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Trade-Related Agencies: FY2020 Appropriations, Commerce, Justice, Science, and Related Agencies (CJS)

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SUMMARY

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Trade-Related Agencies: FY2020 Appropriations, Commerce, Justice, Science, and Related Agencies (CJS)

This report provides an overview of the Fiscal Year (FY) 2020 budget request and appropriations for the International Trade Administration (ITA), the U.S. International Trade Commission (USITC), and the Office of the United States Trade Representative (USTR). These three trade-related agencies are funded through the annual Commerce, Justice, Science, and Related Agencies (CJS) appropriations. This report also provides a review of these trade agencies' programs.

The Administration's FY2020 Budget Request

The President submitted his budget request to Congress on March 11, 2019. For FY2020, the Administration requested a total of $620.2 million for the three CJS trade-related agencies. The request was $26.8 million less (a 4.1% decrease) than the FY2019 appropriated amount. The request included the following for the three agencies.

- **ITA**: $460.1 million, 4.9% less than the FY2019 amount.
- **USITC**: $91.1 million, 4.1% less than the FY2019 amount.
- **USTR**: $69.0 million, 1.5% more than the FY2019 amount.

Congressional Actions

The House Committee on Appropriations reported its FY2020 CJS appropriations proposal, H.R. 3055, in early June 2019 and passed the measure on June 25, 2019 by a 227-194 vote. The House-passed bill included a total of $694.0 million for the three CJS trade agencies, which was $47.0 million (or 7.3%) more than the FY2019-enacted amount, and $73.8 million (11.9%) more than the Administration's request. The House proposal included the following for the three agencies.

- **ITA**: $521.0 million, 7.6% more than the FY2019 amount, and 13.2% more than the Administration's request.
- **USITC**: $101.0 million, 6.3% more than the FY2019 amount, and 10.9% more than the Administration's request.
- **USTR**: $72.0 million, 5.9% more than the FY2019 amount, and 4.3% more than the Administration's request.

The Senate Committee on Appropriations reported a CJS bill, S. 2584, on September 26, 2019. In late October, the Senate took up the House-adopted CJS proposal, H.R. 3055, and passed it with amendments, by a vote of 84-9 on October 31, 2019. The Senate-passed version included a total of $678.7 million for the three CJS trade agencies, which was $31.7 million (4.9%) more than the FY2019-enacted amount, $58.5 million (9.4%) more than the Administration's request, and overall $15.3 million less than the House-adopted bill. The Senate-passed version included the following for the three trade agencies.

- **ITA**: $510.3 million, 5.4% more than the FY2019 amount, and 10.9% more than the Administration's request.
- **USITC**: $99.4 million, 4.6% more than the FY2019 amount, and 9.1% more than the President's budget request.
- **USTR**: $69.0 million, 1.5% more than more than the FY2019 amount, and equal to the Administration's request.

On December 20, 2019, the President signed the Consolidated Appropriations Act, 2020 (P.L. 116-93), approving FY2020 annual appropriations for the three CJS trade agencies. The act included the Senate's proposed funding levels for these agencies. The act provided $678.7 million for the three trade-related agencies, which was $31.7 million (4.9%) more than FY2019, and $58.5 million (9.4%) more than the Administration's request. The act provided the following for the three trade-related agencies.

- **ITA**: $510.3 million, 5.4% more than the FY2019 amount, and 10.9% more than the Administration’s request.
- **USITC**: $99.4 million, 4.6% more than the FY2019 amount, and 9.1% more than the Administration's request.
- **USTR**: $69.0 million, 1.5% more than more than the FY2019 amount, and equal in total to the Administration's request.

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Overview

The International Trade Administration (ITA), the U.S. International Trade Commission (USITC), and the Office of the United States Trade Representative (USTR) are funded through the annual Commerce, Justice, Science, and Related Agencies (CJS) appropriations.[1] This report provides an overview of these agencies' programs and a comparison of the FY2020 CJS proposals with the previous year's enacted legislation.[2]

For FY2019, the Consolidated Appropriations Act, 2019 (P.L. 116-6), provided a total of $647.0 million in funding for the three CJS trade-related agencies. The FY2019 act provided $484.0 million in direct appropriations for ITA,[3] $95.0 million for USITC, and a total of $68.0 million for USTR. The FY2019 appropriations for the three CJS trade-related agencies was a 0.2% decrease (-$1.3 million) from FY2018 appropriations ($648.3 million).

For FY2020, the Consolidated Appropriations Act, 2020 (P.L. 116-93), provided $678.7 million for the three trade-related agencies, which was $31.7 million (4.9%) more than the FY2019 amount, and $58.5 million (9.4%) more than the Administration's request.

See the **Appendix** for enacted budget authority for the trade-related agencies for FY2009-FY2020.[4]

In the FY2020 budget cycle, the House and Senate each passed different versions of their CJS proposals under the same bill number, H.R. 3055. In this report, the House and Senate versions of H.R. 3055 refer to the CJS provisions passed on June 25, 2019 (House) and October 31, 2019 (Senate). The CJS provisions were later struck from H.R. 3055, and a continuing resolution was inserted in their place. The CJS provisions were then inserted into a new measure, H.R. 1158, which passed both chambers and was signed into law as the Consolidated Appropriations Act, 2020 (P.L. 116-93).

