

# Commerce, Justice, Science and Related Agencies (CJS) FY2018 Appropriations: Trade-Related Agencies

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## Summary

This report tracks and provides an overview of actions taken by the Administration and Congress to provide FY2018 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 act. This report also provides an overview of three trade-related programs administered by ITA, USITC, and USTR.

The Consolidated Appropriations Act, 2017 (P.L. 115-31) provided a total of \$636.5 million for the three agencies, including \$483.0 million for ITA, \$91.5 million for USITC, and \$62.0 million for USTR for FY2017.

For FY2018, the Administration requested a total of \$587.7 million for the three trade-related agencies. The total included \$442.5 million for ITA, \$87.6 million for USITC, and \$57.6 million for USTR. The Administration's request for all three agencies is less than the FY2017-enacted appropriations.

The House and Senate Appropriations Committees reported CJS proposals in July 2017 (H.R. 3267 and S. 1662). The House incorporated H.R. 3267 into Division C of the Consolidated Appropriations bill, H.R. 3354, which passed the House on September 14, 2017. House-passed H.R. 3354 recommended a total of \$627.5 million for the three CJS trade-related agencies. It included \$467.0 million for the ITA in direct appropriations, \$92.5 million for USITC, and \$68.0 million for USTR, of which \$15 million would be derived from the Trade Enforcement Trust Fund.

The Senate reported S. 1662 on July 27, 2017, and included a total of \$631.1 million for the three CJS trade-related agencies. It included \$482.0 million for the ITA in direct appropriations, \$91.5 million for USITC, and \$57.6 million for USTR, of which \$10 million would be derived from the Trade Enforcement Trust Fund.

On March 23, 2018, Congress passed and the President signed the Consolidated Appropriations Act, 2018 (P.L. 115-141). The act provides \$482.0 million for ITA, \$93.7 million for USTIC, and a total of \$72.6 million for USTR, of which \$15 million is to be drawn from the Trade Enforcement Trust Fund. The FY2018 appropriation for the three CJS trade-related agencies is \$648.3 million, an amount 1.9% greater than the FY2017 appropriations, and 10.3% more than the Administration's request.

## Contents

Introduction	1
FY2017 and FY2018 Appropriations for Trade-Related Agencies	1
The Administration's FY2018 Budget Request	1
Congressional Action: FY2018 Appropriations	1
House Action	1
Senate Action	2
Consolidated Appropriations Act, 2018	2
International Trade Administration (ITA)	3
Global Markets and Foreign Commercial Service (USFCS)	4
Industry and Analysis	5
Enforcement and Compliance	5
U.S. International Trade Commission (USITC)	6
Office of the U.S. Trade Representative (USTR)	7
Selected Trade-Related Programs and Activities	7
China Trade Enforcement and Compliance Activities	8
SelectUSA Program	
Interagency Trade Enforcement Center (ITEC)/Implementation, Monitoring, and	
Enforcement (ICTIME)	9

## Tables

Table 1. Appropriations for CJS Trade-Related Agencies, FY2016-FY2018	
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Table A-1. Budget Authority for ITA by Unit: FY2007-FY2017	10
Table A-2. Budget Authority for USITC and USTR: FY2007-FY2018	.11
Table A-3. Budget Authority for Selected Trade-Related Programs	.11

## Appendixes

Appendix.	Budget Authority	Tables	10
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### Contacts

Author Contact Information 12
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## Introduction

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## FY2017 and FY2018 Appropriations for Trade-Related Agencies

The Consolidated Appropriations Act, 2017 (P.L. 115-31) provided a total of \$636.5 million for the trade-related agencies. The ITA received \$483.0 million in direct appropriations,<sup>2</sup> while the USITC received \$91.5 million, and USTR received a total of \$62.0 million, \$15 million of which was derived from the Trade Enforcement Trust Fund. See the **Appendix** for aggregated budget authority tables for FY2007-FY2017.

