



DEPARTMENT OF COMMERCE

Submission for OMB Review; Comment Request

The Department of Commerce will submit to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

Agency: U.S. Census Bureau.

Title: Annual Capital Expenditures Survey (ACES).

OMB Control Number: 0607-0782.

Form Number(s): ACE-1 (S), ACE-1 (M), ACE-1(L), ACE-1 (I), ACE-2, ACE-2(I).

Type of Request: Revision of a currently approved collection.

Burden Hours: 146,570.

Number of Respondents: 75,000.

Average Hours Per Response: 2 hours.

Needs and Uses: A major concern of economic policymakers is the adequacy of investment in plant and equipment. Data on the amount of business expenditures for new plant and equipment and measures of the stock of existing facilities are critical to evaluating productivity growth, the ability of U.S. businesses to compete with foreign businesses, changes in industrial capacity, and overall economic performance. The ACES is the sole source of detailed comprehensive statistics on investment in buildings and other structures, machinery, and equipment by private nonfarm businesses in the

United States.

Data users tell us that they need comprehensive and consistent data on investment by all private nonfarm businesses, by industry, by kind of investment, i.e., whether in new or used structures or equipment. The objectives of the ACES are:

(a) to provide estimates of capital expenditures for all private nonfarm sectors of the economy by 3-digit and selected 4-digit North American Industry Classification System (NAICS) levels;

(b) to base the survey on a probability sample that yields measures of the statistical reliability of the survey estimates;

(c) to develop a base survey to benchmark more frequent surveys on capital expenditures that do not have complete industry coverage;

(d) to produce annual enterprise-level data with the level of detail, coverage, and quality, which previously was only available as part of the quinquennial economic census;

(e) to provide detail on capital expenditures for estimating the national income and product accounts, estimating the productivity of U.S. industries, evaluating fiscal and monetary policy, and conducting research using capital expenditures data; and

(f) to provide industry analysts with capital expenditures data for market analysis, economic forecasting, product development, and business planning.

This request is for continuation of a currently approved collection and will cover the 2013 through 2015 ACES (conducted in fiscal years 2014 through 2016). Changes

from the previous ACES authorization are the elimination of detailed capital expenditures by type of structure and equipment. These data, collected every five years, were last collected in the 2012 ACES and will not be collected again until the 2017 ACES.

We will collect and publish data based on the 2012 NAICS. Industries in the survey will comprise 3-digit and 4-digit 2012 NAICS codes.

For the 2012 and prior ACES data collection; the Census Bureau used mail out/mail back survey forms to collect data. Companies were able to respond via Centurion (The Census Bureau's online reporting system), by mail, or by using our toll-free number to reply via secure facsimile machine. We asked companies to respond to the survey within 30 days of the initial mailing. If companies did not respond by the designated time, they received letters and/or telephone calls encouraging participation.

Employer companies were mailed one of three forms based on their diversity of operations and number of industries with payroll. Companies that operated in only one industry received an ACE-1(S) form. Companies that operated in more than one, but less than nine industries received an ACE-1(M) form. Companies that operated in nine or more industries received an ACE-1(L). All nonemployer companies received an ACE-2 form.

For the 2013 ACES collection, the Census Bureau will collect the data from

employer companies primarily through electronic reporting. Employer companies will receive a mailed notification letter containing their User ID and password, and directed to respond via Centurion through the Census Bureau's Business Help Site. The online reporting instrument is an electronic version of the paper data collection instrument, and based on their diversity of operations and number of industries with payroll. Companies operating in only one industry will access an ACE-1(S) form or electronic instrument. Companies operating in more than one, but less than nine industries will access an ACE-1(M) form or electronic instrument. Companies that operate in nine or more industries will access an ACE-1(L) form or electronic instrument. Companies will be able to print the form through online services or request a paper form by mail.

The Census Bureau will continue to use mail out/mail back survey forms to collect data from nonemployer companies. All nonemployer companies will receive an ACE-2 form. Nonemployer companies will have the option to respond by mail or online through the Census Bureau's Business Help Site using the User ID and password provided to them on their form.

The Census Bureau will continue to ask both companies with employees and nonemployer companies to respond to the survey within 30 days. Reminder letters and/or telephone calls encouraging participation will continue to all companies that have not responded by the designated time.

For the 2014 and 2015 ACES data collection, the Census Bureau will determine

whether to use the same data collection strategy based upon the electronic response rate of the employer companies for the 2013 ACES.

All ACE-1 forms request sales and receipts information to calculate industry investment to sales ratios and to assist in verifying that consolidated company data are being reported. Asset and depreciation information, also collected, assists in measuring changes in the Nation's capital stock estimates.

Capital expenditures data are also collected annually from a sample of non-employer businesses using Form ACE-2. This collection is intended to better represent the total capital expenditures activity of all firms.

The ACES is an integral part of the Federal Government's effort to improve the quality and usefulness of National economic statistics. Federal agencies, including the Census Bureau, use these data to improve and supplement ongoing statistical programs.

The Census Bureau uses these data to improve the quality of monthly economic indicators of investment. The Census Bureau's Value of New Construction Put in Place Survey currently uses the ACES data to benchmark its industrial buildings data. The Bureau of Economic Analysis (BEA) uses these data in refining and evaluating annual estimates of investment in structures and equipment in the national income and product accounts, compiling annual input-output tables, and computing gross domestic product

by industry. The Federal Reserve Board (FRB) uses these data to improve estimates of investment indicators for monetary policy. The Bureau of Labor Statistics (BLS) uses these data to improve estimates of capital stocks for productivity analysis.

In addition, industry analysts use these data for market analysis, economic forecasting, product development, and business planning.

Affected Public: Businesses or other for-profit: Not-for-profit institutions.

Frequency: Annually.

Respondent's Obligation: Mandatory.

Legal Authority: The Census Bureau conducts this survey under the authority of Title 13 of the United States Code, Sections 131 and 182. Sections 224 and 225 make the survey mandatory.

OMB Desk Officer: Brian Harris-Kojetin, (202) 395-7314.

Copies of the above information collection proposal can be obtained by calling or writing Jennifer Jessup, Departmental Paperwork Clearance Officer, (202) 482-0336, Department of Commerce, Room 6616, 14th and Constitution Avenue, NW, Washington, DC 20230 (or via the Internet at jjessup@doc.gov).

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to Brian Harris-Kojetin, OMB Desk Officer either by fax (202-395-7245) or email (bharrisk@omb.eop.gov).

Dated: January 7, 2014

Glenna Mickelson,

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