FY2020 Appropriations

The President submitted his FY2020 budget request to Congress on March 11, 2019. The agencies released their congressional budget justification documents in the weeks afterward. In the President's FY2020 budget, the Administration requested a total of $620.2 million for the three CJS trade-related agencies. This request was $26.8 million less (-4.1%) than the FY2019 enacted level.

The House Committee on Appropriations reported its FY2020 CJS appropriations proposal, H.R. 3055, in early June 2019 and passed the measure on June 25, 2019 by a 227-194 vote.[5] The

[1] For more on the overall CSJ appropriations, see CRS Report R45702, *Overview of FY2020 Appropriations for Commerce, Justice, Science, and Related Agencies (CJS)*, by Nathan James.

[2] In this report, when comparing FY2019 and FY2020 funding the FY2019 funding levels reflect the amounts appropriated in the Consolidated Appropriations Act, 2019, unless otherwise noted.

[3] ITA is funded through a combination of direct appropriations and user fees the agency collects for certain services.

[4] Also see CRS Report R45335, *Trade-Related Agencies: FY2019 Appropriations, Commerce, Justice, Science, and Related Agencies (CJS)*, by Keigh E. Hammond and M. Angeles Villarreal, and CRS Report R44882, *Commerce, Justice, Science and Related Agencies (CJS) FY2018 Appropriations: Trade-Related Agencies*, by Keigh E. Hammond and M. Angeles Villarreal.

[5] U.S. Congress, House Committee on Appropriations, *Commerce, Justice, Science, and Related Agencies Appropriations Bill, 2020*, report accompanying H.R. 3055, 116th Cong. 1st sess., H.Rept. 116-101. (hereafter H.Rept.

House-passed bill included a total of $694.0 million for the three CJS trade-related agencies. This proposal was $47.0 million more (7.3%) than the FY2019 enacted funding, and $73.8 million more (11.9%) than the Administration's request. The House-passed bill included $521.0 million for ITA,[6] $101.0 million for USITC, and a total of $72.0 million for USTR.

The Senate Committee on Appropriations reported its CJS bill, S. 2584, on September 26, 2019.[7] In late October, the Senate took up the House-adopted proposal, H.R. 3055, and passed it with amendments by a vote of 84-9. The Senate-passed version of H.R. 3055 included a total of $678.7 million for the three CJS trade-related agencies, which was $31.7 million more (4.9%) than the FY2019-enacted amount and $58.5 million more (9.4%) than the Administration's request. The Senate-passed version included $510.3 million for ITA,[8] $99.4 million for USITC, and a total of $69.0 million for USTR. The Senate's proposed funding levels were enacted in the Consolidated Appropriations Act, 2020 (P.L. 116-93).

The President signed the Consolidated Appropriations Act, 2020 (P.L. 116-93), on December 20, 2019, approving FY2020 annual appropriations for the three CJS trade agencies.[9] The act provided $678.7 million for these agencies, which was $31.7 million more (4.9%) than the FY2019 amount, and $58.5 million more (9.4%) than the Administration's request. (For a full summary, see **Table 1**)

Table 1. Appropriations for CJS Trade-Related Agencies, FY2018-FY2020

U.S. Dollars, Current Millions

CJS Trade-Related Agency	FY2018 Enacted	FY2019 Enacted	FY2020 Request	FY2020 House-Passed (H.R. 3055)	FY2020 Senate – Passed (H.R. 3055)	FY2020 Enacted (P.L. 116-93)
International Trade Administration (ITA)[a] (direct appropriations)	$482.0	$484.0	$460.1	$521.0	$510.3	$510.3
U.S. International Trade Commission (USITC)	$93.7	$95.0	$91.1	$101.0	$99.4	$99.4
Office of the U.S. Trade Representative (USTR)[b]	$72.6	$68.0	$69.0	$72.0	$69.0	$69.0
Total	**$648.3**	**$647.0**	**$620.2**	**$694.0**	**$678.7**	**$678.7**

116-101).

[6] ITA is funded through a combination of direct appropriations and user fees the agency collects for certain services. The House-passed bill included $521.0 million in direct appropriations for ITA, as well as $11.0 million to be collected from user fees, for an authorized spending level of $532.0 million.

[7] U.S. Congress, Senate Committee on Appropriations, *Commerce, Justice, Science, and Related Agencies Appropriations Bill, 2020*, report accompanying, S. 2584, 116th Cong. 1st sess., S.Rept. 116-127. (hereafter H.Rept. 116-127).

[8] ITA is funded through a combination of direct appropriations and user fees the agency collects for certain services. The Senate-passed bill included $510.3 million in direct appropriations for ITA, as well as $11.0 million to be collected from user fees, for an authorized spending level of $521.3 million.

[9] The CJS trade-related agencies operated under continuing resolutions (CR) through December 20, 2019. (Division A of P.L. 116-59 extended funding through November 21, 2019, and Division A of P.L. 116-69 extended funding through December 20, 2019.) The CR allowed agencies to continue to obligate funding at the FY2019 levels. The second CR also allowed the USITC to apportion funding at a rate necessary to meet the commission's responsibilities under the American Manufacturing Competitiveness Act of 2016.