## The Administration's FY2018 Budget Request

The President submitted his FY2018 budget request to Congress on May 23, 2017. As shown in **Table 1**, for FY2018, the Administration proposed budget cuts, compared to the FY2017-enacted appropriation, for all three agencies. It requested \$442.5 million (-\$40.5 million, -8.4%) in direct funding for ITA, \$87.6 million (-\$3.9 million, -4.3%) for USITC, and \$57.6 million (-\$4.4 million, -7.1%) for USTR.

## **Congressional Action: FY2018 Appropriations**

In September 2017, the Senate and House passed the Continuing Appropriations Act, 2018, and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (H.R. 601; P.L. 115-56). The act provided continuous government funding (continuing resolution, or CR) at the FY2017 level, reduced by 0.6791%, through December 8, 2017. The date was extended by subsequent continuing resolutions, through March 23, 2018.<sup>3</sup>

#### **House Action**

The House Appropriations Committee reported its CJS proposal in July 2017 (H.R. 3267). The House incorporated H.R. 3267 into Division C of the Consolidated Appropriations bill, H.R.

<sup>&</sup>lt;sup>1</sup> The annual Commerce, Justice, Science, and Related Agencies (CJS) appropriations act provides funding for the Departments of Commerce and Justice, the National Aeronautics and Space Administration, the National Science Foundation, and several related agencies. Appropriations for the Department of Commerce include funding for the International Trade Administration (ITA). The annual appropriation for the related agencies includes funding for numerous agencies, including the U.S. International Trade Commission (USITC), and the Office of the United States Trade Representative (USTR). For more information, see CRS Report R44877, *Overview of FY2018 Appropriations for Commerce, Justice, Science, and Related Agencies (CJS)*, by (name redacted)

<sup>&</sup>lt;sup>2</sup> A portion of ITA's budget authority is offset by fee collections. "Direct appropriations" refers to the portion of ITA's budget that is directly funded through the CJS appropriations act.

<sup>&</sup>lt;sup>3</sup> P.L. 115-90; P.L. 115-96; P.L. 115-120.

3354, which passed the House on September 14, 2017. H.R. 3354 recommended a total of \$627.5 million for the three CJS trade-related agencies. It included \$467.0 million for the ITA in direct appropriations, \$92.5 million for USITC, and \$68.0 million for USTR, of which \$15 million would be derived from the Trade Enforcement Trust Fund.

#### **Senate Action**

The Senate reported S. 1662 on July 27, 2017, but did not consider the proposal on the floor. It included a total of \$631.1 million for the three CJS trade-related agencies. It included \$482.0 million for the ITA in direct appropriations, \$91.5 million for USITC, and \$57.6 million for USTR, of which \$10 million would be derived from the Trade Enforcement Trust Fund.

#### **Consolidated Appropriations Act, 2018**

The government continued to operate for the first six months of the fiscal year under continuing resolutions.

On March 23, 2018, Congress passed and the President signed the Consolidated Appropriations Act, 2018 (P.L. 115-141, H.R. 1625). The act provides \$482.0 million for ITA, \$93.7 million for USTIC, and a total of \$72.6 million for USTR, of which \$15 million is to be drawn from the Trade Enforcement Trust Fund. The FY2018 appropriations for the three CJS trade-related agencies is \$648.3 million, an amount 1.9% greater than the FY2017 appropriation, and 10.3% more than the Administration's request.

(\$ in millions)										
CJS Trade- Related Agency	FY2016 Enacted	FY2017 Enacted	FY2018 Request	FY2018 House Passed	FY2018 Senate Reported	FY2018 Enacted				
International Trade Administration	\$483.0	\$483.0	\$442.5	\$467.0	\$482.0	\$482.0				
U.S. International Trade Commission	\$88.5	\$91.5	\$87.6	\$92.5	\$91.5	\$93.7				
Office of the U.S. Trade Representative	\$54.5	\$62.0	\$57.6	\$68.0	\$57.6	\$72.6				
Total	\$626.0	\$636.5	\$587.7	\$627.5	\$631.1	\$648.3				

