



United States International Trade Commission

# Budget Justification

Executive Summary  
Fiscal Year 2020



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## Budget Highlights

For FY 2020, the Commission requests \$101.0 million to carry out our statute-mandated functions. The request represents an increase of \$3.5 million, or 3.6 percent, over our FY 2019 budget request of \$97.5 million.<sup>1</sup> This level of funding will sustain the personnel and non-personnel investments we made in FYs 2018 and 2019 to manage continued high investigative caseloads and modernize our IT infrastructure. Further, the request includes the resources we will need to conduct the 2019–20 cycle of petition receipt and analysis required by the American Manufacturing Competitiveness Act of 2016 (AMCA), which is discussed below in more detail.

Proposed FY 2020 personnel costs are about \$5.3 million higher than in FY 2019. They reflect the resources required to fully staff the Offices of Operations and of the General Counsel, which are heavily impacted by high investigative caseloads. The Office of Operations will also need temporary staffing increases in FY 2019–20 to successfully meet AMCA requirements. Further, the budget request will fund the cost of the anticipated 1.9 percent pay raise effective January 1, 2020; normal costs for promotions and within-grade increases; and higher benefits costs.

Proposed non-personnel expenses are about \$1.8 million less than in FY 2019. This budget supports several projects to maintain and upgrade our IT systems and infrastructure. For example, continued migration of various services and applications to the cloud. Taking advantage of cloud resources provides optimal availability and performance, offers better continuity of operations in the event of a catastrophe, improves reliability, and secures the highest long-term value for our users and taxpayers. Another significant cost involves the Miscellaneous Tariff Bill Petition System (MTBPS), which is the web portal required by the AMCA. This complex and heavily used system will need significant support resources for the next filing cycle in FY 2020. Our request also supports added capabilities in both research and economic analysis so we can better investigate proposed changes in trade policy, as well as important developments in U.S. competitiveness.

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<sup>1</sup> The Commission received its FY 2019 appropriation of \$95.0 million on February 15, 2019. Currently, we are working to reconcile our appropriation level to our requested amount through our expenditure plan.

## **American Manufacturing Competitiveness Act of 2016 (P.L. 114-159)**

The American Manufacturing Competitiveness Act of 2016 (AMCA), enacted in May 2016, directed the us to conduct two petition cycles for the consideration of miscellaneous tariff bills (MTBs), in which potential beneficiaries file petitions for duty suspensions or reductions directly with the USITC. We successfully completed the first cycle on August 8, 2017, delivering a final MTB report recommending 1,686 products for inclusion in the omnibus MTB legislation. The omnibus Miscellaneous Tariff Bill Act of 2018, Public Law 115-239, was enacted on September 13, 2018, and became effective on October 13, 2018. The tariff reductions and eliminations under the act are temporary and will expire on December 31, 2020.

The AMCA provides that the second cycle must begin no later than October 15, 2019. In FY 2019, we funded improvements to the MTBPS, which are continuing. We are also developing plans to hire temporary staff for the MTB process and to train a larger number of existing permanent staff to prepare for processing a very large number of MTB petitions in the second cycle. Our FY 2020 budget request contains the resources needed to fully staff the process and to keep the MTBPS secure and available to staff and petitioners, so that we can meet our statutory mandate and deliver a final MTB report to the Committees in August 2020.

## **General Statement**

In addition to the continued heavy workload described below in antidumping and countervailing duty and unfair import investigations, we have been devoting considerable resources to conducting or supporting other investigations and Administration initiatives. For example, we conducted two global safeguard investigations in 2017 under sections 201–204 of the Trade Act of 1974, and are now conducting midpoint reviews. We have also had to amend the HTS a number of times in recent years to incorporate the changes brought about by Administration initiatives. One initiative was the U.S. Trade Representative’s investigation of acts, policies, and practices by the government of China under section 301 of the 1974 Trade Act. The other initiatives were the Department of Commerce’s two investigations (on steel and then aluminum) under the national security provisions of section 232 of the Trade Expansion Act of 1962.

## Program Overview

### Antidumping/Countervailing Duty Investigations and Unfair Import Investigations (Section 337)

Our agency provides a venue for private sector firms to bring allegations of certain unfair and/or injurious trade practices involving imports before an independent, objective, and expert quasi-judicial government body. Our trade remedy investigations caseload continues to grow in volume and complexity. In FY 2018, the number of antidumping/countervailing duty (AD/CVD) investigations was consistent with the continuing record levels in recent fiscal years, and the caseload is expected to stay at comparable levels in FYs 2019 and 2020. In FY 2016, new unfair import matters under section 337 exceeded the previous peak in FY 2011; this caseload remained high in FYs 2017 and 2018 and is expected to remain high in FYs 2019 and 2020.

#### AD/CVD Caseload Maintains High Levels

In FY 2018, 18 new petitions were filed under Title VII of the Tariff Act of 1930, a slight decline over the prior fiscal year. These new filings, combined with ongoing investigations and reviews, resulted in 52 proceedings instituted and 62 completed, continuing the trend of high levels of active investigations in recent fiscal years. In FY 2018, about half of the new petitions involved imports from multiple countries (as many as six), with China being listed in 16 of the 18 new petitions. Domestic industries filing petitions in FY 2018 produced a range of products, including various steel, aluminum, and metal products; chemicals; and final consumer products. A relatively large number of investigations covered steel products. Some investigations were particularly notable because of the large volumes of trade or complexity of the market, including large diameter welded pipe (Canada, China, Greece, India, South Korea, and Turkey), quartz surface products (China), and mattresses (China). In addition to new investigations, we instituted 17 reviews of existing orders. Because existing orders are reviewed every five years, the recent increases in new investigations will result in an increased number of reviews going forward. We continued working on the two global safeguard investigations initiated in FY 2017. Although we initiated no new safeguard investigations in FY 2018, the Commission continues to receive public inquiries regarding global safeguard investigations.

