**SUPPORTING STATEMENT A**
**U.S. Department of Commerce**
**U.S. Census Bureau**
**Annual Integrated Economic Survey (AIES)**
**OMB Control No. 0607-1024**

Green highlight – New changes submitted September 2026. Some of the unhighlighted text may refer to events in the past or changes that have already been made.


**Abstract**

The Census Bureau requests Office of Management and Budget (OMB) approval to make revisions to the Annual Integrated Economic Survey (AIES). Since survey year 2023 (collected in calendar year 2024), the Census Bureau has conducted the AIES on an annual basis. The AIES was created to integrate seven annual business surveys into one comprehensive survey. It was designed to combine Census Bureau collections to reduce respondent burden and increase data quality. The AIES provides the only comprehensive national and subnational data on business revenues and expenses on an annual basis. The survey covers domestic, nonfarm employer businesses with operations during the survey year. Data users of the AIES estimates include, but are not limited to, private businesses, educators and students, economic researchers, trade and professional organizations, and other federal agencies. In survey year 2026 (which will be collected in calendar year 2027), the telemedicine question will ask for the number of telemedicine visits rather than the telemedicine revenue, and the expenses for electronic health records question will be moved into the existing expense suite in the online reporting instrument. Additionally, the reporting instrument will feature two machine learning tools that will allow a subset of respondents to more efficiently report their North American Industry Classification System (NAICS) and North American Product Classification System (NAPCS) information. For a subset of NAICS sectors, single-unit companies with a weight of 1 will also be able to adjust their reporting path if they are misclassified. In survey year 2026, the AIES will include questions related to the leasing of employees from a professional employer organization (PEO) and the amount paid for depreciation and amortization charges. Manufacturing companies will now receive the standard robotics questions that were historically only provided to the non-manufacturing companies in the AIES. The total capital expenditures questions for structures and equipment will be added back to the survey given that the detailed breakouts, which are collected every five years, will not be present in survey year 2026. A yes/no question will be added related to whether a company had any e-commerce activity. Retail and wholesale companies will be asked to report the breakout of total inventories held in their retail and wholesale establishments versus the inventories held in other locations for those retail and wholesale establishments. The inventories questions related to the stages of fabrication will be dropped from NAICS codes 512 (Motion Picture and Sound Recording Industries) and 513 (Publishing Industries). The total inventories question will now also be

collected for NAICS codes 516 (Broadcasting and Content Providers), 517 (Telecommunications), 518 (Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services), and 519 (Web Search Portals, Libraries, Archives, and Other Information Services). The companies in Alternate Reporting Unit (ARU) industries will be asked to report revenue/receipts and expenses data at the industry level rather than at the establishment level. Since a new sample is drawn annually, 2026 AIES will feature a new sample. A prior year revenue question will be added to aid with sample linking. The AIES will also accept data from companies via secure methods beyond the online reporting instrument, such as non-standard file uploads and direct transmission from company systems.

**Justification**

1. **Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

   The Census Bureau requests OMB approval to make revisions to the AIES. Since survey year 2023 (collected in calendar year 2024), the Census Bureau has conducted the AIES on an annual basis. The AIES was created to integrate seven annual business surveys into one comprehensive survey. It was designed to combine Census Bureau collections to reduce respondent burden and increase data quality. The collections that were integrated into the AIES were the Annual Retail Trade Survey (ARTS), Annual Wholesale Trade Survey (AWTS), Service Annual Survey (SAS), Annual Survey of Manufactures (ASM), Annual Capital Expenditures Survey (ACES), Manufacturers' Unfilled Orders Survey (M3UFO), and the Report of Organization.

   The AIES includes coverage of the following NAICS sectors of the U.S. economy:

   - 21 - Mining, Quarrying, and Oil and Gas Extraction
   - 22 - Utilities
   - 23 - Construction
   - 31-33 - Manufacturing
   - 42 - Wholesale Trade
   - 44-45 - Retail Trade
   - 48-49 - Transportation and Warehousing
   - 51 - Information
   - 52 - Finance and Insurance
   - 53 - Real Estate and Rental and Leasing
   - 54 - Professional, Scientific, and Technical Services

- 55 - Management of Companies and Enterprises
- 56 - Administrative and Support and Waste Management and Remediation Services
- 61 - Educational Services
- 62 - Health Care and Social Assistance
- 71 - Arts, Entertainment, and Recreation
- 72 - Accommodation and Food Services
- 81 - Other Services (except Public Administration)

The survey also includes coverage of NAICS subsector 115 - Support Activities for Agriculture and Forestry.

The AIES provides the only comprehensive national and subnational data on business revenues and expenses on an annual basis. The target population of the AIES covers most private sector, nonfarm employer businesses located in the U.S. (50 states and the District of Columbia) as defined by the 2022 NAICS. The survey excludes foreign operations of U.S. businesses, most government operations (including the U.S. Postal Service), agricultural production companies, private households, and businesses located in the U.S. territories.