**Source:** The FY2016-enacted amounts were taken from the joint explanatory statement to accompany P.L. 114-113, printed in the December 17, 2015, *Congressional Record* (pp. H9732-H9759). The FY2017-enacted amounts were taken from the text of P.L. 115-31. The FY2018 requested amounts were taken from the President's FY2018 Budget Appendices. The FY2018 House proposal was taken from H.R. 3354, which passed the House on September 14, 2017, and from H.Rept. 115-231, which accompanied the CJS appropriations bill, H.R. 3267. The FY2018 Senate reported information was taken from S.Rept. 115-139, accompanying the CJS appropriations bill S. 1662. The FY2018 enacted amounts were taken from Consolidated Appropriations Act, 2018 (P.L. 115-141, H.R. 1625).

**Notes:** In addition to the enacted amount, the committee's recommendation for FY2016 appropriation amount for ITA includes \$10.0 million in user fees, which raised available funds to \$493.0 million. The committee's recommendation for FY2017 appropriation amount includes an additional \$12.0 million in user fees, which raise available funds to \$495.0 million. For FY2018, the Administration's request and the omnibus include an additional \$13.0 million in user fees, which would raise available funds to \$455.5 million, and \$495 million, respectively.

### International Trade Administration (ITA)

ITA is a part of the Department of Commerce, whose mission is to promote "job creation, economic growth, sustainable development and improved standards of living ... by working in partnership with businesses, universities, communities and ... workers."<sup>4</sup> 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 ensure compliance with trade 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<sup>5</sup> into three more functionally aligned units, which include (1) Global Markets; (2) Industry and Analysis; and (3) Enforcement and Compliance. 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.<sup>6</sup> **Table A-1** shows budget amounts for ITA by unit between FY2007 and FY2018.

<sup>&</sup>lt;sup>4</sup> U.S. Department of Commerce, *About the Department of Commerce*, http://www.commerce.gov/about-department-commerce.

<sup>&</sup>lt;sup>5</sup> ITA's four organizational units prior to FY2014 included Manufacturing and Service; Market Access and Compliance; Import Administration; and Trade Promotion and the U.S. & Foreign Commercial Service.

<sup>&</sup>lt;sup>6</sup> International Trade Administration (ITA), About the International Trade Administration, http://www.trade.gov.

For FY2018, the Administration requested \$442.5 million for ITA in direct funding, with an additional \$13.0 million in user fees, for a total of \$455.5 million in authorized spending. The request in direct funding represents a \$40.5 million decrease (-8.4%) from the FY2017 enacted amount (\$483.0 million).

House-passed H.R. 3354 proposed \$467.0 million for ITA in direct appropriations, and an additional \$13.0 million in user fees, for a total of \$480.0 million in authorized spending. It represents a 3.3% decrease (\$16.0 million) from the FY2017 enacted amount, and 5.5% (\$24.5 million) more than the Administration's request.

The Senate bill, S. 1662, proposed \$482.0 million for the ITA in direct appropriations, and an additional \$13.0 million in user fees, for a total of \$495.0 million in authorized spending. The Senate proposal represents a 0.2% decrease (-\$1.0 million) from the FY2017 enacted amount, and is \$39.5 million more (8.9%) than the Administration's budget request.

The FY2018 Consolidated Appropriations Act provides \$482.0 million for ITA in direct appropriations, and an additional \$13.0 million in user fees, for a total of \$495.0 million in authorized spending. It represents a 0.2% decrease (\$1.0 million) from the FY2017 enacted amount, and 8.9% (\$39.5 million) more than the Administration's request.

#### **Global Markets and Foreign Commercial Service (USFCS)**

ITA's Global Markets (GM) and U.S. Foreign Commercial Services (USFCS) unit combines country and regional experts, both overseas and domestically, and oversees specific trade promotion programs to provide U.S. firms with country-specific export promotion services and market access advocacy. The unit also promotes the United States as an investment destination. It 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. It also promotes U.S. exports by developing and implementing policies and programs to increase market access in foreign countries for U.S. goods and services and by providing various types of direct assistance to U.S. firms, especially small and medium-sized enterprises.