Sources: For the FY2018-enacted amounts, see P.L. 115-141; for the FY2019-enacted amounts, see P.L. 116-6; for the FY2020 request, see the appendix tables of the President's FY2020 Budget; and for the FY2020 congressional proposals, see H.R. 3055 (House-passed version, as placed on the Senate's Calendar, July 10, 2019; and the Senate-passed version, as engrossed Senate amendment, October 31, 2019), and P.L. 116-93.

Notes: Totals may not sum due to rounding.

a. In addition to the direct appropriations listed above, ITA's budget authority included a portion to be derived from user fees, which increased ITA's available funds. In FY2018 ITA's available funds were $495.0 million, including $13.0 million in user fees. For FY2019, ITA's available funds were $495.0 million, including $11.0 million in user fees. For FY2020, the Administration's request and the House and Senate proposals included an additional $11.0 million in user fees, for available funds of $471.1 million, $532.0 million, and $521.3 million, respectively.

b. USTR appropriations listed above includes funds to be drawn from the Trade Enforcement Trust Fund.

International Trade Administration (ITA)[10]

The International Trade Administration is a bureau within the Department of Commerce. ITA's mission is to improve U.S. prosperity by strengthening the competitiveness of U.S. industry, promoting trade and investment, and ensuring compliance with trade laws and agreements. ITA provides export promotion services; works to enforce and ensure compliance with trade laws and agreements; administers trade remedies such as antidumping and countervailing duties; and provides analytical support for ongoing trade negotiations.

ITA went through a major organizational change in October 2013 in which it consolidated four organizational units into three more functionally aligned units: (1) Global Markets, (2) Enforcement and Compliance, and (3) Industry and Analysis. ITA also has a fourth organizational unit, the Executive and Administrative Directorate, which is responsible for providing policy leadership, information technology support, and administration services for all of ITA. (**Table 2** outlines ITA FY2020 budget proposals by unit, and **Table A-1** shows budget amounts for ITA by unit between FY2009 and FY2019.)

For FY2020, the Administration requested $460.1 million for ITA in direct appropriations, with an additional $11.0 million to be collected in user fees, for a total of $471.1 million in authorized spending. With respect to direct appropriations, this request was $23.9 million less (-4.9%) than the FY2019 enacted funding level.

The House-passed H.R. 3055 included $521.0 million in direct appropriations for ITA, with an additional $11.0 million to be collected from user fees, for a total of $532.0 million in authorized spending. With respect to direct appropriations, this proposal was $37.0 million more (7.6%) than the FY2019 enacted funding level and $60.9 million more (13.2%) than the Administration's request.

The Senate-passed version proposed $510.3 million in direct appropriations for ITA with an additional $11.0 million to be collected from user fees, for a total of $521.3 in authorized spending. With respect to direct appropriations, this proposal was $26.3 million more (5.4%) than the FY2019 funding, and $50.2 million more (10.9%) than the Administration's request.

The Consolidated Appropriations Act, 2020 (P.L. 116-93), adopted the Senate-proposed funding level of $510.3 for ITA's top-level funding (**Table 1**).

[10] In this report, the budget authority figures for ITA's subunits have been rounded; however, calculations comparing ITA's FY2019 budget and the FY2020 proposals are based on the original figures, as identified in ITA's FY2020 congressional budget justification.

Table 2. International Trade Administration Appropriations, By Unit, FY2018-FY2020

U.S. Dollars in Current Millions

ITA Unit	FY 2018 Enacted / Budget Authority	FY2019 Enacted / Budget Authority	FY2020 Request	FY2020 House Committee Reported	FY2020 Senate Committee Reported	FY2020 Enacted
Global Markets	$319.2	$320.0	$278.0	$338.6	$335.3	$333.0
Enforcement and Compliance	$87.5	$88.5	$93.8	$94.8	$89.5[a]	--[b]
Industry and Analysis	$52.3	$52.6	$62.6	$62.6	--[c]	--[b]
Executive Administration	$22.9	$22.9	$25.7	$23.0	--	--[b]

Sources: ITA's Congressional Budget Justification for FY2020. The FY2020 committee reported numbers are the Appropriations Committees' recommendations as outlined in committee reports: the House report accompanying H.R. 3055, H.Rept. 116-101, p. 7; and the Senate report accompanying S. 2584, S.Rept. 116-127, pp. 10-11. Also, see the Explanatory Statement accompanying the Consolidated Appropriations Act, 2020.

Notes: Totals may not sum due to rounding.

a. The Senate committee "provides $1,000,000 above the fiscal year 2019 enacted level for the Office of Enforcement and Compliance to establish a dedicated anti-circumvention and duty evasion enforcement unit" (S.Rept. 116-127, p. 11).

b. "The agreement does not assume House levels for Industry and Analysis, Enforcement and Compliance, and Executive Direction and Administration. However, ITA is directed to take steps to fill important vacancies across the agency in support of trade promotion, facilitation, and enforcement, as well as additional staff to support the Committee on Foreign Investment in the United States and the new Anti-Circumvention and Evasion Unit." (The explanatory statement accompanying the Consolidated Appropriations Act, 2020).

c. The Senate committee report did not provide an exact funding level; however the report explained that the committee's proposal "provides the requested program changes for Industry and Analysis to implement [FIRRMA] and for increased analytical capabilities" (S.Rept. 116-127, p. 11).