The AIES will collect the following information from employer businesses in the sample:

- *Business characteristics:* employment, operating status, organizational change, and ownership information
- *Business classification:* business activity, type of operation, and tax status
- *Revenue:* sales, shipments, and receipts; revenue by class of customer; taxes; contributions, gifts, and grants; products; and e-commerce activity
- *Operating expenses:* purchased services, payroll, benefits, rental payments, utilities, interest, resales, equipment, materials and supplies, and other detailed operating expenses
- Capital expenditures and inventories
- Robotic equipment

Additional topics of collection in the AIES include sources of revenue for providers (e.g., hospitals and other businesses in the health industry) of select services such as inpatient days, outpatient visits to hospitals, patient visits for other selected health industries, number of visits stemming from telemedicine services, and expenses for electronic health records.

For survey year 2025 AIES, the telemedicine question asked for the revenue generated from providing telemedicine services. However, starting with survey year 2026, the telemedicine question will ask for the number of telemedicine visits rather than the telemedicine revenue. Based on consultations with industry experts, it will be easier for respondents to supply the number of telemedicine visits than the telemedicine revenue, so this change is being requested to

reduce burden on respondents.

Additionally, for survey year 2026, expenses for electronic health records will be moved into the existing expense suite in the online reporting instrument. Previously, it was a standalone item. This will make the instrument flow more logically for the respondent.

The AIES collects company, industry, and establishment information for all sampled enterprises with one or more operating locations in the U.S. and the District of Columbia.

In an effort to provide a holistic company view and to maintain and update the Census Bureau's Business Register (i.e., master list of businesses), the AIES also collects limited company, industry, and establishment information for select enterprises with one or more operating locations in associated offshore areas (referred to, collectively, as "Stateside") as well as in the U.S. territories of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, and American Samoa (referred to, collectively, as "Island Areas"). In addition, any international locations of select enterprises are included if they have U.S. employees (i.e., where the employees/payroll data are captured under an IRS-/United States-issued Employer Identification Number).

Crop Production (NAICS 111); Animal Production and Aquaculture (NAICS 112); Forestry and Logging (NAICS 113); Fishing, Hunting, and Trapping (NAICS 114); Rail Transportation (NAICS 482); the Postal Service (NAICS 491); Funds, Trusts, and Other Financial Vehicles (NAICS 525); Offices of Notaries (NAICS 54112); Elementary and Secondary Schools (NAICS 6111); Junior Colleges (NAICS 6112); Colleges, Universities, and Professional Schools (NAICS 6113); Religious Organizations (NAICS 8131); Labor Unions and Similar Labor Organizations (NAICS 81393); Political Organizations (NAICS 81394); Private Households (NAICS 814); and the Public Administration sector (NAICS 92) are considered to be out-of-scope to the AIES program. Activities for establishments in these industries belonging to sampled enterprises are also collected. Enterprises that are exclusively engaged in these industries were not selected.

Nonemployer businesses are also not within the scope of the AIES. The Nonemployer Statistics (NES) is an annual series that provides economic data for U.S. businesses with no paid employees by industry. The NES serves as the nonemployer revenue component of AIES.

The AIES may include new questions each year based on relevant business topics. Potential topics for such new questions could include technological advances, management and business practices, exporting practices, and globalization. Any new questions will be submitted to OMB for review using the appropriate clearance vehicle.

In survey year 2025, the AIES will begin to use 2022 NAICS codes in its sampling, collection, and dissemination operations. Prior to survey year 2025, the AIES employed 2017 NAICS codes.

Beginning with survey year 2025, the AIES will also implement a modular and subsampled content strategy to reduce respondent burden while still meeting data users' needs and preserving data quality. This replaces the more uniform content strategy previously employed

by the AIES. Content will be structured into universal and subsampled modules. All companies will answer core questions, but more detailed topics (e.g., capital expenditures, product line data, and specialized inventories) will be assigned to subsamples based on industry and priority.

Previously, NAPCS-based data were only collected from manufacturing establishments. Starting with survey year 2025, NAPCS will be expanded to industry-level collection for all in-scope industries outside manufacturing. Manufacturing businesses will continue to report the information at the establishment level. This expansion standardizes product data collection across sectors of the economy, reduces the need for trade-specific revenue detail questions that had previously been asked in the AIES, and streamlines data collection by consolidating multiple revenue questions into a unified format. To reduce burden, the top five broad line NAPCS codes per in-scope industry (based on historical data and subject matter expertise) will be prelisted in the survey instrument for the majority of industries, with write-in fields for additional products. However, there are some industries where more than five or fewer than five broad line NAPCS codes will be presented to respondents based on the nature of the industries. These exceptions are being implemented to ensure the quality of the estimates is maintained and to minimize burden on these respondents. For example, there are some industries where companies generally sell a variety of products and do not specialize in selling one or two products. If more than five broad line NAPCS codes are not presented for such industries, the reporting task would be more burdensome for respondents since they would have to manually enter the information in a write-in field or the remarks section. Furthermore, if the description of the product manually supplied by the respondent in a write-in field or the remarks section is ambiguous, it will make it more difficult for the Census Bureau to accurately classify it under the proper broad line NAPCS code, which impacts the quality of the estimates. The Economic Census, which is only conducted in reference years ending in "2" and "7," also collects NAPCS-based data. For AIES industries with more than five prelisted broad line NAPCS codes, respondents will still be seeing fewer prelisted NAPCS codes than they would have during previous Economic Census collections (in order to minimize burden). For survey year 2026, respondents in NAICS sectors 31-33, 42, 44-45, 54, and 62 will be able to use the Advanced NAPCS Search and Retrieval (ANSR) machine learning tool in the reporting instrument to find and add the proper NAPCS codes for their businesses (if the prelisted NAPCS codes do not cover all of the products and services they provide). Previously, they would have had to use the write-in fields or remarks section to address these missing products and services. If a company in these sectors needs to add a product or service, it will enter keywords associated with the product or service, and ANSR will provide a list of relevant NAPCS codes/descriptions (based on the keywords entered) that the respondent can add to the survey. This should lead to an increase in the quality of the NAPCS data obtained, because, as mentioned earlier, ambiguous write-in field submissions and general respondent remarks can be difficult to map to the proper broad line NAPCS codes.