During FY 2018, we continued ongoing efforts to increase transparency and lessen the burden on participating parties and our staff. In FY 2019, we plan to continue development of a data system for more complete, timely, and accessible reporting of Title VII investigation information. Also, we will survey external stakeholders on potential improvements to processes and procedures.

### **Unfair Import Investigations Caseload Remains Elevated**

In FY 2018, our section 337 workload remained at elevated levels. Parties continue to find that our proceedings offer an attractive forum to resolve disputes involving unfair acts in the importation of goods, including imports that allegedly infringe U.S. intellectual property rights. Our proceedings provide a relatively quick resolution of matters that would usually involve more drawn-out litigation in the U.S. district courts. In addition, section 337 authorizes unique relief in the form of exclusion of goods at the border. IP-intensive industries account for a large number of high-wage jobs in U.S. industries that generate significant exports. The range of technologies covered in these investigations is quite broad, encompassing, among other things, various electronic devices, pharmaceutical and medical devices, transportation-related products, and consumer goods such as LED lighting, height-adjustable desks, packaging for fresh produce, fuel pumps, intraoral scanners, beverage containers, amorphous metals, gaming consoles, and jump ropes. Although section 337 investigations typically involve patent infringement allegations, we also investigate allegations of trade secret misappropriation, which is an area of heightened concern for U.S. companies, the Administration, and Congress.

Work is ongoing to ensure that section 337 investigations are completed expeditiously, in line with congressional intent. We continue to build the necessary staff and courtroom resources to handle the section 337 workload and focus on making the section 337 process more efficient and less costly for both litigants and the agency. Our efforts include improvements to our rules of procedure, procedural pilot programs, and substantial investments over the past few years in our Electronic Document Information System (EDIS). Further, in FY 2019–2020, we plan to implement electronic service of documents in EDIS. We also plan to improve our search application, 337Info, which provides more detailed information to the public about investigations instituted since October 1, 2008. 337Info offers information on scheduling, staffing, parties, and counsel for all these investigations. Other information is about the unfair acts alleged and disposition with respect to each party, and appeals.

Recent improvement to EDIS and 337Info have helped us better manage our large volume of investigation-related materials while making our investigative process more transparent. These systems also comply with government Open Data rules, furthering our efforts to improve the accessibility and usability of our data to other agencies and the public. Continued funding of these types of

improvements will help us address the challenges of resolving section 337 matters expeditiously and will keep the public informed as to these matters.

## **Analysis and Information on Tariffs, Trade, and Competitiveness**

Our agency supplies the executive branch and Congress with objective analyses of significant trade issues of the day. We provide industry and economic research, tariff and trade information, and trade policy support through formal investigations and informal expert advice. Given our unique economic and trade expertise, we are able to offer leading-edge insights that support the development of sound U.S. trade policy.

We also maintain and update the Harmonized Tariff Schedule of the United States (HTS). U.S. Customs and Border Protection (CBP) relies upon the HTS in collecting tariff revenues on imported goods. Private firms use the HTS to learn the current and future tariff amounts they will pay on imported goods. U.S. exporters and importers depend on our work in the World Customs Organization to ensure that global tariff product classification (“nomenclature”) is up to date and takes into account industry interests and changing patterns of trade. During 2018, we revised the HTS 13 times after issuing the 2018 basic edition, compared to 2 or 3 revisions in a typical year. These revisions were made to incorporate tariff rate changes implemented during the year due to tariff increases on steel and aluminum for national security, for safeguard actions on solar panels and large residential washers, and on thousands of products to address issues with China.

### **We Continue to Develop New Approaches in Our Industry and Economic Analysis**

International trade touches nearly all sectors of the U.S. economy. As with section 337 and Title VII investigations, we must constantly develop and refine our capabilities to meet requests for increasingly complex analyses in emerging areas of international trade, trade policy, and competitiveness. We gather primary data to provide unique insights into emerging issues, assembling this information via a variety of instruments, including carefully crafted industry surveys.

Our staff also develops new methods or approaches to produce high-quality economic analysis. For example, in estimating the economic effects of proposed trade agreements, we have found it increasingly important to account for nontariff issues and concessions. Assessing the impact of such changes is considerably more challenging than examining the effects of tariff concessions. During FY 2018, we applied new modeling and survey research approaches to assess global competitiveness of U.S. businesses

supplying business-to-business digital products and services. We also continue to develop new capabilities by collaborating with other organizations, including academic institutions. During FY 2019 and 2020, we plan to focus our research on areas such as improving our ability to model the connection between international trade and investment; assessing industry competitiveness; examining the effects of trade and trade policy on U.S. workers; and supply chains.

Our work in industry and economic analysis spans a wide variety of issues, and responds to particular request from the President and the Congress. A few examples include:

- The performance of U.S. companies global and regional value chains.
- How trade and investment barriers, rules of origin, and standards affect U.S. firms, workers, and consumers.
- The promise—and pitfalls—of new technologies, industries, and business models.
- The integration of goods and services in production and trade.
- Economic analysis of proposed and completed U.S. free trade agreements, as well as technical support to policymakers during trade negotiations.

To effectively support the interests of trade policy makers, we must maintain a staff with expert knowledge and skills to provide relevant and timely insights on trade, investment, and the international competitiveness of U.S. companies in the global marketplace.