For FY2018, the Administration requested \$283.8 million for ITA's Global Markets and USFCS unit, a decrease of \$50.6 million (-19.5%) from the FY2017 amounts.<sup>7</sup> ITA's FY2018 budget request outlined its plans to reduce the number of Global Market and USFCS staff internationally and domestically and to close an estimated 35 overseas offices and 10 domestic offices.<sup>8</sup>

The CJS committee reports from both the House and Senate Appropriations Committees expressed support for the Global Markets and USFCS unit and did not recommend reduction in staff or offices.<sup>9</sup>

The House Appropriations Committee's report recommended \$309.0 million in funding for Global Markets, and noted that the committee "does not adopt the proposal to reduce U.S. and Foreign Commercial Service staff or close overseas offices or U.S. Export Assistance Centers."<sup>1</sup> It would have provided \$25.2 million more (8.9%) than the Administration's budget request.

<sup>&</sup>lt;sup>7</sup> ITA, *Budget Estimates for Fiscal Year 2018*, p. 45. The Administration formulated its FY2018 budget request using the FY2017 annualized appropriation under the Continuing Resolution (P.L. 114-223 and P.L. 114-254). This means that requested program increases were considered relative to the FY2017 annualized appropriation and not the FY2017-enacted appropriation (P.L. 115-31).

<sup>&</sup>lt;sup>8</sup> ITA, Budget Estimates for Fiscal Year 2018, p. 47.

<sup>&</sup>lt;sup>9</sup> H.Rept. 115-231, p.5, and S.Rept. 115-139, p.10.

The Senate committee report accompanying S. 1662 did not provide a specific budget amount; however, it "directs ITA to fund USFCS, and its core mission of export promotion, at the highest possible level in fiscal year 2018, and at no less than the amount provided in fiscal year 2017. At this funding level, the committee did not anticipate the closure of any foreign or domestic USFCS offices."<sup>1</sup> The committee also directed ITA to provide a budget breakdown for the Global Markets unit in future budget requests.

The FY2018 Consolidated Appropriations Act does not provide an exact funding level for Global Markets and USFCS, however the explanatory statement accompanying the FY2018 Consolidated Appropriations Act states that the "agreement provides ... no less than the fiscal year 2017 amount for Global Markets."<sup>10</sup>

#### **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 FY2018, ITA requested \$49.7 million for the Industry and Analysis unit, a decrease of \$11.8 million (-19.1%) from the FY2017 amount.<sup>11</sup>

The House Appropriations Committee recommended \$49.3 million to ITA's Industry and Analysis, which is 0.8% less than the Administration's budget request.<sup>12</sup>

The Senate Appropriations Committee did not outline specific funding for Industry and Analysis.

The FY2018 Consolidated Appropriations Act does not outline a specific line-item for Industry and Analysis.

#### **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. It 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 and assisting U.S. industry and businesses with unfair trade matters; and administering the Foreign Trade Zone program and other U.S. import programs.

For FY2018, ITA requests \$88.5 million for Enforcement and Compliance, an increase of \$5.0 million (6.0%) over the FY2017 enacted amount.<sup>13</sup>

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<sup>&</sup>lt;sup>10</sup> *Congressional Record*, House, "Explanatory Statement regarding House Amendment to Senate Amendment on H.R. 1625," Vol 164, no 50 Book II March 22, 2018, https://www.congress.gov/crec/2018/03/22/CREC-2018-03-22-bk2.pdf.

<sup>&</sup>lt;sup>11</sup> ITA, Budget Estimates for Fiscal Year 2018, p. 19.

<sup>&</sup>lt;sup>12</sup> H.Rept. 115-231, p.6.

<sup>&</sup>lt;sup>13</sup> Ibid., p. 29.

