<div align="center">
Supporting Statement
U.S. Department of Commerce
Bureau of Economic Analysis
Benchmark Survey of Insurance Transactions by
U.S. Insurance Companies with Foreign Persons (Form BE-140)
OMB Control Number: 0608-0073
</div>

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 for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.

The potential respondent universe for the BE-140 benchmark survey is all U.S. insurance companies that engaged in any of the eight covered types of insurance transactions (as detailed in A.2) with foreign persons. For U.S. persons that had combined transactions that were $2 million or less (based on absolute value) in the insurance services covered by the survey for calendar year 2023, a completed benchmark would include totals for each type of transaction in which they engaged. A U.S. person whose combined transactions with foreign persons exceeded $2 million (based on absolute value) in the insurance categories covered by the survey for calendar year 2023, is required to provide data on the total transactions of each of the covered types of insurance transactions and must disaggregate the totals by country and by relationship to the foreign counterparty (foreign affiliate, foreign parent group, or unaffiliated).

BE-140 Universe, Sample, and Response Rate

	Number of U.S. persons engaging in covered transactions	Percent of U.S. persons engaging in covered transactions
Universe	1,300	100%
Quarterly Sample	525	40%
Nonsample (filing in only a benchmark year)	475	56%
Report exemption claim or voluntary data	300	23%
Response rate	95%	95%

BEA intends to mail a notification letter to approximately 1,300 U.S. companies informing the companies of the requirement to file the survey and providing links to eFile, BEA's electronic

filing system. To ensure a high response rate to the survey, an initial announcement letter, in January, 2024 will preced the May, 2024 notification letter. Two rounds of delinquency notices will also be mailed, approximately a month apart, after the due date for the previous letter has passed, for companies who have failed to report. BEA staff will also call required U.S. companies to remind them of the requirement to comply with the survey and offer filing assistance to those who may need it.

2. <u>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</u>.

The BE-140 survey will be administered to all U.S. insurance companies that have transactions in insurance services with foreign persons. Reporters who meet the higher reporting thresholds for premiums, losses, and auxiliary services, as mentioned in B.1. above, will be required to provide additional detail as aforementioned. BEA expects most of the potential respondents to file the survey on a timely basis. BEA will estimate data for respondents that do not report their data in a timely manner, using previously reported quarterly and/or benchmark data. 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. No unusual problems have been identified that would require the use of specialized sampling procedures.

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

3. <u>Describe the methods used to maximize response rates and to deal with issues of non-response. 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 for any collection that will not yield "reliable" data that can be generalized to the universe studied</u>.

A response is required from persons subject to the reporting requirements of the BE-140, whether or not they are contacted by BEA, to ensure complete coverage of transactions in insurance services between U.S. and foreign persons. A U.S. person means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), resident in the United States or subject to the jurisdiction of the United States. Non-respondents will be contacted by BEA staff through delinquency notices and phone calls 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, known to BEA, notifying the company of the requirement to file the survey and providing links to eFile, BEA's electronic filing system, and a PDF version of the survey.

The data collected on the BE-140 survey are needed to measure U.S. trade in insurance services and to analyze the impact of U.S. trade on the U.S. and foreign economies. The data are used to support U.S. trade policy initiatives, including trade negotiations, and to compile the U.S. international transactions and the national income and product accounts. The response rates described in B.1., together with the estimation procedures described in B.2., provide information of sufficient accuracy and reliability for the intended purpose.

4. Describe any tests of procedures or methods to be undertaken. Tests are encouraged as effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of tests may be submitted for approval separately or in combination with the main collection of information.

No tests were conducted. Recent efforts to seek feedback from data users and survey respondents are described in A.8.

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. The survey proposal was reviewed and approved by BEA's Source Data Improvement and Evaluation Program (SDIEP). The SDIEP coordinator is Tiffany Burrell, *tiffany.burrell@bea.gov,* 301-278-9618.