### **Tariff and Trade Information Services Benefits from New Technology and Improved Business Processes**

The HTS provides the foundation for the U.S. trade data maintained by the U.S. Census Bureau and enables CBP to manage its trade and enforcement activities. We ensure that the HTS is both accurate and up to date so that it meets the demands for trade and tariff information from the Census Bureau, CBP, U.S. exporters and importers, the Administration, and policy makers in Congress. Due to the size and openness of the U.S. economy and the volume of U.S. trade, the HTS is the most heavily used tariff schedule in the world. Its more than 10,700 tariff lines must be updated and maintained throughout the year to reflect changes from implementing trade agreements, and other congressional and Administration actions. Redesigned in FY 2013, this system was developed as an electronic database in FY 2014 and was made available to the public at the beginning of the fourth quarter of FY 2015. In FY 2018,



we completed the redesign of the DataWeb, the trade data system we use both for our own work and provide to the public. We deployed a beta version of the redesigned DataWeb in FY 2018 and released the final version in the first quarter of FY 2019.

As these developments show, we have been able to take advantage of new technologies to make tariff and trade information far more accessible and usable, both for our own analyses and for many essential public uses. Maintaining and building on these improvements requires resources. Our appropriation request includes funding to address these issues. The skills needed to support many of these tariff and trade information services (e.g., HTS maintenance, HTS classification, and miscellaneous tariff bill assessments) are unique and can take years to develop. Moreover, many of the agency experts that we rely on for tariff and trade information services are approaching eligibility for retirement, so we expect human capital planning and recruitment to be a priority over the next few years.

### **Trade Policy Support May Face Resource Constraints**

We draw heavily on staff in all agency program areas to respond to informal quick-turnaround requests for trade policy support from Congress and the Administration. In FY 2018, we supplied rapid responses on a broad array of issues and topics, ranging from litigation support in international tribunals to assessments of specific industry and economic issues. Our staff often provides trade policy support to negotiators working on proposed trade agreements or adjustments to existing agreements. We supply information, expertise, and software-based tools to support U.S. negotiating teams.

We are also seeing increasing interest from our customers on nontariff-related trade matters, as well as the significant emerging tradable sectors such as services and digital trade. Moreover, behind-the-border issues related to regulation and services trade require us to refocus our resources, apply new analytic techniques, and develop new trade-related databases. As budget and statutory workload permits, we detail staff members to our main customers' offices, where they can support our customers' work while broadening their skills and experience.

Our customers place a high value on our staff's ability to produce timely, objective and independent information related to their most urgent issues. To the extent that we face heavier workloads, more complexity, and staffing challenges in various areas, our ability to respond to these requests could be curtailed. Staff recruitment and development is thus a pressing need for us.

## Efforts to Strengthen Information Technology Security

We continue to demonstrate our commitment to improving our IT security by complying with and implementing mandates, directives, and best business practices pertaining to IT security. We continue to expand and improve upon our data exfiltration solution, as well as part of our new data loss prevention program, by adding software to prevent the inadvertent release of personally identifiable information via email and web postings.

In FY 2020, we will continue to strengthen our security posture by investing in new technologies, processes, and capabilities to meet the requirements of the Federal Information Security Modernization Act (FISMA) of 2014. Planned improvements include the following:

- Expanding our information security continuous monitoring (ISCM) efforts to monitor our network security, for which we will leverage resources of the Department of Homeland Security (DHS) Continuous Diagnostics and Mitigation Program.
- Continuing independent security and privacy controls assessments of our systems to ensure that security controls are applied correctly, operating as intended, and producing the desired outcome for security requirements.
- Ensuring timely detection and reporting of cyber incidents.

### House Report 115-704: Cybersecurity Resources

House Report 115-704 instructs the Commission to “prioritize efforts to improve its cybersecurity posture,” and “encourages ITC to work with other relevant Federal agencies to inform its actions.” Our FY 2020 budget request contains approximately \$1.9 million for cybersecurity, of which \$1.5 million will be used for personnel and \$0.4 million for tools and products. We will largely use existing commercial products and tools to prevent, detect, and respond to security threats and vulnerabilities. Our cybersecurity budget will be used to safeguard personally identifiable information, providing intrusion detection expertise, and implementing a common control catalog to advance our FISMA program. The budget also will be used to prevent malicious cyber activity by investing in security controls assessments, via interagency agreement with the Department of Health and Human Services, and ISCM, via the DHS Continuous Diagnostics and Mitigation program. We continue to coordinate with DHS for yearly use of their Risk and Vulnerability Assessment service, which includes penetration testing and email phishing assessment.

## Remote and Cloud Computing

We plan to further augment our disaster recovery capacity and telework capability in FY 2020 by maintaining a modernized remote access solution; adding additional capacity for videoconferencing with remote collaboration; and ensuring improved levels of availability and accessibility via our remote data center. In FY 2019, we completed our migration of email to the cloud and commenced the migration of other desktop-based applications and associated functions to the cloud. These migrations will improve availability, reduce our dependence solely on private data centers, and strengthen the security posture of all users. Based on the expected success of these implementations we plan to migrate additional key components of our IT infrastructure to the cloud in FY 2020.

## Risk Management and Planning

We have an enterprise risk management (ERM) process to establish, maintain, monitor, evaluate, and report on agency risks and its system of internal controls. ERM is an integral part of strategic planning, performance management, budget, information technology, and human capital functions and activities.

As part of this effort we maintain an ERM database, which supports categorization, documentation, and evaluation of risks. Management performs ongoing assessments to identify, manage and update risks in this database. The risk profile is developed from the risk database and ranks risks from an agency-wide perspective. The profile is discussed, prioritized, and reviewed by our Performance Management and Strategic Planning Committee. The primary purpose of this risk profile is to provide a thoughtful assessment of the risks we face arising from our operations and mission-support activities.

