

Supporting Statement
U.S. Department of Commerce
Bureau of Economic Analysis
Benchmark Survey of Financial Services Transactions between U.S.
Financial Services Providers and Foreign Persons (Form BE-180)
OMB Control Number: 0608-0062

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.

This survey is a benchmark survey, or census. The potential respondent universe for the BE-180 benchmark survey is all U.S. financial services companies that engaged in transactions (either sales or purchases) with foreign persons, in the covered financial service categories, in fiscal year 2019. The survey will obtain annual data from all U.S. financial services companies that engage in the following international financial services transactions: (1) Brokerage services related to equity transactions; (2) Other brokerage services; (3) Underwriting and private placement services related to equity transactions; (4) Underwriting and private placement services related to debt transactions; (5) Financial management services; (6) Credit-related services, except credit card services; (7) Credit card services; (8) Financial advisory and custody services; (9) Securities lending services; (10) Electronic funds transfer services; and (11) Other financial services. All respondents will be required to report the total dollar amounts by the 11 types of financial service transactions. In addition, financial services providers with combined transactions (sales and/or purchases) that exceeded \$3 million, in the 11 categories listed above, must disaggregate their transactions by country and relationship to the foreign transactor (foreign affiliate, foreign parent group, or unaffiliated) on the mandatory schedules. Any U.S. person that receives the BE-180 survey form from BEA, but is not subject to the reporting requirements, must file an exemption claim by completing the determination of reporting status section of the BE-180 survey and returning it to BEA by the due date of the survey.

BEA intends to mail a notice to approximately 7,000 U.S. financial services companies alerting them of the requirement to file the survey and providing links to eFile, BEA's electronic filing system. BEA anticipates that 5,500 of the contacted companies will file mandatory data, and 1,500 companies will not meet the filing criteria and will file an exemption claim. BEA will estimate data for respondents that do not report their data in a timely manner. Estimates for these companies 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.

2019 BE-180 Universe of Respondents

Response type	Estimated Number of Respondents
Mandatory Schedules	1,875
Mandatory Totals by Transaction	3,625
Exempt	1,500
Total respondents	7,000

Response rates have been high for the prior benchmark survey and the related quarterly survey of financial service transactions with foreign persons (BE-185), with a response rate of 85 percent for the prior benchmark and an average response rate of approximately 95 percent for the BE-185 surveys. BEA expects that these high response rates will continue for the 2019 benchmark survey, providing information of sufficient accuracy and reliability for its intended purposes.

BE-180 Response Rates

Survey response	Response rate
Response rate for the 2014 BE-180 survey	85%
Average response rate for the 2015-2019 BE-185 survey	95%
Expected response rate for the 2019 BE-180 survey	90%

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-180 survey will be administered to U.S. financial services companies that had financial services transactions (either sales or purchases) with foreign persons. 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, where available, or include an estimate for the non-respondent using information from companies that did respond. No unusual problems have been identified that will require the use of specialized sampling procedures. BEA will attempt to collect data from the entire universe 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 survey is a benchmark survey, which BEA conducts periodically, every five years. The BE-180 survey that is being conducted will apply to the 2019 fiscal reporting 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 company subject to the reporting requirements of the BE-180 will be required to complete the survey whether or not they are contacted by BEA. A response must be received by filing a completed form BE-180. Several steps will be taken to maximize response rates. Survey announcement letters will highlight significant changes to the survey, alert respondents to the availability of BEA's electronic filing system, and direct respondents to multimedia informational resources and copies of the survey form on BEA's website.

Any person contacted by BEA must respond, by filing either a completed form or a valid exemption claim by July 31, 2020 (or by August 31, 2020 for those that use BEA's eFile system). 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.

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.

In November 2019, BEA contacted nine large respondents currently filing transactions on the BE-185 quarterly survey to discuss if they would be able to report additional details, for both sales and purchases, about: 1) financial management transactions by type of account, 2) performance (incentive fees) based on the periods during the fiscal year in which they were received and/or paid, for respondents with financial management transactions, 3) information about financial services that were performed remotely, e.g. where both the supplier and the consumer were in different territories when the service was delivered, for the transaction categories covered by the survey, as well as the identification of how services not performed remotely were typically performed (e.g. by the provider traveling to the consumer or the consumer traveling to the provider); and 4) cryptocurrency-related financial services transactions. To minimize the impact on respondent burden associated with expanding on this data collection, U.S. financial services companies were informed that this information would not be collected based on the relationship to the foreign transactor (foreign affiliate, foreign parent group, or unaffiliated). Most respondents verified that it is feasible to report this information.

Enhancements made to the 2017 BE-120 Benchmark Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons and the 2018 BE-140 Benchmark Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons will also be incorporated into the 2019 BE-180 survey. As part of the development of the revised 2017 BE-120 Benchmark Survey of Transactions in Selected Service and Intellectual Property with Foreign Persons, BEA engaged with staff from the Data Collection Methodology and Research

Branch (DCMRB) in the Economic Statistical Methods Division (ESMD) of the U.S. Census Bureau to undertake a cognitive review of the survey. In September 2017, DCMRB provided a comprehensive report of findings and recommendations that summarized the results of the expert reviews and cognitive interviews. BEA used this information to redesign the 2017 BE-120 and 2018 BE-140 surveys, improving on the survey format and clarifying instructions.

Additionally, BEA maintains a continuing dialogue with respondents and 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 301-278-9189.