AGENCY: Bureau of Economic Analysis, Department of Commerce.

ACTION: Notice of information collection, request for comment.

SUMMARY: The Department of Commerce, in accordance with the Paperwork Reduction Act of 1995 (PRA), invites the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. The purpose of this notice is to allow for 60 days of public comment preceding submission of the collection to OMB.

DATES: To ensure consideration, comments regarding this proposed information collection must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Interested persons are invited to submit written comments to Christopher Stein, Chief, Services Surveys Branch, Bureau of Economic Analysis, by email to christopher.stein@bea.gov or PRAcomments@doc.gov. Please reference OMB Control Number 0608-0065 in the subject line of your comments. Do not submit Confidential Business Information or otherwise sensitive or protected information.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or specific questions related to collection activities should be directed to Christopher Stein, Chief, Services Surveys Branch, Bureau of Economic Analysis; (301) 278-9189; or via email at christopher.stein@bea.gov.

SUPPLEMENTARY INFORMATION:
I. Abstract

The Quarterly Survey of Financial Services Transactions between U.S. Financial Services Providers and Foreign Persons (Form BE-185) is a survey that collects data from U.S. persons who engage in covered financial services transactions. 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. A U.S. person must report if they had combined sales of covered financial services to foreign persons that exceeded $20 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year, or if they had combined purchases of covered financial services from foreign persons that exceeded $15 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year.

The data are needed to monitor U.S. trade in financial services, to analyze the impact of these cross-border services on the U.S. and foreign economies, to compile and improve the U.S. economic accounts, to support U.S. commercial policy on trade in services, to conduct trade promotion, and to improve the ability of U.S. businesses to identify and evaluate market opportunities. The data are used in estimating the trade in financial services component of the U.S. international transactions accounts (ITAs) and national income and product accounts (NIPAs).

The Bureau of Economic Analysis (BEA) is proposing two modifications to the existing transaction categories covered by the BE-185 survey and a change to the survey due date, beginning with reporting for first quarter 2022. The proposed modifications to the BE-185 survey would allow BEA to increase the quality and usefulness of BEA’s statistics on trade in financial services.

BEA proposes to add “brokerage services related to debt transactions” as a separate transaction category. The change will result in three categories for brokerage services, rather
than the current two categories on the survey. The three categories collected on the survey will be brokerage services related to equity transactions (code 1), brokerage services related to debt transactions (code 1.1), and brokerage services related to other transactions (code 2). In reviewing brokerage transactions reported on the survey over the last several years, BEA has determined that most survey respondents can provide brokerage related to debt securities because this information is readily available in their records. BEA will provide updated instructions to ensure accurate reporting of brokerage transactions.

BEA proposes to break “financial advisory and custody services” into two separate transaction categories. The change will result in two separate transaction categories of financial advisory services (code 7), and financial custody services (code 7.1). In reviewing transactions reported in the combined “financial advisory and custody services” category over the last several years, BEA has determined that these transactions are distinctly different in nature and collecting them in a single transaction category may be confusing to survey respondents. BEA has also determined that most respondents have the ability to report details for these activities separately because this information is readily available in their records. BEA will provide updated instructions to ensure accurate reporting.

BEA also proposes to change the due date of the survey to 30 days after the close of each quarter from 45 days for the three quarters that are not the final fiscal quarter of the year. For the close of the final fiscal quarter of the year, reports would be due 45 days after the close of the quarter instead of 90 days. Shortening the reporting timeline will allow BEA to produce more accurate and complete trade in services statistics in preliminary estimates of the ITAs, which is critical information for policymakers’ timely decisions on international trade policy. The earlier due date will allow BEA to use more reported data for preliminary statistics, improving the accuracy of both the aggregates and the country detail, and reducing revisions in subsequent statistical releases. In addition, the proposed reporting deadlines are also consistent with the reporting deadline of BEA’s quarterly direct investment surveys.
BEA estimates there will be a small increase in the total burden for the survey due to the change in transaction detail required, but the average number of burden hours per response will continue to average 10 hours for companies filing country detail. BEA estimates that approximately 100 survey respondents will experience a burden increase of less than 10 percent. Although the estimated change is measurable, only a small portion of the total reporters are affected. BEA believes these data are readily available in their accounting records. When total burden for completing the survey is averaged across all reporters, factoring in the additional time BEA believes these reporters will spend complying with the survey, burden for completing the survey continues to average 10 hours per response.

BEA estimates there will be no change in burden hours per response as a result of the proposed change in survey due dates. While survey respondents will have to file earlier, the burden for the survey is unchanged because the same information, other than the two changes described above, will be required on the survey as in the past. The language in the instructions and definitions will be reviewed and adjusted as necessary to clarify survey requirements.

II. Method of Collection

BEA contacts potential respondents by mail at the end of each quarter. Respondents would be required to file the completed BE-185 forms within 30 days after the end of each fiscal quarter that is not the final fiscal quarter of the year and within 45 days after the close of the final fiscal quarter of the year. Reports would be required from each U.S. person that had combined sales of covered financial services to foreign persons that exceeded $20 million for the previous fiscal year, or are expected to exceed that amount during the current fiscal year, or that had combined purchases of covered financial services from foreign persons that exceeded $15 million for the previous fiscal year, or that are expected to exceed that amount during the current fiscal year. Entities required to report will be contacted individually by BEA. Entities not contacted by BEA have no reporting responsibilities.
BEA offers its electronic filing option, the eFile system, for use in reporting on Form BE-185. For more information about eFile, go to www.bea.gov/efile. In addition, BEA posts all its survey forms and reporting instructions on its website, www.bea.gov/ssb. These may be downloaded, completed, printed, and submitted via fax or mail.

III. Data

*OMB Control Number:* 0608-0065.

*Form Number(s):* BE-185.

*Type of Review:* Regular submission.

*Affected Public:* Business or other for-profit organizations.

*Estimated Number of Respondents:* 2,860 annually (715 filed each quarter; 580 reporting mandatory data, and 135 that would file exemption claims or voluntary responses).

*Estimated Time Per Response:* 10 hours is the average for those reporting data and one hour is the average for those filing an exemption claim. Hours may vary considerably among respondents because of differences in company size and complexity.

*Estimated Total Annual Burden Hours:* 24,140.

*Estimated Total Annual Cost to Public:* $0.

*Respondent’s Obligation:* Mandatory.


IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency’s estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the
burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments that you submit in response to this notice are a matter of public record. We will include or summarize each comment in our request to OMB to approve this ICR. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you may ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Sheleen Dumas,

Department PRA Clearance Officer, Office of the Chief Information Officer, Commerce Department.

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