The Office of Management and Budget (OMB) provides agencies with guidance related to risk management in some specialized areas, one being cybersecurity. OMB directs agencies to assess their cybersecurity risk and, to manage the cybersecurity component of enterprise risk, and to adopt the Framework for Improving Critical Infrastructure Cybersecurity. We manage risk commensurate with the size of the harm that would result from unauthorized access, use, disclosure, disruption, modification, or destruction of a federal information system or federal information. We comply with all cybersecurity reporting requirements.

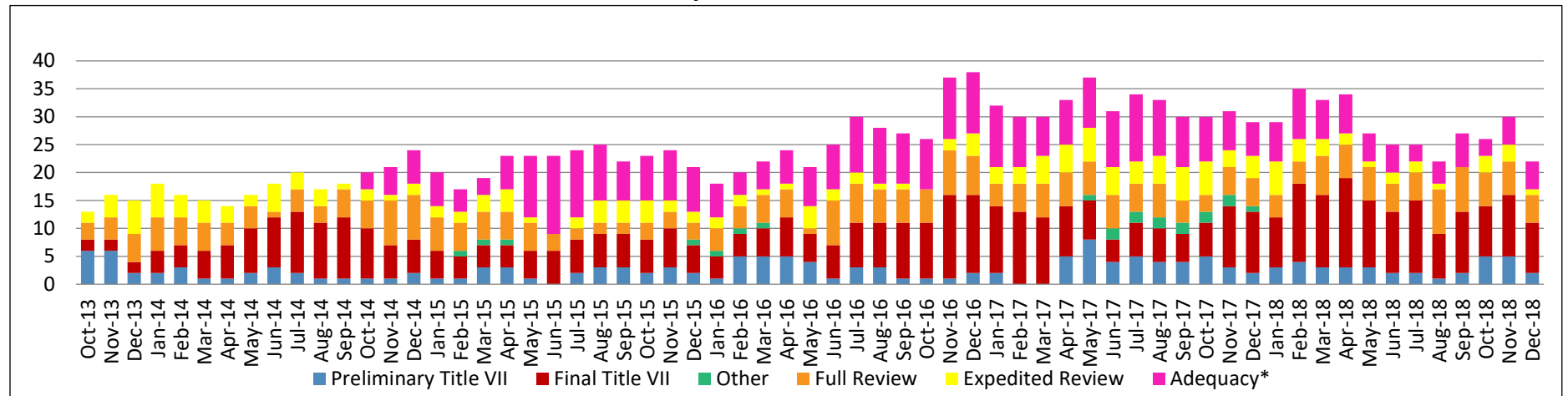
Our managers actively integrate risk management principles into performance planning and budget formulation. There is now a more direct link between decision making, the weighing of risks, and the attainment of strategic goals.

# Import Injury Investigations Caseload

## Instituted and Completed Investigations

	Instituted							Completed						
	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Estimate	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Estimate
Preliminary Title VII	9	12	18	20	18	18	21	13	11	19	17	18	18	18
Final Title VII	15	10	16	12	21	19	16	9	12	13	19	18	18	21
Other	0	1	1	2	0	4	2	0	1	1	0	2	2	3
Full review	7	8	11	11	7	10	7	7	9	6	11	11	10	10
Expedited review	11	16	11	17	10	15	16	15	14	12	15	13	15	15
<b>Total</b>	<b>42</b>	<b>47</b>	<b>57</b>	<b>62</b>	<b>56</b>	<b>66</b>	<b>62</b>	<b>44</b>	<b>47</b>	<b>51</b>	<b>62</b>	<b>62</b>	<b>63</b>	<b>67</b>

## Monthly Active Caseload



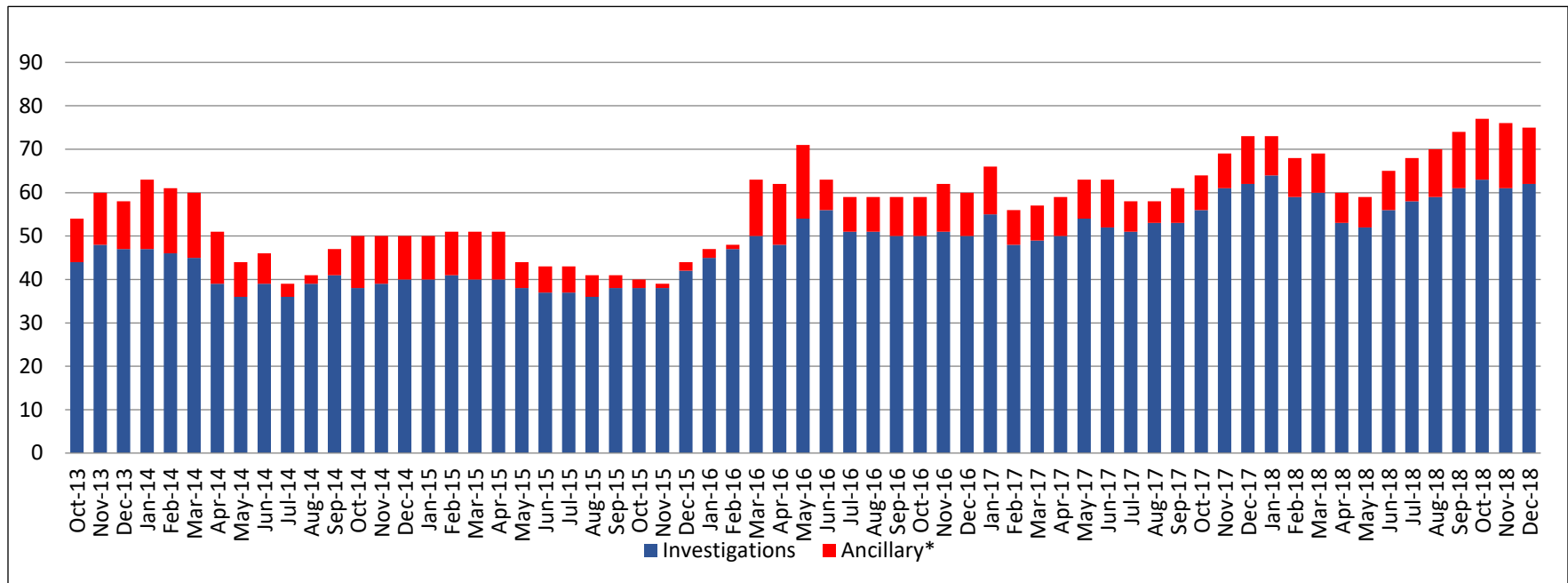
\*We realigned our workload for five-year reviews in FY 2015, shifting a substantial portion of work to the adequacy phase of these proceedings, which precedes a determination to conduct a full or expedited review. In this chart, beginning in FY 2015, active five-year reviews in their adequacy phase are presented separately and designated "Adequacy."