For survey year 2026, respondents in NAICS sectors 31-33, 42, 44-45, 54, and 62 will also be

able to leverage the Business Establishment Automated Classification of NAICS (BEACON) machine learning tool in the reporting instrument. Previously, when a respondent in these sectors did not agree with the prelisted NAICS code/description associated with its establishment, the only options were to enter the primary business or activity of the establishment in the associated write-in field or in the remarks section. Now, respondents in the previously cited sectors will be able to enter keywords in BEACON, review the results of the search, and select the appropriate NAICS code/description. This, too, will lead to an increase in the quality of the information captured via AIES, because a NAICS code write-in can sometimes be too ambiguous to properly map it to a specific NAICS code. Additionally, certainty single-unit companies (i.e., companies that own or operate only one establishment that are included in the AIES sample with a weight of 1) in the previously mentioned NAICS sectors will be able to adjust their reporting path if they are misclassified and use BEACON to update their classification. In other words, after these respondents select their proper NAICS code/description through BEACON, the questions presented to the respondent in the reporting instrument will be changed to match the questions associated with the newly selected NAICS code. By having the instrument show the questions relevant to the company's primary business or activity, it will reduce respondent burden/confusion and increase the quality of the AIES data.

In preparation for survey year 2025, the Census Bureau contacted stakeholders (Bureau of Economic Analysis and Bureau of Labor Statistics) to identify items that could be removed from the AIES to reduce respondent burden. As a result of those conversations, the following items will be removed from the AIES:

- Depreciable asset questions
- Select capital expenditure details (finance leases and software)
- Company-level questions (research and development spending)
- Select revenue details (in select industries now covered by NAPCS, where product-level data replaces detailed revenue categories)

The AIES will begin to collect capital expenditures by type (structures and equipment) in survey year 2025. This will be collected once every five years to meet stakeholder needs, which aligns with the previous frequency of collection under the former ACES. The total capital expenditures questions related to structures and equipment will be removed in years when the detailed breakouts by type are collected (since they can be derived from the breakouts collected). For years in which the detailed breakouts are not collected, the total capital expenditures questions will be presented to respondents. The AIES will also begin to collect patient discharges from hospital respondents during survey year 2025. The proposed patient discharges question has not been on the AIES or its predecessor surveys (i.e., the legacy annual surveys that merged into the AIES). However, this concept is already collected on the Census Bureau's Quarterly Services Survey (QSS). Recently, Census Bureau leadership recognized the

potential long-term benefits of adding this question to the AIES for data users, which is why it is proposing the addition of this question. Namely, collecting discharges alongside inpatient days and outpatient visits on the AIES will enable the Census Bureau to evaluate these related hospital activity measures together. The results of this evaluation will help the agency better coordinate patient activity content across surveys, with an objective of reducing potential redundancy while maintaining high-quality statistics. The proposed AIES question parallels the QSS version of the question. The QSS version of the question has already been in the field with actual respondents.

As a term of clearance in its most recent approval of the AIES, OMB requested that the Census Bureau supply OMB with "its plans for reviewing the data quality of the patient discharges question, its use in publication, and how the Census Bureau will evaluate its need on the AIES versus its placement on other surveys." Attachment P provides the Census Bureau's response to that request.

Prior year inventories, which were previously collected in survey year 2023, will be collected from retail and wholesale businesses in survey year 2025, too, due to the new sample selection for 2025. (Since the prior year inventories question is needed whenever there is a new sample selected, the prior year inventories question will be asked each year moving forward.) Additionally, a new sample will be selected for survey year 2025.

Starting in survey year 2026, retail and wholesale companies will be asked to report the breakout of total inventories held in their retail and wholesale establishments versus the inventories held in other locations, such as warehouses, for those retail and wholesale establishments. Since the total value of inventories for these sectors should include inventories held elsewhere, this content change is occurring to make it clearer to respondents that inventories held in "other locations" should be reported.

Based on stakeholder feedback, the inventories questions related to the stages of fabrication will be dropped from NAICS codes 512 (Motion Picture and Sound Recording Industries) and 513 (Publishing Industries). The total inventories question will now also be collected for NAICS codes 516 (Broadcasting and Content Providers), 517 (Telecommunications), 518 (Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services), and 519 (Web Search Portals, Libraries, Archives, and Other Information Services).

