



DEPARTMENT OF COMMERCE

Census Bureau

Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Business Trends and Outlook Survey

The Department of Commerce will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. We invite 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. Public comments were previously requested via the Federal Register on November 9, 2021 during a 60-day comment period. This notice allows for an additional 30 days for public comments.

Agency: U.S. Census Bureau, Department of Commerce.

Title: Business Trends and Outlook Survey.

OMB Control Number: 0607-1022.

Form Number(s): This online survey has no form number.

Type of Request: Regular submission, Request for a Revision of a Currently Approved Collection.

Number of Respondents: 858,000 annually.

Average Hours Per Response: 8 minutes.

Burden Hours: 111,540.

Needs and Uses: The mission of the U.S. Census Bureau (Census Bureau) is to serve as the leading source of quality data about the nation's people and economy; in order to fulfill this mission, it is necessary to innovate to produce more detailed, more frequent, and more timely

data products. The Coronavirus pandemic was an impetus for the creation of new data products by the Census Bureau to measure the pandemic's impact on the economy: the Small Business Pulse Survey (SBPS) and the weekly Business Formation Statistics. Policymakers and other federal agency officials, media outlets, and academia commended the Census Bureau's rapid response to their data needs during the largest economic crisis in recent American history. The Census Bureau capitalized on the successes that underlaid the high frequency data collection and near real time data dissemination engineered for the SBPS by creating the Business Trends and Outlook Survey (BTOS).

BTOS uses ongoing data collection to produce high frequency, timely, and granular information about current economic conditions and trends. BTOS is the only biweekly business tendency survey produced by the federal statistical system, providing unique and detailed data during times of economic or other emergencies. The BTOS initial target population is all nonfarm, single-location employer businesses with receipts of \$1,000 or more in the United States, the District of Columbia, and Puerto Rico. The current sample consists of approximately 1.2 million single-unit businesses split into six panels. Data collection occurs every two weeks, and businesses in each panel are asked to report once every 12 weeks for one year. Current data from BTOS are representative of all single location employer businesses (excluding farms) in the U.S. economy and are published every two weeks. The data are available at the national and state levels, in addition to the 25 most-populous Metropolitan Statistical Areas (MSAs). North American Industry Classification System (NAICS) sector, subsector, and state by sector are also published, as are employment size class, and sector by employment size class data, according to the same timeline.

Data from BTOS are currently used to provide timely data to understand the economic conditions being experienced by single unit businesses; BTOS provides near real time data on key items such as revenue, paid employees, hours worked as well as inventories which is being added in for the second collection cycle. BTOS also provides high level information on the

changing share of businesses facing difficulties stemming from supply chain issues, interest rate changes, or weather events. Previously, there had been few data sources available to policymakers, media outlets, and academia that delivered near real-time insights into economic trends and outlooks. BTOS data has been used by the Small Business Administration to evaluate the impact of regulatory changes. Use of the BTOS data (or additional requirements) is being determined by the Economic Development Agency (EDA) to understand the impact of natural disasters on U.S. businesses for the EDA to then guide the Federal Emergency Management Agency (FEMA) and/or policymakers in assisting in economic recovery support missions.

In the approved OMB package for BTOS, the Census Bureau proposed an incremental path to reach the full scope of BTOS. This request is the first scope expansion to propose adding multi-unit businesses (those with more than one location or establishment) to BTOS. BTOS is currently limited in scope to include only single-unit businesses. Despite comprising a relatively small share of the total number of businesses, multi-unit (MU) businesses are responsible for most of the employment, payroll, and revenue/sales in the United States and contribute disproportionately to economic activity. In addition, MU businesses are on average larger than single-unit businesses. Adding these businesses would help ensure that BTOS results are representative of the full economy. The Census Bureau still proposes an incremental path to the final scope of BTOS in order to learn at each implemented stage and to allow for modifications based on lessons learned or internal/external stakeholder feedback in prior iterations.