## Unfair Import Investigations Caseload

### Instituted and Completed Investigations

Status	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Estimate
Instituted	49	47	79	64	74	70	65
Completed	59	50	64	61	61	62	62

### Monthly Active Caseload



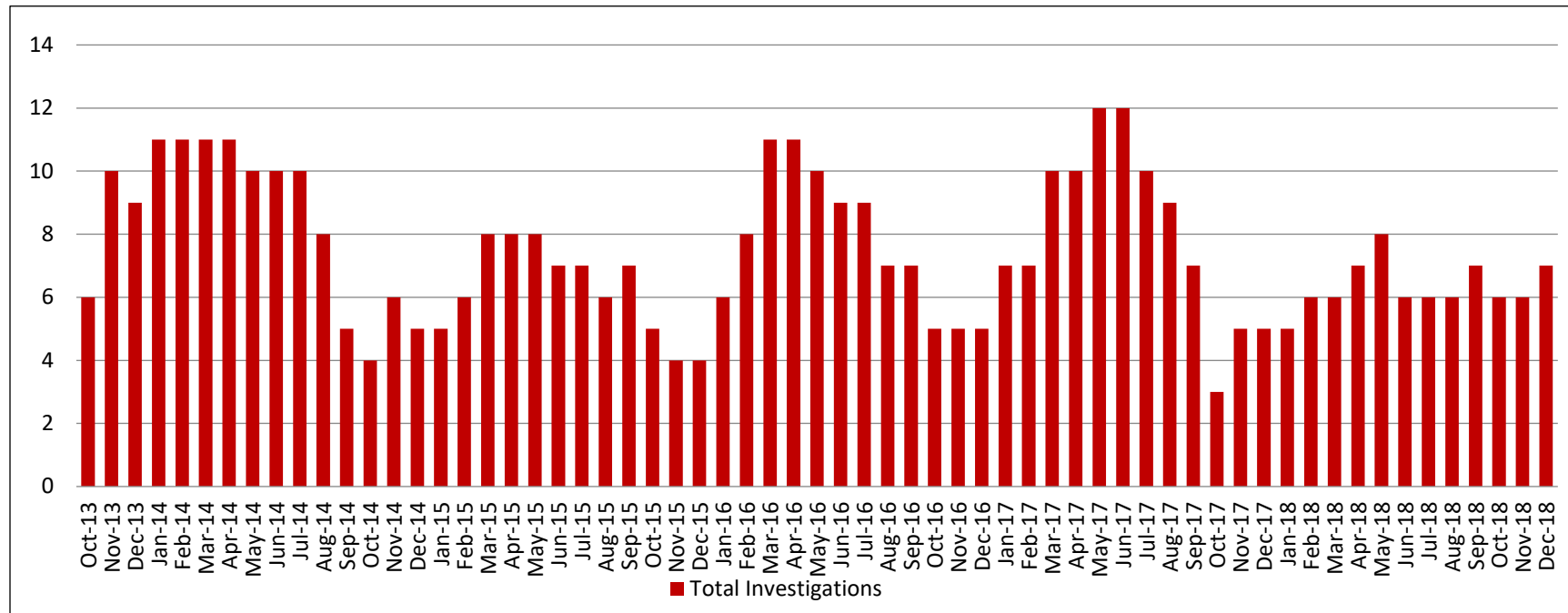
\*Ancillary investigations include petitions for modifications and/or rescissions of remedial orders, requests for advisory opinions, U.S. Court of Appeals for the Federal Circuit remands, and enforcement proceedings

## Industry and Economic Analysis Investigations Caseload

Instituted, Completed, and Active Recurring Investigations

Status	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Estimate
Instituted	8	5	7	5	5	10	9
Completed	10	9	9	5	4	10	9
Active recurring	7	6	6	7	6	5	6