Both the House and Senate Appropriations Committees encourage ITA to make enforcement and compliance of AD/CVD a priority.<sup>14</sup>

The House Appropriations Committee recommended \$88.5 million for Enforcement and Compliance, the same as the Administration's request.<sup>15</sup>

The Senate bill proposed \$2.0 million above FY2017 enacted amount for Enforcement and Compliance, for a total of \$87.3 million.<sup>16</sup> This proposal is \$1.2 million less (-1.4%) than the Administration's request.

The explanatory statement accompanying the FY2018 Consolidated Appropriations Act explains that the House and Senate agreement provides \$87.5 million for Enforcement and Compliance,<sup>17</sup> which is \$1 million less (-1.1%) than the Administration's request.

### **U.S. International Trade Commission (USITC)**

USITC is an independent federal agency with broad investigative responsibilities on matters related to international trade. The mission of the agency is to "(1) administer U.S. trade remedy laws within its mandate in a fair and objective manner; (2) provide the President, USTR, and Congress with independent analysis, information, and support on matters of tariffs, international trade, and U.S. competitiveness; and (3) maintain the Harmonized Tariff Schedule of the United States."<sup>18</sup> USITC investigates the effects of dumped and subsidized imports on domestic industries, conducts global safeguard investigations, and adjudicates disputes involving imported goods that allegedly infringe U.S. intellectual property rights. USITC also serves as a federal resource for trade data and other trade policy information. It provides such information and analysis to Congress, the President, and USTR to facilitate the development of U.S. trade policy. USITC also makes most of this information available to the public to promote understanding of competitiveness, international trade issues, and the role that international trade plays in the U.S. economy.

The Administration requested \$87.6 million for the USITC for FY2018, an amount that is \$3.9 million less (-4.2%) than the FY2017 enacted amount of \$91.5 million.

House-passed H.R. 3354 proposed \$92.5 million for USITC in direct appropriations. It represents a 1.1% increase from the FY2017 enacted amount of \$97.5 million, and is 5.6% more (\$4.9 million) than the Administration's request.

The Senate bill, S. 1662, proposed \$91.5 million for USITC in direct appropriations, the same as the FY2017 enacted amount, and \$3.9 million more (4.4%) than the Administration's request.

The FY2018 Consolidated Appropriations Act provides \$93.7 million for USITC in direct appropriations. It represents a 2.4% increase from the FY2017 enacted amount of \$91.5 million, and is 6.9% more (\$6.1 million) than the Administration's request.

<sup>&</sup>lt;sup>14</sup> H.Rept. 115-231 and S.Rept. 115-139.

<sup>&</sup>lt;sup>15</sup> H.Rept. 115-231, p.4.

<sup>&</sup>lt;sup>16</sup> S.Rept. 115-139, p 9-10; calculations of FY2017 and FY2018 budget were derived from ITA FY2017 CBJ, which requested \$83.3 million for Enforcement and Compliance; and the House Committee Print and Explanatory Statement, which outlined that the Consolidated Appropriations for FY2017 provided "\$2 million above request."

<sup>&</sup>lt;sup>17</sup> *Congressional Record*, House, "Explanatory Statement regarding House Amendment to Senate Amendment on H.R. 1625," Vol 164, no 50 Book II March 22, 2018, https://www.congress.gov/crec/2018/03/22/CREC-2018-03-22-bk2.pdf.

<sup>&</sup>lt;sup>18</sup> USITC, About the USITC, http://www.usitc.gov.

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

USTR, located in the Executive Office of the President, is responsible for developing and coordinating U.S. international trade and direct investment policies. USTR is the President's chief negotiator for international trade agreements, including commodity and direct investment negotiations. It negotiates directly with foreign governments to create trade agreements, resolve disputes, and participate 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.<sup>19</sup>

In 2015, in order to provide funding to monitor and enforce trade agreements and to support trade capacity-building assistance for partner countries, Congress established the Trade Enforcement Trust Fund.<sup>20</sup> Funding is available to USTR and other federal agencies, on the advice of the Trade Policy Committee, to

- enforce the provisions of and commitments and obligations under the WTO Agreements and free trade agreements (FTA);
- monitor and ensure the full implementation by foreign countries of the provisions of and commitments and obligations under free trade agreements;
- investigate and respond to petitions under Section 302 of the Trade Act of 1974; and
- support capacity-building assistance to help partner countries meet their FTA obligations and commitments.