Global Markets Unit

ITA's Global Markets (GM) unit is a combination of the United States and Foreign Commercial Service (US&FCS) program that provides export promotion services to U.S. businesses and the SelectUSA program that works to attract foreign investment into the United States. Through US&FCS, GM aims to promote U.S. exports by helping U.S. exporters research foreign markets and identify opportunities abroad. GM's country and regional experts—in domestic and overseas offices—advise U.S. companies on market access, local standards, and regulations. The unit also helps to make connections through business-to-business trade shows, fairs, and missions. GM is designed to advance U.S. commercial interests by engaging with foreign governments and U.S. businesses, identifying and resolving market barriers, and leading efforts that advocate for U.S. firms with foreign governments. Through its SelectUSA program, the GM unit promotes the United States as a destination for foreign investment. (For more on SelectUSA, see section "**SelectUSA Program**" below.)

For FY2020, the Administration proposed reducing funding for the Global Markets unit. The Administration requested $278.0 million for Global Markets, an amount $42.0 million less (-13.1%) than the FY2019-enacted amount (**Table 2**). The Administration proposed rescaling the Global Markets unit by "reducing personnel worldwide and closing overseas and domestic

offices… ITA estimated the need to close 32 offices overseas, 18 offices domestically, and reduce personnel [by 114 positions]" in an effort "to reduce fixed operational expenses."[11]

In the reports accompanying the committee-reported bills, the House and Senate Committees did not adopt the Administration's proposed cuts to Global Markets, and instead recommended boosting funding for the Global Markets unit.

For FY2020, the House Appropriations Committee recommended $338.6 million for Global Markets, an amount $18.6 million more (5.8%) than the FY2019 enacted funding level and $60.7 million more (21.8%) than the Administration's request.[12]

The Senate Committee on Appropriations recommended $335.3 for Global Markets, which was $15.3 million more (4.8%) than the FY2019 enacted amount, and $57.3 million more (20.6%) than the Administration's request. The report to accompany the Senate committee-reported CJS appropriations bill included language directing ITA to spend "no less than $130 million on employee compensation [for Global Markets];" and noted that, "at this funding level, the Committee will not approve any request to close foreign or domestic offices."[13]

As outlined in the explanatory statement accompanying the act, the Consolidated Appropriations Act, 2020, provided "no less than $333,000,000 for Global Markets."[14]

Enforcement and Compliance

The mission of ITA's Enforcement and Compliance unit is to enforce U.S. trade laws and ensure compliance with negotiated international trade agreements. The Enforcement and Compliance unit is responsible for enforcing U.S. antidumping and countervailing duty (AD/CVD) laws; overseeing a variety of programs and policies regarding the enforcement and administration of U.S. trade remedy laws; assisting U.S. industry and businesses with unfair trade matters; and administering the Foreign Trade Zone program and other U.S. import programs.

For FY2020, the Administration proposed $93.8 million for Enforcement and Compliance. This request was $5.3 million more (6.0%) than the FY2019 budget authority (**Table 2**). According to ITA's congressional budget submission, some of the Administration's objectives for the proposed increase for Enforcement and Compliance were:

- to address increasing caseloads of AD/CVD investigations;
- to provide technical assistance on Section 232 exclusion requests;[15] and
- to establish a dedicated team to investigate allegations of circumvention and duty evasion by foreign exporters and their U.S. importers.[16]

[11] U.S. Department of Commerce, International Trade Administration, *Budget Estimates Fiscal Year 2020: Congressional Submission*, p. 61, at https://www.commerce.gov/sites/default/files/2019-03/fy2020_ita_congressional_budget_justification.pdf.

[12] House Committee on Appropriations, report accompanying H.R. 3055, H.Rept. 116-101, p. 7.

[13] Senate Committee on Appropriations, report accompanying S. 2584, S.Rept. 116-127, p. 10.

[14] The House Rules Committee, Explanatory Statement accompanying H.R. 1158, at https://rules.house.gov/bill/116/hr-1158-sa.

[15] For more on compliance with and administration of Section 232 of the Trade Act of 1974, see CRS Report R45249, *Section 232 Investigations: Overview and Issues for Congress*, coordinated by Rachel F. Fefer.

[16] U.S. Department of Commerce, International Trade Administration, *Budget Estimates Fiscal Year 2020: Congressional Submission*, pp. 40-45.

For FY2020, the House-passed version of H.R. 3055 included $94.8 million for Enforcement and Compliance, which was $6.3 million more (7.2%) than the FY2019 budget authority, and $1.0 million more (1.1%) than the Administration's request (**Table 2**).