In survey year 2025, respondents received a question related to the amount of their sales stemming from e-commerce. That question will remain for survey year 2026. However, a yes/no question will also be added to the reporting instrument in survey year 2026 that asks the respondent if the company had any e-commerce sales. This addition will improve the accuracy of imputation for e-commerce sales.

During survey year 2024, the AIES asked a question related to the leasing of employees from a professional employer organization (PEO). However, the question was removed from the 2025

AIES. Since it is a low-burden question that will lead to a more accurate sampling frame, the question will be added back to the AIES in survey year 2026.

During survey year 2023, the AIES asked a question related to the amount paid for depreciation and amortization charges. The question was not explicitly asked in survey year 2024 or 2025. However, due to a stakeholder request, the depreciation and amortization question will be added back to the AIES in survey year 2026.

Since a new sample will be selected each year moving forward, a new sample will be introduced for survey year 2026. For survey year 2026, a prior year revenue question will be added to assist with sample linking.

In survey year 2026, manufacturing companies will no longer receive the industrial robots questions they previously were asked to respond to in the AIES. Instead, they will receive the standard robotics questions that were historically only provided to the non-manufacturing companies in the AIES.

In some industries, companies have difficulty reporting revenue/receipts and expenses data for each of their business locations (establishments). These industries are known as Alternative Reporting Unit (ARU) industries. In order to reduce the burden on companies in these ARU industries, in survey year 2026, the companies in ARU industries will be asked to report revenue/receipts and expenses data at the industry level rather than at the establishment level.

The content collected and instructions provided in 2025 AIES can be found in Attachment E. Furthermore, the content changes between 2024 AIES and 2025 AIES can be found in Attachment F. The content collected and instructions provided in 2026 AIES can be found in Attachment N. Additionally, the content changes between 2025 AIES and 2026 AIES can be found in Attachment O.

Once the survey is available for respondents, all companies with an email address that submitted the previous year's AIES (i.e., cases that have a check-in date populated in the internal database for the AIES from the previous reference year) will get an email informing them of their requirement to respond and how to access the survey. To reduce mailings, an initial letter will only be sent to new cases and cases that did not submit the previous year's AIES. Respondents will be given at least 30 business days to respond. Nonrespondents will receive due date reminders via email or letter prior to the due date. Emails will also be used to reduce follow-up mailings and will be sent to nonrespondents at approximately one-month intervals. Up to four mail follow-ups will be sent to cases that haven't burned authentication codes or logged in recently. Selected nonrespondents may receive a certified class mailing for the third mail follow-up and/or the fourth follow-up (if needed). Selected nonrespondents will also receive follow-up telephone calls/robocalls. (See Attachment C for drafts of the 2025 AIES letters and emails. See Attachment S for drafts of additional letters and emails that will be available for use, if needed based on response metrics, during survey year 2026. Should the

verbiage presented in that attachment change, the Census Bureau will notify OMB.)

Throughout collection of the AIES, case priorities will be determined based on NAICS and geographical response goals. For each phase of collection, priority thresholds will be adjusted to increase or decrease the proportion of nonrespondents getting different types of contact.

The AIES collection is authorized by Title 13 U.S.C., Sections 131 and 182. Response to the AIES is mandatory per Sections 224 and 225 of Title 13 U.S.C. (see Attachment A).

2. **Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

Data users will be able to access the AIES estimates through visualizations; the Census Bureau's dissemination platform, *data.census.gov*; File Transfer Protocol (FTP) tables; Application Programming Interface (API); and the Federal Reserve Economic Data (FRED) database.

Private businesses, organizations, industry analysts, educators and students, and economic researchers will use the estimates for analyzing and conducting impact evaluations on past and current economic performance, short-term economic forecasts, productivity, long-term economic growth, market analysis, tax policy, capacity utilization, business fixed capital stocks and capital formation, domestic and international competitiveness trade policy, product development, market research, and financial analysis. Trade and professional organizations will use the estimates to analyze industry trends and benchmark their own statistical programs, develop forecasts, and evaluate regulatory requirements. Government program officials and agencies will use the data for research, economic policymaking, and forecasting. Estimates produced from the AIES will serve as a benchmark for Census Bureau indicator programs, such as the Monthly Retail Trade Survey (MRTS); Manufacturers' Shipments, Inventories, and Orders (M3); Monthly Wholesale Trade Survey (MWTS); and QSS. The Census Bureau will also continue to use information collected in the AIES to update and maintain the centralized, multipurpose Business Register that provides sampling populations and enumeration lists for the Census Bureau's economic surveys and censuses. The Bureau of Economic Analysis (BEA) will continue to use the estimates to derive industry output for the input-output accounts and for the gross domestic product (GDP). The Bureau of Labor Statistics (BLS) will continue to use the data as input to its Producer Price Index (PPI) and in developing productivity measurements. Additionally, the Federal Reserve Board (FRB) will continue to use the data to prepare the Index of Industrial Production, to improve estimates of investment indicators for monetary policy, and in monitoring retail credit lending. The Centers for Medicare and Medicaid Services (CMS) will continue to use the data to estimate expenditures for the National Health Accounts and for monitoring and evaluating healthcare industries. The Department of the Treasury will continue to use the data to analyze depreciation and to research economic trends.

