uses. For collections based on sampling, a special justification must be provided if they will not yield "reliable" data that can be generalized to the universe studied.

Any insurance company specifically contacted by BEA must respond in writing by filing a completed form BE-45 or a valid exemption claim. Non-respondents will be contacted by BEA staff and, in the event of continued nonresponse, will be referred to the Office of General Counsel for further action. BEA expects that at the time of the final revised estimates, reports will be received from nearly all companies required to report. To facilitate response, a notice will be sent to each company on a quarterly basis notifying the company of the requirement to file the survey and providing links to eFile, BEA's electronic filing system, and an Excel version of the survey.

4. Describe any tests of procedures or methods to be undertaken. Tests are encouraged as effective means to refine collections, but if ten or more test respondents are involved OMB must give prior approval.

No tests were conducted; however, the survey has been conducted in previous years. Additionally, BEA maintains a continuing dialogue with data users, including its own internal users through the Bureau's Source Data Improvement and Evaluation Program, to ensure that, to the extent possible, the required data serve their intended purposes, that the survey instructions are clear, and that unreasonable burdens are not imposed.

5. Provide the name and telephone number of individuals consulted on the statistical aspects of the design, and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

The survey is designed and conducted within BEA by the Balance of Payments Division. For further information, contact Christopher Stein via email at christopher.stein@bea.gov or by phone at 202-606-9850.