In the Senate, language in the report accompanying the Senate committee-reported bill recommended "$1,000,000 above the fiscal year 2019 enacted level [$88.5 million] for the Office of Enforcement and Compliance to establish a dedicated anti-circumvention and duty evasion enforcement unit."[17]

The explanatory statement accompanying the Consolidated Appropriations Act, 2020, did not provide specific funding levels. The statement outlined that:

> The agreement does not assume House levels for Industry and Analysis, Enforcement and Compliance, and Executive Direction and Administration. However, ITA is directed to take steps to fill important vacancies across the agency in support of trade promotion, facilitation, and enforcement, as well as additional staff to support the Committee on Foreign Investment in the United States and the new Anti-Circumvention and Evasion Unit.[18]

Industry and Analysis

ITA's Industry and Analysis unit brings together ITA's industry, trade, and economic experts to advance the competitiveness of U.S. industries through the development and execution of international trade and investment policies, export promotion strategies, and investment promotion. It develops economic and international policy analysis to improve market access for U.S. businesses, and designs and implements trade and investment promotion programs. The unit serves as the primary liaison between U.S. industries and the federal government on trade and investment promotion. It administers programs that support small and medium-sized enterprises, such as the Market Development Cooperator Program.

For FY2020, the Administration proposed increasing funding for the Industry and Analysis unit. The Administration requested $62.6 million for Industry and Analysis. This request was $10.0 million more (19.1%) than the FY2019 budget authority (**Table 2**). According to ITA's budget justification, some of the Administration's objectives for the proposed increase were:

- to meet the expected increase in cases related to foreign investment in the United States and to implement the Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA);[19]
- to develop staff with economic modeling skills and sectoral expertise;
- to manage the trade processes related to the tariffs imposed under certain U.S. trade law (Sections 301, 201, 232);[20] and

[17] Senate Committee on Appropriations, report accompanying S. 2584, S.Rept. 116-127, p. 10.

[18] The House Rules Committee, Explanatory Statement accompanying H.R. 1158, at https://rules.house.gov/bill/116/hr-1158-sa.

[19] For more on FIRRMA, see CRS In Focus IF10952, *CFIUS Reform Under FIRRMA*, by James K. Jackson and Cathleen D. Cimino-Isaacs.

[20] These three sections of law outline tools to address trade barriers and other foreign trade practices. For more see CRS In Focus IF11346, *Section 301 of the Trade Act of 1974*, by Andres B. Schwarzenberg; CRS In Focus IF10786, *Safeguards: Section 201 of the Trade Act of 1974*, by Vivian C. Jones; and CRS In Focus IF10667, *Section 232 of the Trade Expansion Act of 1962*, by Rachel F. Fefer and Vivian C. Jones.

- to provide analysis relevant to ongoing and future trade negotiations and the resolutions of trade barriers.[21]

For FY2020, the House-passed bill included $62.6 million for Industry and Analysis, which was $10.0 million (19.1%) more than the FY2019 budget authority and equal to the Administration's request (**Table 2**).

In the Senate, a specific funding level was not provided for Industry and Analysis. Language in the report accompanying the Senate committee-reported CJS bill did recommend "provid[ing] the requested program changes for Industry and Analysis to implement … [FIRRMA] (P.L. 116-115–232) and for increased analytical capabilities."[22]

The explanatory statement accompanying the Consolidated Appropriations Act, 2020, did not provide specific funding levels. The statement outlined that:

> The agreement does not assume House levels for Industry and Analysis, Enforcement and Compliance, and Executive Direction and Administration. However, ITA is directed to take steps to fill important vacancies across the agency in support of trade promotion, facilitation, and enforcement, as well as additional staff to support the Committee on Foreign Investment in the United States and the new Anti-Circumvention and Evasion Unit.[23]

U.S. International Trade Commission (USITC or the Commission)

USITC is an independent, quasi-judicial agency responsible for conducting trade-related investigations and providing independent technical advice on U.S. international trade policy to Congress, the President, and USTR. The Commission (1) investigates and determines whether imports injure a domestic industry or violate U.S. intellectual property rights; (2) provides independent tariff, trade, and competitiveness-related analysis to the President, Congress, and USTR; and (3) maintains the U.S. tariff schedule. USITC also serves as a federal resource for trade data and other trade policy information. It makes most of its information and analyses available to the public to promote understanding of competitiveness, international trade issues, and the role that international trade plays in the U.S. economy.

USITC's annual budget request to Congress is subject to two types of submission: (1) the President's budget request for the Commission, included in the President's annual budget; and (2) the Commission's independent budget request. USITC has the authority to submit its budget directly to Congress without revision by the President, pursuant to Section 175 of the Trade Act of 1974.

The President's FY2020 budget requested $91.1 million in funding for USITC. This request was $3.9 million less (-4.1%) than FY2019-enacted appropriation (**Table 1**). While the President requested a decrease in funding for USITC, the Commission's independent budget submission requested $101.0 million, which was $6.0 million more (6.3%) than FY2019 funding and $9.9 million more (10.9%) than the President's budget request.[24]

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[21] U.S. Department of Commerce, International Trade Administration, *Budget Estimates Fiscal Year 2020: Congressional Submission*, pp. 21-31.

[22] Senate Committee on Appropriations, report accompanying S. 2584, S.Rept. 116-127, pp.10-11.

[23] The House Rules Committee, Explanatory Statement accompanying H.R. 1158, at https://rules.house.gov/bill/116/hr-1158-sa.

[24] U.S. International Trade Commission, *USITC Congressional Budget Submission Fiscal Year 2020*, p. 9, at https://usitc.gov/documents/fy_2020_cbj_final.pdf.