In its most recent approval of the AIES, OMB requested (in its terms of clearance) that the Census Bureau supplies information "on the detailed uses and needs of each data element collected in the

AIES." Attachment Q provides the Census Bureau's response to this request.

Information quality is an integral part of the pre-dissemination review of the information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to the information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

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, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.**

The AIES is collected using Centurion, the Census Bureau's secure online survey collection tool. The 2025 AIES Welcome and FAQ screens can be viewed in Attachment D. Centurion is designed to make the reporting process more flexible, secure, and convenient for respondents. The response-driven nature of the instrument also reduces respondent burden. Respondents can complete the entire survey in one session or work on the survey over several sessions. Centurion automatically saves the entered data when the user proceeds to the next screen, so the users can return later and pick up exactly where they previously left off. The data provided electronically by respondents are immediately available to the Census Bureau. The use of this system also reduces paper usage, as it eliminates paper forms in the initial and follow-up mailings. In the rare situation where a respondent does not have access to the Internet, the data may be collected by telephone.

In addition to reporting through the electronic survey instrument, the survey will start accepting data via additional secure methods, such as non-standard file uploads and direct transmission from company systems. These options utilize organizations' digital platforms, accounting software, or administrative sources and will enable respondents to send information directly to the Census Bureau without manual survey entry. All data received through these secure channels will be treated as official survey responses and maintained in strict confidence under Title 13, ensuring companies have a flexible, efficient, and confidential way to contribute to economic statistics.

4. **Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Question 2.**

1The Census Bureau makes a concerted effort on a continuing basis to investigate possible duplications both within the agency and outside the agency and to eliminate them whenever possible. Research with other government agencies, trade associations, and government and private sector data users (via telephone conversations, meetings, consultations, trade journal articles, and written correspondence) indicates the AIES data are not available from other sources on an ongoing basis. Although the Census Bureau collects some similar information in other surveys, those collections are not suitable for the purposes the AIES serves.

One of the key features of the AIES is the ability, with OMB approval, to add and delete questions based on the importance of the economic situation at the time. If it were not for this feature, these data items would need to be collected in separate surveys.

The Congress granted the Census Bureau limited access to the information in the Internal Revenue Service (IRS) and the Social Security Administration (SSA) files, which includes employment and payroll data. Other items, such as the cost of materials, are not identical to information requested by the IRS. Even though there are similarities in the requested data, IRS does not insist on consistency and accuracy of each entry on the tax form if the taxable net income and the taxes paid are correct. Furthermore, IRS will accept a figure on the cost of goods sold that includes labor as well as materials and supplies used. The Census Bureau requires consistency in the data from firm to firm in order to publish valid statistical aggregations.

Quarterly revenue and expenses (expenses for tax-exempt organizations in selected industries only) data are collected in the QSS (OMB Number 0607-0907) for all service industries except subsector 722 (Food Services and Drinking Places). The quarterly survey is voluntary and requests revenue and expenses data from a smaller sample of firms. The annually conducted AIES is mandatory. It collects more detailed items and is intended to serve as a benchmark for the quarterly estimates.

Monthly sales and inventories data are collected in the MRTS (OMB Number 0607-0717). The monthly survey is voluntary and requests sales, e-commerce, and end-of-month inventories data from a smaller sample of firms. The mandatory annual program (AIES) collects more detailed items and is intended to serve as a benchmark for the monthly sales, e-commerce, and end-of-month inventories estimates.

Monthly sales and inventories data are collected in the MWTS (OMB Number 0607-0190). However, this monthly survey is voluntary and requests sales and end-of-month inventories data from a smaller sample of firms. The mandatory AIES, which occurs on an annual basis, collects more detailed items. It is intended to serve as a benchmark for the monthly sales and end-of-month inventories estimates.

Value of shipments, unfilled orders, and inventories data are collected in the M3 (OMB Number 0607-0008). The monthly survey is voluntary and requests manufacturers' value of shipments, new orders, unfilled orders, and inventories data from a smaller sample of firms. The monthly estimates are the only available data for use as trend series for evaluating current business conditions. The mandatory annual program (AIES) collects more detailed items and is intended to serve as a benchmark for the value of shipments, inventories, and unfilled order estimates.

The AIES is also intended to provide comprehensive estimates in the period between Economic Census collections, which take place in years ending in "2" and "7."

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

While respondents are requested to return their data via the Internet, any data prepared

and returned on a company's own spreadsheet are accepted. Respondents may also provide data directly over the phone. Instructions state that, although book figures are preferred, estimates are acceptable. The Census Bureau provides respondents with a toll-free telephone number to call if they have questions or need assistance in completing their report. Furthermore, companies may send electronic messages to Census Bureau staff through the secure Respondent Portal.

The stratified sequential random sample design used for the AIES is a design that targets maintaining sampling fractions under 0.3 and no more than 0.5 in an effort to reduce respondent burden by minimizing the number of sampling units required to produce national- and subnational-level estimates. The sample will be reselected annually, at which time most small- and medium-sized firms will be replaced in the sample by new firms.

Data are collected from complex firms (i.e., operating in multiple NAICS industries and/or multiple states) which are often the larger businesses, and a sample of remaining firms, which tend to be small- and medium-sized businesses within an industry.