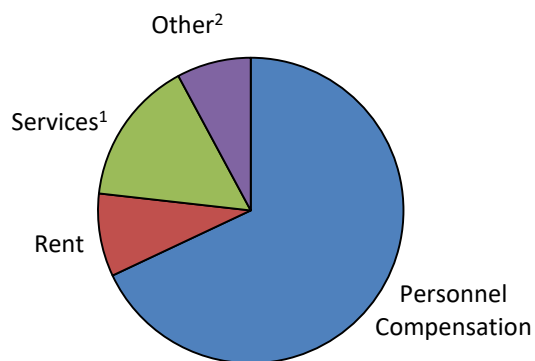
Monthly Active Caseload



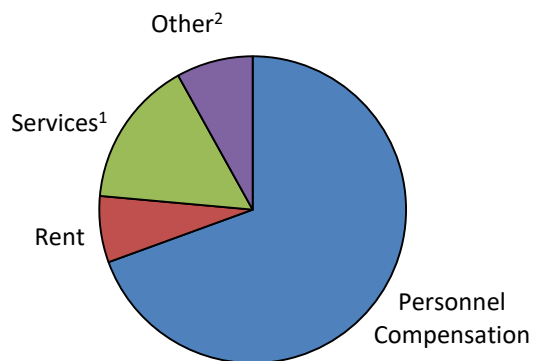
## Dollar Cost: Comparison by Object Classification, Fiscal Years 2018–20

(dollar amounts in thousands)

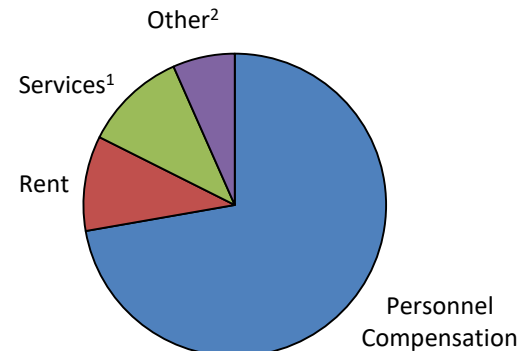
**FY 2018: \$95,157**



**FY 2019: \$97,518**



**FY 2020: \$101,044**



CATEGORY OF OBLIGATION	FY 2018 Actual		FY 2019 Request <sup>3</sup>		FY 2020 Request	
	Dollars	Percent of Total	Dollars	Percent of Total	Dollars	Percent of Total
Personnel Compensation	\$64,702	68.0%	\$67,715	69.4%	\$73,000	72.2%
Rent	8,360	8.8%	6,817	7.0%	10,256	10.2%
Services	14,618	15.4%	15,116	15.5%	11,090	11.0%
Other	7,477	7.9%	7,870	8.1%	6,698	6.6%
<b>TOTAL</b>	<b>\$95,157</b>	<b>100.0%</b>	<b>\$97,518</b>	<b>100.0%</b>	<b>\$101,044</b>	<b>100.0%</b>

Note: Dollars may not add due to rounding in this and subsequent charts.

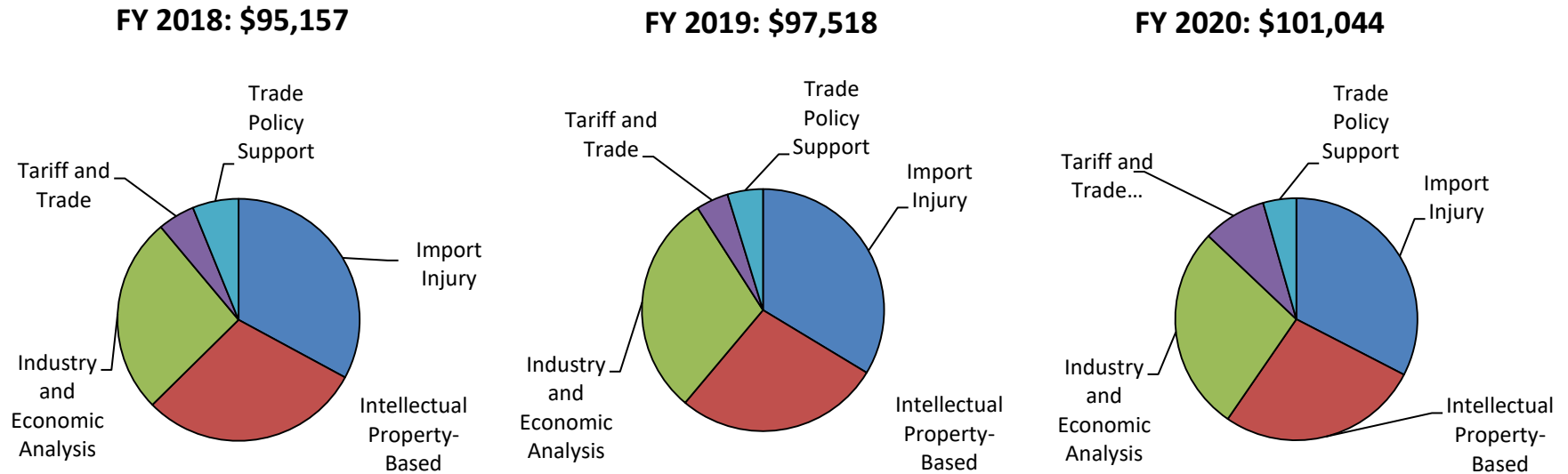
<sup>1</sup>Services include, but are not limited to, obligations for contractor staff (IT service desk; security guards; financial management, internal controls, and financial audits), software licenses, and equipment maintenance

<sup>2</sup>Other includes budget object classes such as equipment, supplies, communications and equipment rental, travel, training, printing and reproduction, land and structures, postage and contractual mail, and transportation.

<sup>3</sup>The Commission received its FY 2019 appropriation of \$95.0 million on February 15, 2019. Currently, we are working to reconcile our appropriation level to our requested amount through our expenditure plan.