The House-passed H.R. 3055 included $101.0 million for USITC. This represented $6.0 million more (6.3%) than FY2019 funding and $9.9 million more (10.9%) than the President's budget request.

The Senate-passed version of H.R. 3055 included $99.4 million for USITC. This proposal was $4.4 million more (4.6%) than the FY2019 funding, and $8.3 million more (9.1%) than the President's budget request.

The Consolidated Appropriations Act, 2020 (P.L. 116-93) enacted the Senate's funding level of $99.4 million for USITC (**Table 1**).

Office of the U.S. Trade Representative (USTR)

USTR has primary responsibility for developing and coordinating U.S. international trade and direct investment policies, as the head of the interagency trade policy coordinating process.[25] Located in the Executive Office of the President, USTR is the President's principal advisor on trade policy and the President's chief negotiator for international trade agreements, including commodity and direct investment negotiations. USTR negotiates directly with foreign governments to create trade agreements and resolve disputes, and participates in global trade policy organizations such as the World Trade Organization. It also meets with business groups, policymakers, and public interest groups on trade policy issues.[26]

In addition to direct appropriations for USTR, supplementary funding for the agency is available through the congressionally established Trade Enforcement Trust Fund. For more detail on the trust fund, see section "Trade Enforcement Trust Fund (TETF)" below.

For FY2020, the Administration requested a total of $69.0 million for USTR, including $59.0 million for salaries and expenses and $10.0 million to be derived from the TETF for certain trade enforcement activities (**Table 3**). This request was $1.0 million more (1.5%) than the FY2019 enacted funding level.

The House-passed version of H.R. 3055 recommended a total of $72.0 total for USTR, including $57.0 million for salaries and $15.0 million to be derived from the TETF for certain trade enforcement activities (**Table 3**). The House proposal for USTR was $4.0 million more (5.9%) than the FY2019 enacted funding and $3.0 million more (4.3%) than the request.

The Senate-passed version recommended a total of $69.0 million for USTR, including $54.0 million for salaries and expenses and $15.0 million to be derived from the TETF. The proposed amount was $1.0 million more (1.5%) than the FY2019 funding amount. While the Senate-passed total funding amount for USTR was equal to the Administration's request, it included a different distribution of funds between USTR's salaries and expenses account and funds to be derived from the TETF (see **Table 3**).

The Consolidated Appropriations Act, 2020 (P.L. 116-93) enacted the Senate's funding levels of $69.0 million for USTR, including $54.0 million for salaries and expenses and $15.0 million to be derived from the TETF (**Table 3**).

[25] USTR coordinates U.S. trade policy through the interagency process, as outlined by statue. The interagency draws its membership from key executive trade agencies and the White House. For more on the interagency process, see CRS In Focus IF11016, *U.S. Trade Policy Functions: Who Does What?*, by Shayerah Ilias Akhtar.

[26] USTR, Mission of the USTR, at https://ustr.gov/about-us/about-ustr.

Table 3. USTR: FY2018-FY2020 Appropriations

U.S. Dollars, Current Millions

	FY2018 Enacted	FY2019 Enacted	FY2020 Request	FY2020 House-passed	FY2020 Senate – passed	FY2020 Enacted
USTR	$72.6	$68.0	$69.0	$72.0	$69.0	$69.0
For salaries and expenses	$57.6	$53.0	$59.0	$57.0	$54.0	$54.0
To be derived from TETF	$15.0	$15.0	$10.0	$15.0	$15.0	$15.0

Sources: For the FY2019-enacted amounts, see P.L. 116-6. For the FY2020 request, see the appendix tables of the President's FY2020 Budget and USTR's FY2020 congressional budget submission. For the FY2020 congressional proposals see H.R. 3055 (the House-passed version, as placed on the Senate's Calendar, July 10, 2019; and the Senate-passed version, as engrossed Senate amendment, October 31, 2019), and P.L. 116-93.

Notes: TETF = Trade Enforcement Trust Fund.

Selected Trade-Related Programs and Activities

Over the past decade, Congress has provided funding for specific trade-related programs or activities within broader agency budgets. The following programs are highlighted in this report, due to ongoing congressional interest: (1) ITA's China trade enforcement and compliance activities; (2) ITA's investment promotion activities in its SelectUSA Program; (3) the Survey of International Air Travelers (SIAT) within ITA; and (4) the Trade Enforcement Trust Fund, which funds certain activities of USTR.

China Trade Enforcement and Compliance Activities, ITA

Since 2004, Congress has dedicated some of ITA's funding to AD/CVD enforcement and compliance activities with respect to China and other nonmarket economies.[27] ITA's Office of China Compliance was established by the Consolidated Appropriations Act of 2004 (P.L. 108-199). Its primary role has been to enforce U.S. AD/CVD laws and to develop and implement other policies and programs aimed at countering unfair foreign trade practices in China. ITA's China Countervailing Duty Group was established by the Consolidated Appropriations Act, 2010 (P.L. 111-117) to accommodate the workload that resulted from the application of countervailing duty law to imports from nonmarket economy countries.[28]

The Office of China Compliance is within the Enforcement and Compliance unit at ITA. ITA's FY2020 budget justification did not provide a breakdown of funding for its China AD/CVD activities.