Firms canvassed are not required to maintain additional records for the survey, nor does the Census Bureau expect participants to incur extra expenses to develop data not readily available. The Census Bureau makes use of administrative data and alternative sources for nonresponse.

**6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Data are collected on an annual basis. If the frequency was reduced, policymakers and other stakeholders would be increasingly misinformed and misdirected about changes in the economy related to rates and sources of growth in output, prices, productivity, and trade. Estimates produced by this annual collection are of vital importance to measuring the nation's well-being and economic growth. Less frequent collection of the data would adversely affect our ability to recognize and react to changes in the economy.

Less frequent data collection would decrease the accuracy of trend estimators and negatively impact benchmarks for key economic indicator data products produced by the Census Bureau (specifically, QSS, MRTS, MWTS, and M3).

Less frequent data collection would negatively impact other government agency programs as well. BEA would delay or lack accurate, timely measurements of these changing industries for use in its national income and product accounts and GDP estimates. BLS industry productivity measures would be compromised or delayed. Furthermore, FRB would lack data to produce estimates of investment indicators for monetary policy. CMS would be forced to seek alternative data for the development of the National Health Expenditure Accounts. In addition, the ability of other government and private data users to identify industry trends would be impaired.

Less frequent data collection would have a major impact on the use of the Census Bureau's

Business Register as a universe sampling frame. Information such as the opening of new locations, closing of locations, changes in locations, and changes in the Federal Employer Identification Numbers would not be up-to-date and would, therefore, reduce the completeness and accuracy of the Business Register. Since the majority of the Census Bureau's economic programs rely on the Business Register to plan and conduct their surveys, this situation would result in a reduction in the quality of the data products produced by these programs.

7. **Explain any special circumstances that would cause an information collection to be conducted in a manner:**

   - **requiring respondents to report information to the agency more often than quarterly;**
   - **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
   - **requiring respondents to submit more than an original and two copies of any document;**
   - **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
   - **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
   - **requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**
   - **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
   - **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

   The data collection is conducted in a manner consistent with each of the OMB guidelines above.

8. **If applicable, provide a copy and identify the date and page number of publications in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

   **Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may**

**preclude consultation in a specific situation. These circumstances should be explained.**

The Census Bureau published a 60-Day Notice in the Federal Register on August 21, 2025 (Docket Number USBC-2025-0071, pgs. 40814-40816), for review and approval to conduct the AIES. Two comments were received.

One comment was received from Dennis J. Fixler, Chief Economist at the Bureau of Economic Analysis (BEA). Dr. Fixler provided a letter supporting the Census Bureau's collection of data through the AIES and described how BEA uses AIES estimates in its economic programs. He also encouraged the Census Bureau to continue collecting certain items proposed for removal from the survey. The letter from Dr. Fixler is included in Attachment L.

The Census Bureau appreciates Dr. Fixler's comments and BEA's continued support of the AIES. The items proposed for removal were carefully evaluated and do not directly affect BEA's core inputs to GDP estimation. The AIES will continue to collect the principal measures used in the national income and product accounts, including revenue/receipts, payroll, and employment. Prior to finalizing these changes, the Census Bureau consulted with senior leadership at BEA to ensure that the survey continues to meet BEA's primary data needs.

At this time, the Census Bureau anticipates moving forward with removing the referenced items from the AIES. These changes are intended to reduce respondent burden while preserving the data elements most critical to federal economic statistics programs.

The second comment was received from Sophia Brown-Heidenreich, Director of Artificial Intelligence Policy at the Foundation for American Innovation. Ms. Brown-Heidenreich supported the Census Bureau's modernization efforts while recommending that the AIES retains a "software expenditures" question, adds an "artificial intelligence expenditures" item, and pilots additional questions related to "artificial intelligence." She also suggested that the Census Bureau publishes the results from the "pilot questions" she proposed and engages with stakeholders to refine definitions and identify practical reporting challenges. The letter from Ms. Brown-Heidenreich is included in Attachment L. The Census Bureau continuously monitors economic trends and developments and adjusts content as appropriate. As noted in Attachment N, the Census Bureau will be collecting super intelligence (SI) expenses data in the 2026 AIES. The agency strives to provide timely, relevant data in a way that minimizes respondent burden. Ms. Brown-Heidenreich's suggestions will be taken into consideration as the Census Bureau evaluates AIES content for future survey years. As always, the agency will consider the suggestions in the context of its goal of managing respondent burden.

The Census Bureau published a 30-Day Notice in the Federal Register on January 20, 2026 (Volume 91, Number 12, pgs. 2330-2331), for review and approval to conduct the AIES. One comment was received from Andrew Reamer. The response supplied by Mr. Reamer is provided in Attachment M.

Mr. Reamer indicated his "enthusiastic support" for the OMB clearance of the 2025 AIES. He also recommended the following terms of clearance for OMB's consideration:

- *Recommendation 1* - "Within three months of clearance, the Census Bureau shall provide OMB

with a four-column multi-page table in landscape format that succinctly provides information regarding the importance of each of the uses of the AIES identified in Sections 2 and 4 of Supporting Statement A. Use categories would be laid out in rows. Column headings would include use category; three or four sentences describing the nature and importance of the use; an order-of-magnitude description of the economic importance of the category decisions informed by AIES data; and an order-of-magnitude description of the economic impacts of an AIES with unreliable data. I suggest this term of clearance as I view the current text in Sections 2 and 4 as not adequately providing information on the magnitude of the economic importance of the AIES and of the negative consequences of unreliable AIES, information necessary for OIRA to fully understand the relationships between projected respondent burden and projected economic value."