## Dollar Cost: Comparison by Strategic Goal, Fiscal Years 2018–20

(dollar amounts in thousands)



CATEGORY OF OBLIGATION	FY 2018 Actual		FY 2019 Request <sup>1</sup>		FY 2020 Request	
	Dollars	Percent of Total	Dollars	Percent of Total	Dollars	Percent of Total
<b>Trade Remedy Investigations (Strategic Goal 1)</b>						
Import Injury	\$31,301	32.9%	\$32,816	33.7%	\$32,919	32.6%
Intellectual Property-Based	28,273	29.7%	26,787	27.5%	27,287	27.0%
<b>Tariff, Trade, and Competitiveness-Related Analysis and Information (Strategic Goal 2)</b>						
Industry and Economic Analysis	25,026	26.3%	29,075	29.8%	27,776	27.5%
Tariff and Trade Information Services	4,702	4.9%	4,215	4.3%	8,583	8.5%
Trade Policy Support	5,854	6.2%	4,625	4.7%	4,479	4.4%
<b>TOTAL</b>	<b>\$95,157</b>	<b>100.0%</b>	<b>\$97,518</b>	<b>100.0%</b>	<b>\$101,044</b>	<b>100.0%</b>

<sup>1</sup>The Commission received its FY 2019 appropriation of \$95.0 million on February 15, 2019. Currently, we are working to reconcile our appropriation level to our requested amount through our expenditure plan.



## Analysis of Change by Object Classification, Fiscal Years 2018–20

(dollar amounts in thousands)

	FY 2018 Actual	FY 2019 Request <sup>1</sup>	FY 2020 Request	FY 2019–20 Change	Percentage Change
<b>Personnel compensation</b>	<b>\$64,702</b>	<b>\$67,715</b>	<b>\$73,000</b>	<b>\$5,285</b>	<b>7.2%</b>
<b>Non-personnel obligations</b>					
Rent	\$8,360	\$6,817	\$10,256	\$3,439	50.4%
Services	14,618	15,116	11,090	-4,026	-26.6%
Supplies	1,644	1,849	1,512	-338	-18.3%
Equipment	1,957	2,496	1,814	-682	-27.3%
Travel	519	607	617	10	1.6%
Training	575	485	484	-1	-0.1%
Communications and equipment rental	1,432	1,487	1,394	-94	-6.3%
Transportation	11	19	19	0	0.0%
Postage	45	51	18	-33	-64.7%
Land and structures	1,038	525	500	-25	-4.8%
Printing and reproduction	253	337	326	-10	-3.1%
Official reception and representation	1	14	15	1	5.3%
<b>Subtotal non-personnel obligations</b>	<b>\$30,455</b>	<b>\$29,803</b>	<b>\$28,044</b>	<b>-\$1,759</b>	<b>-5.9%</b>
<b>Total Obligations</b>	<b>\$95,157</b>	<b>\$97,518</b>	<b>\$101,044</b>	<b>\$3,526</b>	<b>3.6%</b>

<sup>1</sup>The Commission received its FY 2019 appropriation of \$95.0 million on February 15, 2019. Currently, we are working to reconcile our appropriation level to our requested amount through our expenditure plan.

## Summary of Changes from the FY 2019 Request

(dollar amounts in thousands)

### Personnel Cost Change

**Personnel Costs .....+\$5,285**

Personnel costs are expected to increase by approximately \$5.3 million. This level of funding will sustain the human capital investments we made in FYs 2018 and 2019 to manage historically high investigatory caseload, reflects the necessary staff funding needed for the Miscellaneous Tariff Bill process, and supports the staffing of key IT positions. Further, this funding level will cover the anticipated 1.9 percent pay raise effective January 1, 2020 and pay for the normal cost of promotions, within-grade increases, and higher benefits.

### Non-Personnel Cost Changes

**Rent.....+\$3,439**

FY 2020 rent obligations are expected to increase by \$3.4 million to reflect the annual rent— about \$10.2 million— in our new 15-year lease agreement.

**Services.....-\$4,026**

Services obligations are expected to decrease by \$4.0 million, reflecting nonrecurring costs in FY 2019 and the shifting of some costs from Services to Personnel. FY 2019 includes a one-time cost of implementing a new contract-writing system that integrates with the Commission’s financial system, and costs associated with the development and upgrade of IT programs related to our trade mission and our IT infrastructure that need not be repeated in FY 2020.

**Supplies.....-\$338**

Supplies obligations reflect a decrease of \$338,000 reflecting one-time purchases in FY 2019.

**Equipment .....-\$682**

Equipment obligations are expected to decrease by \$682,000, reflecting one-time, long overdue costs anticipated in FY 2019 related to updating the IT equipment and infrastructure in the Commission’s main hearing room, court rooms, and conference rooms. Much of the equipment is 30 years old and is not compliant with the Americans with Disabilities Act.

**Travel.....+\$10**

Travel obligations are expected to increase slightly, but travel will be sufficiently funded to support statutory investigations, anticipated studies, knowledge development in emerging trade issues and priority areas, representational travel to international organization meetings, litigation support, and multilateral and regional agreement negotiation support.

**Training.....-\$1**

Training obligations are expected to remain relatively flat, decreasing by \$1,000. Training will be sufficiently funded to support advancing staff skills, licensing, certification, and professional education requirements.

**Communications and Equipment Rental.....-\$94**

Communications and equipment rental obligations reflect a slight decrease of \$94,000, reflecting our ongoing efforts to upgrade infrastructure and equipment in FY 2019.

**Land and Structures.....-\$25**

Land and structures obligations are expected to decrease by \$25,000 due to one-time costs that were incurred in FY 2018 and FY 2019. In FY 2018 and FY 2019, we funded building security enhancements consistent with best practice guidelines of the Interagency Security Committee, which was created by Executive Order 12977. Additionally, we continue to modernizing the IT infrastructure in our two oldest courtrooms and main hearing room to provide improved functionality, similar to that found in our newest courtroom.