In agreement with both the House and Senate-passed proposals, the Consolidated Appropriations Act, 2020 (P.L. 116-93) provided $16.4 million for China antidumping and countervailing duty

[27] For the purposes of trade remedies, the Commerce Department determines "nonmarket economy" countries, according to 19 U.S.C. §1677(18); "the term "nonmarket economy country" means any foreign country that the administering authority determines does not operate on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise."

[28] U.S. Congress, Conference Committee, *Commerce, Justice, Science, and Related Agencies Appropriations Bill 2010*, conference report accompanying H.R. 2847, 111th Cong. 1st sess., H.Rept. 111-149, June 12, 2009, pp. 10-11.

enforcement and compliance activities in FY2020, an amount equal to the FY2019-enacted funding.

SelectUSA Program, ITA

SelectUSA was established by executive order in 2011 as a Commerce Department program to (1) promote the United States as an investment market and (2) address investor climate concerns that could impede investment in the United States. SelectUSA coordinates investment-related resources across more than 20 federal agencies; serves as an information resource for international investors; and advocates for U.S. cities, states, and regions as investment destinations.[29] SelectUSA currently is part of ITA's Global Markets unit.

ITA's FY2020 budget justification did not provide a breakdown for requested funding for SelectUSA.

The House-passed H.R. 3055 also did not include a breakdown for specific funding for SelectUSA, within ITA's Global Markets unit.

The Senate-passed H.R. 3055 included up to $10.0 million for SelectUSA for FY2020.

The Consolidated Appropriations Act, 2020 (P.L. 116-93) adopted the Senate funding level.[30]

Survey of International Air Travelers (SIAT), ITA

ITA's Survey of International Air Travelers (SIAT) gathers statistics about air passenger travelers in the United States. Federal agencies use these statistics for a variety of purposes, such as to estimate the contribution of international travel to the economy, develop public policy on the travel industry, and forecast staffing needs at consulates and ports of entry.

SIAT is within the Industry and Analysis unit at ITA. The Administration proposed an increase of $3.0 million to support SIAT in FY2020, within the Industry and Analysis' funding.[31]

The House and Senate both recommended $3.0 million to support SIAT in FY2020, within the ITA budget.[32]

The Consolidated Appropriations Act, 2020, did not provide a specific funding amount for SIAT.

Trade Enforcement Trust Fund (TETF), USTR

In order to provide additional funding for USTR's trade enforcement activities, Congress established the Trade Enforcement Trust Fund (TETF) in 2016. In Section 611 of the Trade Facilitation and Trade Enforcement Act of 2015 (P.L. 114-125), Congress set up the trust fund and outlined authorized uses of the funds. According to Section 611(d), USTR can use funds from the TETF to (1) monitor and enforce trade agreements and World Trade Organization (WTO) commitments; (2) support trade capacity-building assistance to help partner countries meet their

[29] Executive Order 13577, June 15, 2011. For more on SelectUSA, see CRS In Focus IF10674, *SelectUSA Program: U.S. Inbound Investment Promotion*, by Shayerah Ilias Akhtar.

[30] The House Rules Committee, Explanatory Statement accompanying H.R. 1158, at https://rules.house.gov/bill/116/hr-1158-sa.

[31] U.S. Department of Commerce, International Trade Administration, *Budget Estimates Fiscal Year 2020: Congressional Submission*, p. 27.

[32] House Committee on Appropriations, report accompanying H.R. 3055, H.Rept. 116-101, p. 7, and Senate Committee on Appropriations, report accompanying S. 2584, S.Rept. 116-127, p. 11.

free-trade agreement obligations and commitments; and (3) investigate petitions concerning unfair trade practices under Section 301 of the Trade Act of 1974.[33] USTR can also transfer funds to select federal agencies for trade enforcement activities authorized in Section 611(d) of the Trade Facilitation and Trade Enforcement Act of 2015.

For FY2020, the Administration requested $10.0 million to be derived from the TETF. This request was $5.0 million less than the FY2019-enacted amount. (See **Table 3**).

Both the House- and Senate-passed versions of H.R. 3055 included $15.0 million to be derived from the TETF, for trade enforcement activities authorized by the Trade Facilitation and Trade Enforcement Act of 2015. The recommendations were equal to the FY2019 enacted funding level, and were $5.0 million more than the Administration's request. (See **Table 3**.) The House and Senate Appropriation committees also directed USTR to provide more detailed reporting on how funds from the Trust Fund are used.[34]

The Consolidated Appropriations Act, 2020 (P.L. 116-93) provided $15.0 million to be derived from the TETF, for trade enforcement activities authorized by the Trade Facilitation and Trade Enforcement Act of 2015. The funding level was equal to the FY2019 enacted funding level, and was $5.0 million more than the Administration's request.

[33] In establishing the TETF, Congress directed the Department of Treasury to set up the fund and to transfer $15.0 million annually into TETF from the general fund of Treasury. The total amount in the TETF may not exceed $30.0 million, and thus Treasury may transfer less than $15.0 million annually, as required by this limitation. (19 U.S.C. §4405.) TETF is codified at 19 U.S.C. §4405; for more information on Section 301 see, CRS In Focus IF11346, *Section 301 of the Trade Act of 1974*, by Andres B. Schwarzenberg.