The Administration requested \$57.6 million for USTR for FY2018, a decrease of \$4.4 million (-7.1%) compared to the FY2017 enacted amount of \$62.0 million.<sup>21</sup> The Administration's budget did not request any funds from the Trust Fund.

House-passed H.R. 3354 proposed a total of \$68.0 million for USTR, a 9.7% increase from the FY2017 enacted amount, and 18.1% more (\$10.4 million) than the Administration's request. Of the proposed \$68.0 million, \$15 million would be drawn from the Trade Enforcement Trust Fund.

The Senate bill, S. 1662, proposed a total of \$57.6 million for USTR, a 7.1% decrease from the FY2017 enacted amount and the same as the Administration's budget request. Of the proposed \$57.6 million, \$10 million would be drawn from the Trade Enforcement Trust Fund.

The FY2018 Consolidated Appropriations Act provides a total of \$72.6 million for USTR, a 17.1% increase from the FY2017 enacted amount, and 26.0% more (\$15.0 million) than the Administration's request. The FY2018 appropriated amount includes \$15 million, which is to be drawn from the Trade Enforcement Trust Fund.

## **Selected Trade-Related Programs and Activities**

Over the past decade, Congress has provided funding for specific trade-related programs, including China trade enforcement and compliance activities; trade promotion and attracting foreign direct investment to the United States through ITA's SelectUSA program; and the

<sup>&</sup>lt;sup>19</sup> USTR, *About USTR*, http://www.ustr.gov.

<sup>&</sup>lt;sup>20</sup> H.R. 644; P.L. 114-125; 19 U.S. Code §4405.

<sup>&</sup>lt;sup>21</sup> Executive Office of the President, USTR, Congressional Budget Submission, May 2017, p. 6.

Interagency Trade Enforcement Center (ITEC), established in 2012 and superseded by the Interagency Center on Trade Implementation, Monitoring, and Enforcement (ICTIME) in 2016.<sup>22</sup>

### **China Trade Enforcement and Compliance Activities**

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. 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 in FY2009 to accommodate the workload that resulted from the application of countervailing duty law to imports from nonmarket economy countries.<sup>23</sup>

The Administration did not request specific funding for China trade enforcement efforts for FY2018.

Both the House-passed H.R. 3354 and the Senate bill S. 1662 proposed \$16.4 million for China AD/CVD enforcement and compliance activities, which is equal to the FY2017 enacted amount.

The FY2018 Consolidated Appropriations Act provides \$16.4 million for China AD/CVD enforcement and compliance activities, which is equal to the FY2017 enacted amount and the Administration's request.<sup>24</sup>

### SelectUSA Program

Created in 2011, SelectUSA is part of ITA's Global Markets and USFCS unit. It coordinates investment-related resources across more than 20 federal agencies to promote the United States as an investment market and to address investor climate concerns that may impede investment in the United States. It serves as an information resource for international investors and advocates for U.S. cities, states, and regions.

The Administration requested \$8.1 million for ITA for FY2018 to continue the SelectUSA program, a decrease of \$1.9 million (-19.0%) from the FY2017 funding amount of \$10.0 million.<sup>25</sup> The House Appropriations Committee proposed defunding SelectUSA in FY2018.<sup>26</sup>

The Senate Appropriations Committee proposed "up to \$10 million" in funding for SelectUSA, and recommends that the agency update its protocol to ensure that SelectUSA activities do not benefit state-owned enterprises from investing in the United States.<sup>27</sup>

While the enacted Consolidated Appropriations Act of 2018 does not provide a line-item entry for SelectUSA, the explanatory statement accompanying the act states that "the agreement adopts the Senate report language regarding SelectUSA."<sup>28</sup> The Senate Appropriations Committee proposed

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<sup>&</sup>lt;sup>22</sup> P.L. 114-125, Trade Facilitation and Trade Enforcement Act of 2015.