- *Recommendation 2* - "Within nine months of clearance, the Census Bureau shall provide OMB with a report that includes a) the results of a comparison of annual economic data (establishments, employment, earnings) by NAICS code in the Business Register with in the LEHD Employer Characteristics File (ECF) [https://lehd.ces.census.gov/data/lehd-snapshot-doc/latest/sections/employer_level/ecf.html] for the years 2015-2024, b) a description of trends in the discrepancy between BR and ECF estimates over time, c) an assessment of the impact of the Census Bureau's recent efforts to increase NAICS classification accuracy on the trend, and d) implications for future efforts to further increase classification accuracy. As noted in my previous comments to OMB on the AIES, issues regarding NAICS classification accuracy (as identified by the Census Bureau) suggest an undesirable gap between current and desired reliability of the AIES. In response, OMB has approved terms of clearance directing the Census Bureau to report on its efforts to improve NAICS classification accuracy, which it has laudably carried out. I recently became aware that the Census Bureau LEHD Program's employer files are NAICS-classified by the BLS. While recognizing that Census and BLS criteria for classification differ for good reasons (as described by Census to OMB in a previous ICR), a comparison of the two sets of economic data by NAICS code over time would aid understanding of trends in Census NAICS classification relative to BLS classification."

In terms of *Recommendation 1*, the Census Bureau recognizes OMB's interest in further understanding the magnitude of the economic value associated with AIES data and the potential consequences if such data were unavailable or unreliable. While developing precise order-of-magnitude estimates of the economic impacts of AIES-informed decisions is outside the scope of the current information collection request, the Census Bureau is willing to provide a more detailed description of the uses of AIES data and the potential impacts if the survey were not conducted. Expanding the documentation of these uses may also help promote greater transparency regarding how AIES data support federal statistical programs, economic analysis, and decision-making.

Regarding *Recommendation 2*, the Census Bureau believes that the proposal is not within scope to the AIES and, thus, should not be factored into the terms of clearance for the AIES. As noted in the "NAICS Improvement Initiatives" section of Supporting Statement B, the Census Bureau is committed to strengthening the accuracy, consistency, and efficiency of NAICS through modernization, advanced tools, and interagency collaboration. Furthermore, it complied with the

terms set forth in the last OMB approval of the AIES by providing OMB with a "summary of efforts in which Census leads or participates in working with BLS and any other relevant agencies to explore the extent of NAICS classification issues, with a goal of improving classification accuracy." That said, we certainly see the value of Mr. Reamer's recommendation and will include this proposal in our ongoing NAICS improvement efforts.

Consultations were held between the Census Bureau and BEA, BLS, FRB, and CMS. These consultations gathered information regarding the development of content that is planned to be collected and publication requirements for the AIES estimates. The individuals consulted are listed in Attachment G.

Supporting Statement B outlines research conducted with AIES respondents and nonrespondents in the "Tests of Procedures or Methods" section.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

Respondents are not paid or provided with gifts.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.**

Responses to the AIES are mandatory. All information collected is kept confidential based on the provisions of Title 13 U.S.C., Section 9. The Census Bureau is not permitted to publicly release responses in a way that could identify a business, organization, or institution, and can use responses only to produce statistics. Disclosures to respondents regarding our authority to collect the information, mandatory reporting, and confidentiality of responses are contained in the introductory letters and emails sent to respondents and are displayed in the collection instrument (see Attachment A, Attachment C, and Attachment D). The disclosures are also included in certain letters and emails sent to respondents after the introductory notices (see Attachment C and Attachment S).

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

The information collected is not of a sensitive nature and does not concern matters that are commonly considered private.

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

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included under 'Annual Cost to Federal Government' (Item #14).**

2025 AIES

| Respondents | Average Time to Complete | Annual Burden Hours |
|---|---|---|
| 358,750 | 2 hours, 15 minutes | 807,188 |

The AIES is conducted annually. The estimates for number of hours per response are based on experience with conducting the legacy annual surveys in-scope to the AIES and our reasonable estimates of the time needed to preview the questions being asked, the accompanying instruction sheets, and other data collection materials; to gather, organize, and summarize information; and to record answers using the online reporting system. Factors such as company size, complexity, and activity will affect the respondent's actual time to complete the survey. Overall respondent burden for the 2025 AIES is estimated to be 807,188 hours, and respondent cost is estimated to be $34,964,070. This cost estimate was calculated by using mean hourly wage data from the 2024 BLS Occupational Employment Statistics (OES). The average hourly wage is that of an accountant in the corresponding sectors. In circumstances where companies operate in multiple sectors, the national average hourly wage of an accountant was used. Attachment B provides an estimate of respondent burden hours for the 2025 AIES. Due to our more modular approach to sampling, respondent burden varies considerably across cases. As a result, the average burden estimate masks substantial heterogeneity in the number of questions and corresponding response time experienced by individual respondents. For these reasons, the burden estimate cited is conservative and not reflective of the time it will take the vast majority of respondents to complete the survey. Due