[34] See H.Rept. 116-101, p. 104 and S.Rept. 116-127, p. 176.

Appendix. Budget Authority Tables

Table A-1. Budget Authority for ITA by Unit: FY2009-FY2020

(U.S. dollars in current millions)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Manufacturing and Services	48.6	49.5	48.9	46.5	42.3	—	—	—	—	—	—	—
Market Access and Compliance	42.3	43.2	42.6	42.6	39.9	—	—	—	—	—	—	—
Import Administration	66.4	68.3	67.4	69.8	70.9	—	—	—	—	—	—	—
Trade Promotion and the U.S. & Foreign Commercial Service	237.7	258.4	254.9	269.8	261.7	—	—	—	—	—	—	—
Industry and Analysis	—	—	—	—	—	54.9	55.5	56.3	55.4	52.3	52.6	-[a]
Enforcement and Compliance	—	—	—	—	—	70.6	71.6	79.0	85.5	87.5	88.5	-[a]
Global Markets	—	—	—	—	—	312.0	311.8	324.4	319.2	319.2	320.0	333.0
Executive and Administration	25.4	27.3	26.9	26.9	23.7	23.1	23.1	23.3	23.0	22.9	22.9	-[a]
Total ITA	420.4	446.8	440.7	455.6	438.5	460.6	462.0	483.0	483.0	482.0	484.0	

Sources: Budget office, International Trade Administration (ITA), U.S. Department of Commerce; FY2019 amounts are "enacted amounts" from ITA's FY2020 budget justification documents and from the Conference Report accompanying H.J.Res. 31, H.Rept. 116-9, 116th Cong., 1st sess.; P.L. 116-93.

Notes: In 2014, ITA went through a reorganization in which four units (Manufacturing and Services, Market Access and Compliance, Import Administration, and the U.S. & Foreign Commercial Service) were restructured into three units: Industry and Analysis, Enforcement and Compliance, and Global Markets.

a. P.L. 116-93 did not outline the exact budget authority for ITA's Industry and Analysis, Enforcement and Compliance, and Executive and Administration units.

Table A-2. Budget Authority for USITC and USTR: FY2009-FY2020

(U.S. dollars in current millions)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
USITC	75.1	81.9	81.7	80.0	78.9	83.0	84.5	88.5	91.5	93.7	95.0	99.4
USTR[a]	47.3	47.8	47.7	51.3	47.6	52.6	54.3	54.5	62.0	72.6	68.0	69.0

Sources: H.Rept. 110-240 and P.L. 110-28; House Committee on Appropriations' committee print on the Omnibus Appropriations Act, 2009 (P.L. 111-8), Division B; H.Rept. 111-149; S.Rept. 111-229; H.Rept. 112-169; H.Rept. 112-463; Joint explanatory statement to accompany P.L. 113-76, printed in the January 15, 2014, *Congressional Record* (pp. H507-H532); joint explanatory statement to accompany P.L. 113-235, printed in the December 11, 2014, *Congressional Record* (pp. H9342-H9363). FY2013 post-sequestration amounts were provided by USITC and USTR. The FY2016-enacted amounts were taken from the text of P.L. 114-113 (pp. 2321-2322), and the FY2017-enacted amounts were taken from the text of P.L. 115-31 (pp. 84-85). FY2018-enacted amounts were taken from P.L. 115-141; FY2019 amounts were taken from P.L. 116-6; P.L. 116-93.

Notes: FY2013 appropriations include sequestration.

a. USTR appropriations included $15.0 million in funds to be drawn from the Trade Enforcement Trust Fund for FY2017, FY2018, and FY2019.

Table A-3. Budget Authority for Selected Trade-Related Programs: FY2009-FY2020

(U.S. dollars in current millions)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Office of China Compliance (ITA)	7.0	7.0	3.0	7.0	—	—	—	—	—	—	—	—
China Countervailing Duty Group (ITA)	4.4	4.4	0.0	4.4	—	—	—	—	—	—	—	—
China antidumping and countervailing duty enforcement and compliance activities (ITA)	—	—	—	—	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4
SelectUSA (ITA)	—	—	—	0.9	0.9	7.0	10.0	10.0	10.0	10.0	10.0	10.0
USTR funds to be derived from the Trade Enforcement Trust Fund	—	—	—	—	—	—	—	15.0	15.0	15.0	15.0	15.0

Source: ITA Budget office, and P.L. 110-161, P.L. 111-117, H.Rept. 111-366, joint explanatory statements to accompany P.L. 113-76 and P.L. 113-235, P.L. 114-113, P.L. 115-31, P.L. 115-141, and U.S. Congress, House Committee on Appropriations, *Consolidated Appropriations Act, 2018, Legislative Text and Explanatory Statement (Book 1)*, committee print accompanying H.R. 1625, 115th Cong. 2nd sess.; FY2019 amounts were taken from P.L. 116-6 and H.Rept. 116-9 (the Conference Report accompanying H.J.Res. 31, 116th Cong., 1st sess.); P.L. 116-93.

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