<sup>&</sup>lt;sup>23</sup> House Committee Report 111-149, *Commerce, Justice, Science, and Related Agencies Appropriations Bill, 2010*, pp. 10-11.

<sup>&</sup>lt;sup>24</sup> S.Rept. 115-139, p. 10.

<sup>&</sup>lt;sup>25</sup> ITA, Budget Estimates for Fiscal Year 2018, p. 43.

<sup>&</sup>lt;sup>26</sup> H.Rept. 115-231.

<sup>&</sup>lt;sup>27</sup> S.Rept. 115-139, p. 10.

<sup>&</sup>lt;sup>28</sup> Congressional Record, House, "Explanatory Statement regarding House Amendment to Senate Amendment on H.R.

"up to \$10 million" in funding for SelectUSA, and recommended that the agency update its protocol to ensure that SelectUSA activities do not benefit state-owned enterprises from investing in the United States.<sup>29</sup>

## Interagency Trade Enforcement Center (ITEC)/Implementation, Monitoring, and Enforcement (ICTIME)

The purpose of the Interagency Trade Enforcement Center (ITEC) is to advance U.S. foreign trade policy through strengthened and coordinated enforcement of U.S. trade rights under international trade agreements and enforcement of U.S. trade laws.<sup>30</sup> In 2016, the ITEC was succeeded by the Interagency Center on Trade Implementation, Monitoring, and Enforcement (ICTIME), which Congress established through the Trade Facilitation and Trade Enforcement Act of 2015 (P.L. 114-125).<sup>31</sup>

The goal of the ICTIME is to take a "whole-of-government" approach to monitoring and enforcing U.S. trade rights around the world by using expertise from across the federal government.<sup>32</sup> Lead by a Director designated by USTR, ICTIME investigates potential disputes under the auspices of the World Trade Organization, inspects potential disputes pursuant to bilateral and regional trade agreements to which the United States is a party, and carries out the functions of USTR with respect to the monitoring and enforcement of trade agreements to which the United States is a party. USTR and ITA work closely within the ICTIME to identify issues and develop information in areas of economic importance to U.S. industries. The ITEC received its funding through ITA; funding for the ICTIME is now appropriated through USTR.<sup>33</sup>

The FY2018 budget request for the ICTIME was \$13.6 million, an increase of \$1.5 million over the FY2017 funding amount.<sup>34</sup>

The report to accompany the House bill was silent as to funding for ICTIME.

The Senate proposal, S. 1662, would have provided \$57.6 million in funding for USTR. In addition, the Senate Appropriations Committee recommends that USTR fully support the ICTIME in FY2018.<sup>35</sup>

The FY2018 Consolidated Appropriations Act does not provide an exact funding level for ICTIME.

<sup>1625,&</sup>quot; Vol 164, no 50 Book II March 22, 2018, https://www.congress.gov/crec/2018/03/22/CREC-2018-03-22-bk2.pdf.

<sup>&</sup>lt;sup>29</sup> S.Rept. 115-139, p. 10.

<sup>&</sup>lt;sup>30</sup> ITEC was established by Executive Order 13601, which was signed by President Obama on February 28, 2012. Executive Order 13601, "Establishment of the Interagency Trade Enforcement Center," vol. 77 (Washington: GPO, 2012).

<sup>&</sup>lt;sup>31</sup> Ambassador Michael Froman, *Trade, Growth, and Jobs, U.S. Trade Policy in the Obama Administration*, Executive Office of the President of the United States, Cabinet Exit Memo, Washington, DC, January 7, 2017.