to the implementation of a modular, subsampled content strategy, the respondent count increased to ensure adequate coverage was achieved to produce statistically sound estimates. A primary objective of the agency is to reduce the burden imposed on individual respondents. The new modular, subsampled content strategy achieves that goal. Specifically, the average time to complete the 2025 AIES is estimated to be 2 hours and 15 minutes, a 12 percent reduction compared to the 2024 AIES (2 hours and 34 minutes). The 2024 AIES sample size was larger than the 2025 AIES sample size. However, some 2024 sampled cases did not actually receive the survey (i.e., "non-mailed companies"). The term "non-mailed companies" refers to businesses that are selected as part of the AIES sample but are not sent a survey questionnaire. Instead, for these cases, the Census Bureau uses administrative data and other available information sources to produce the necessary statistical estimates. This approach reduces respondent burden and collection costs while maintaining the quality and coverage of the survey estimates. This was not an option during survey year 2025, because the Census Bureau introduced the modular, subsampled content strategy. Moving forward, the Census Bureau plans on investigating if it is possible to reintroduce the concept of "non-mailed companies" to reduce respondent burden even more.

For survey year 2026, the respondent count and, thus, the burden-related information are not yet final. However, the final respondent count and burden are expected to be comparable to the 2025 AIES respondent count and burden presented in the table above. If the count and/or burden-related information changes once the survey year 2026 sampling information is final, we will provide updated respondent count and burden information as an amendment to the request if it is still under review at OMB. If the request has already cleared OMB, we will submit a non-substantive change request to revise the respondent count and burden information.

**13. Provide an estimate for the total annual cost burden to respondents or record keepers resulting from the collection of information. (Do not include the cost of any hour burden already reflected on the burden worksheet.)**

The Census Bureau does not expect respondents to incur any costs other than that of their time to respond. The information requested is of the type and scope normally carried in company records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Furthermore, purchasing of outside accounting or information collection services, if performed by the respondent, is part of usual and customary business practices and not specifically required for this information collection.

**14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational**

**expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

The total cost to the Federal government for the AIES in fiscal year 2026 is expected to be $31 million, all borne by the Census Bureau. This includes expenses for sample design, data collection (including nonresponse follow-up), data capture and processing, data review and editing, publication, equipment, overhead, and support staff. This cost is expected to remain relatively fixed over the upcoming three years.

**15. Explain the reasons for any program changes or adjustments reported in ROCIS.**

The 2025 AIES burden hours (807,188) are slightly higher than the 2024 AIES burden hours (784,950). However, the average time to complete the survey decreased when comparing the 2025 AIES to the 2024 AIES. A primary objective of the agency is to reduce the burden imposed on individual respondents while maintaining the statistical quality of our data products. The new modular, subsampled content strategy introduced for survey year 2025 achieves that goal. Specifically, the average time to complete the 2025 AIES is estimated to be 2 hours and 15 minutes, a 12 percent reduction compared to the 2024 AIES (2 hours and 34 minutes). The 2024 AIES sample was larger than the 2025 AIES sample. However, some 2024 sampled cases did not actually receive the survey (i.e., "non-mailed companies"), as was explained in the 2024 AIES Information Collection Review (ICR) request. Because of the introduction of the modular, subsampled content strategy, having "non-mailed companies" was not an option during survey year 2025. Thus, the number of 2025 AIES respondents (358,750) is higher than the number of companies that actually received the 2024 AIES (305,340). This caused the increase in total burden hours when comparing the 2025 AIES against the 2024 AIES. Moving forward, the Census Bureau plans on investigating if it is possible to reintroduce the concept of "non-mailed companies" while using a modular, subsampled content strategy to reduce respondent burden.

As noted above, for survey year 2026, the respondent count and, thus, the burden-related information are not yet final. However, the final respondent count and burden are expected to be comparable to the 2025 AIES respondent count and burden. If the count and/or burden-related information changes once the survey year 2026 sampling information is final, we will provide updated respondent count and burden information as an amendment to the request if it is still under review at OMB. If the request has already cleared OMB, we will submit a non-substantive change request to revise the respondent count and burden information.

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time**

**schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The table below outlines the tentative collection, analysis, and publication schedule for 2026 AIES.

| | |
|---|---|
| Reporting Instrument Opens and Initial Mail/Email | March/April 2027 |
| Due Date Reminder | March/April 2027 |
| Email Follow-up | April/May 2027 through August/September 2027 |
| Mail Follow-up | May/June 2027 through August/September 2027 |
| Telephone Follow-up/Robocall | May 2027 through August/September 2027 |
| Reporting Instrument Closes | September 2027 |
| Edit, Analysis, Tabulation | March/April 2027 through December 2027 |
| Data Release | December 2027 |

The data release date provided above relates to the external release of the AIES estimates to the public.

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

The expiration date and OMB approval number will be displayed on the electronic collection instrument.

**18. Explain each exception to the certification statement identified in "Certification for Paperwork Reduction Act Submissions."**

The agency certifies compliance with 5 CFR 1320.9 and the related provisions of 5 CFR 1320.8(b)(3). There are no exceptions to the certification.