For the first year of BTOS, the content remained unchanged at 26 questions. After two rounds of cognitive testing and guidance from data users, the Census Bureau will move to a set of core questions and supplemental content, when needed. In addition to adding multi-unit businesses, the Census Bureau also proposes to change the content for the second year of BTOS collection. The majority of the content will be referred to as the core content and comprises most questions included on the BTOS instrument during the first year of collection. Core content includes measures of economic activity that are broadly applicable across non-farm sectors and

are important across the business cycle and during economic or other emergencies. Core content is also complementary to key items found on other Economic surveys, such as revenues, employees, hours, and inventories. Core items may also include concepts that may become core topics. The core content remains an at approximately six minutes of burden. A skip pattern will be added for the new core concept of inventories to avoid additional burden if a business does not carry inventories.

Supplemental content will be included on the instrument as needed and with a regular periodicity. It will be designed to provide urgently needed data on an emerging or current issue. The supplement will include a set of questions that perform a deeper dive into a focused topic that requires timely data. The Census Bureau estimates the supplemental questions will impose an additional 2 minutes of burden.

Consideration for core and supplemental concepts will be based on data consistency, how the questions performed on the current BTOS, the results of cognitive testing, stakeholder feedback, and the ability to collect complementary items on monthly, quarterly, annual, or census programs to provide context and benchmarking. Thus, the Census Bureau is requesting three years of approval from OMB to expand the scope of BTOS to include multi-unit businesses and adjust the core and include supplemental content.

The Census Bureau will submit a request to OMB including 30 days of public comment announced in the Federal Register to receive approval to make any substantive revisions to the content or methods of the proposed survey, including incremental scope changes. It is likely new supplemental content will be chosen for each year and an updated instrument will be submitted to OMB for review along with a 30-day Federal Register Notice.

The BTOS is a survey with bi-weekly data collection and publication; estimates produced from the BTOS are released as experimental data products. The SBPS demonstrated the ability of the Census Bureau to collect and publish high frequency, timely data during a national economic emergency. The BTOS capitalizes on this success and provides regularly occurring

high frequency data products and measures of quality based on national and subnational representative samples using transparent methodology. The BTOS produces data continuously, in part as a response to feedback on the SBPS that longer time series would have been useful to contextualize the pandemic impact. Continuous data allows for the measurement of economic trends during all phases of the business cycle as well as during times of economic and other emergencies. The BTOS uniquely provides the ability to produce these data and associated measures of quality.

The Census Bureau proposes to add multi-unit businesses to the target population of the BTOS beginning in the second year of data collection starting on September 11, 2023. Adding these businesses would help ensure that BTOS results are representative of the full economy. BTOS will continue to publish data using standard business size class categories and will research the expansion of additional size classes for publication, thus continuing to be responsive to stakeholders whose missions include supporting small business research, analysis and advocacy and reflecting numerous requests from data users to monitor economic trends impacting small businesses. As with other Census Bureau data products, detailed methodology and measures of quality will be published for BTOS data products. BTOS products will be based on representative samples drawn from the full universe of businesses, making them unique and the results reliable when compared to other high frequency business survey data such as those produced in the private sector.

Core content on the BTOS is used to create high frequency economic measures including inputs (for example, employment and hours), outcomes (for example, output prices) and conditions faced by businesses (for example, demand). Survey responses are used to create national level as well as industry and geographically detailed diffusions indexes which are easily interpretable as measures of change over time for these core measures. No other federal statistical data products exist which provide high frequency measures such as those produced by BTOS.

Frequency: Bi-weekly.

Respondent's Obligation: Voluntary.

Legal Authority: Title 13 U.S.C., sections 131 and 182.

This information collection request may be viewed at www.reginfo.gov. Follow the instructions to view the Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be submitted within 30 days of the publication of this notice on the following website www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function and entering either the title of the collection or the OMB Control Number 0607-1022.

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