<sup>&</sup>lt;sup>32</sup> Office of the United States Trade Representative, *Interagency Trade Enforcement Center (ITEC)*, https://www.ustr.gov.

<sup>&</sup>lt;sup>33</sup> U.S. Congress, Senate Committee on Appropriations, Subcommittee on Commerce, Justice, Science, and Related Agencies, *Departments of Commerce and Justice, and Science, and Related Agencies Appropriations Bill, 2017*, 114<sup>th</sup> Cong., 2<sup>nd</sup> sess., April 21, 2016, Report 114-25 (Washington: GPO, 2016), p. 9.

<sup>&</sup>lt;sup>34</sup> Office of the United States Trade Representative, *Fiscal Year 2018 Budget*, p. 8.

<sup>&</sup>lt;sup>35</sup> S.Rept. 115-139, p. 125.

## **Appendix. Budget Authority Tables**

#### Table A-I. Budget Authority for ITA by Unit: FY2007-FY2017

<sup>(\$</sup> in millions)

					(Ψ ··· ··	iiiioiiis)						
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Manufacturing and Services	47.1	40.5	48.6	49.5	48.9	46.5	42.3					
Market Access and Compliance	41.6	41.4	42.3	43.2	42.6	42.6	39.9	_	_	_	_	_
Import Administration	59.8	62.7	66.4	68.3	67.4	69.8	70.9	_	_	_	_	_
Trade Promotion and the U.S. & Foreign Commercial Service	223.7	235.4	237.7	258.4	254.9	269.8	261.7	_	_	_	_	_
Industry and Analysis	_	_	_	_	_	_	_	54.9	55.5	56.3	_	_
Enforcement and Compliance	_	_	_	_	_	_	_	70.6	71.6	79.0	_	87.5
Global Markets	_	_	_	_	_	_	_	312.0	311.8	324.4	_	a
Executive and Administration	25.7	25.1	25.4	27.3	26.9	26.9	23.7	23.1	23.1	23.3	_	_
Total ITA	397.8	405.2	420.4	446.8	440.7	455.6	438.5	460.6	462.0	483.0	483.0	482.0

**Source:** Budget office, International Trade Administration (ITA), U.S. Department of Commerce; and P.L. 115-141, "Explanatory Statement regarding House Amendment to Senate Amendment on H.R. 1625," March 22, 2018, *Congressional Record*.

**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. According to the explanatory statement accompanying the Consolidated Appropriations Act of 2018, the act provides "no less than the fiscal year 2017 amount for Global Markets." In the committee report accompanying the FY2017 Senate appropriations bill, the Senate Appropriations Committee directed ITA to fund Global Markets "at the highest possible level in fiscal year 2017, and at no less than the amount provided in fiscal year 2016" (S.Rept. 114-239).

	(\$ in millions)												
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	
USITC	62.0	68.4	75.I	81.9	81.7	80.0	78.9	83.0	84.5	88.5	91.5	93.7	
USTR	44.2	44.1	47.3	47.8	47.7	51.3	47.6	52.6	54.3	54.5	62.0	72.6	

#### Table A-2. Budget Authority for USITC and USTR: FY2007-FY2018

**Source:** 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 Statement regarding House Amendment to Senate Amendment on H.R. 1625," (*Congressional Record* March 22, 2018).

Note: FY2013 appropriations include sequestration.

#### Table A-3. Budget Authority for Selected Trade-Related Programs

(\$ in millions)												
	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Office of China Compliance (ITA)	3.0	5.9	7.0	7.0	3.0	7.0						_
China Countervailing Duty Group (ITA)	0.0	0.0	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
Select USA (ITA)	_	_	_	_	_	0.9	0.9	7.0	10.0	10.0	10.0	10.0
ITEC/ICTIME (ITA and USTR)	_	_	_	_	_	3.2	6.3	7.5	9.0	9.0	12.1	_

**Sources:** 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, "Explanatory Statement regarding House Amendment to Senate Amendment on H.R. 1625," (*Congressional Record*, March 22, 2018) and ITA Budget office.

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