**Printing and reproduction.....-\$10**

Printing and reproduction obligations reflect a small \$10,000 decrease due to shifting needs and efficiencies.

**Official Reception and Representation.....+\$1**

Official reception and representation funds are expected to marginally increase by \$750.

<b>Net Non-Personnel Cost Changes</b> .....	<b>-\$1,759</b>
<b>Total Adjustment to Base (\$97,518)</b> .....	<b>+\$3,526</b>
<b>Total Budget Request</b> .....	<b>\$101,044</b>

## Commissioners

The USITC is headed by six Commissioners, who are nominated by the President and confirmed by the Senate. David S. Johanson, a Republican, is serving as Chairman; no Commissioner has been designated as Vice Chairman. Commissioners currently serving are, in order of seniority, David S. Johanson, Irving A. Williamson, Meredith M. Broadbent, Rhonda K. Schmidtlein, and Jason E. Kearns. As of March 2019, there is one vacant seat on the Commission.

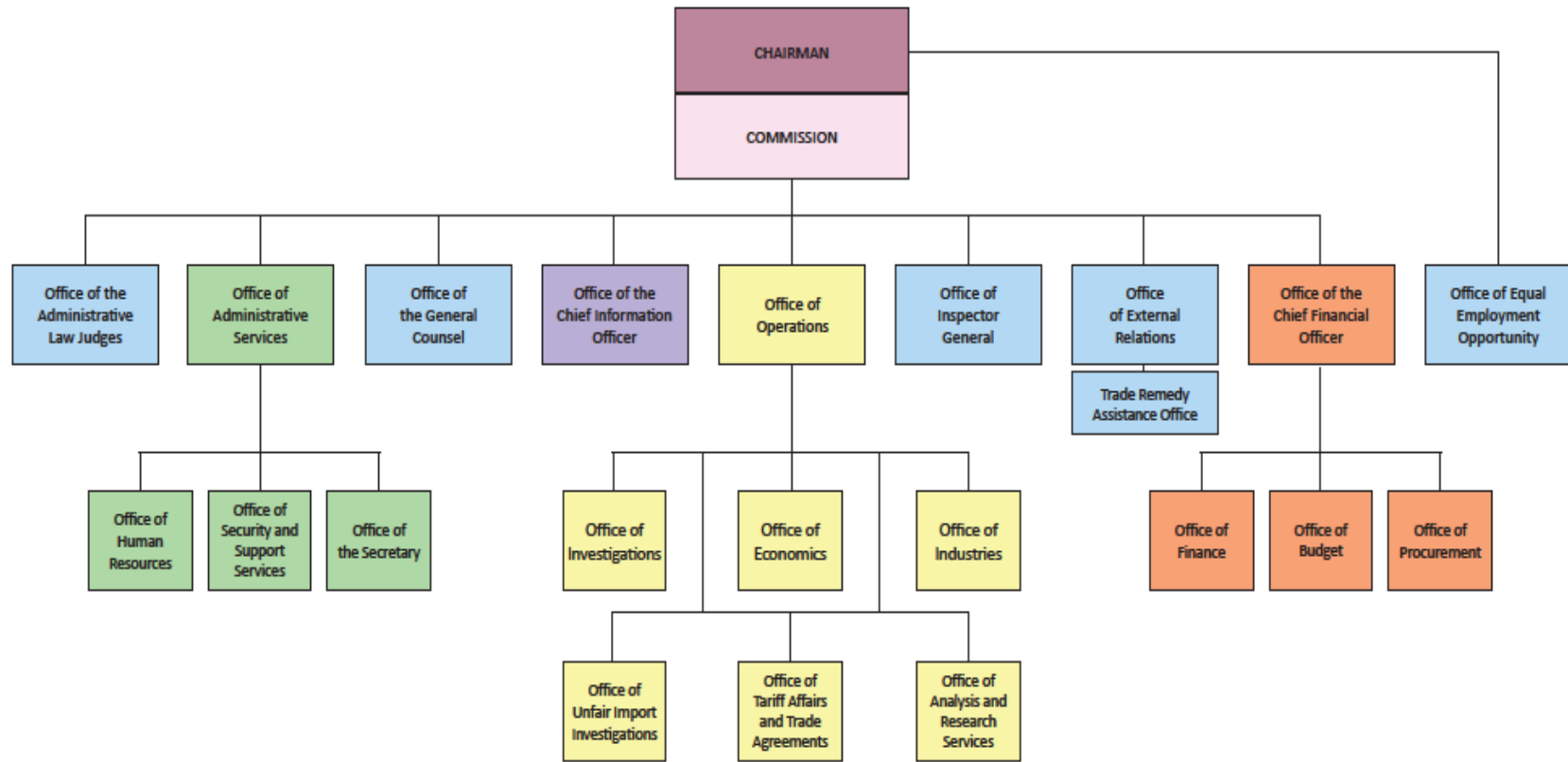
Each of the six Commissioners serves a term of nine years, unless appointed to fill an unexpired term. The terms are set by statute<sup>2</sup> and are staggered so that a different term expires every 18 months. A Commissioner who has served for more than five years is ineligible for reappointment. A Commissioner may, however, continue to serve after the expiration of his or her term until a successor is appointed and qualified.

No more than three Commissioners may be members of the same political party. The Chairman and the Vice Chairman are designated by the President and serve for a statutory two-year term. The Chairman may not be of the same political party as the preceding Chairman, nor may the President designate two Commissioners of the same political party to serve as the Chairman and Vice Chairman. As of March 2019 three Democrats and two Republicans serve as Commissioners.

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<sup>2</sup> 19 U.S.C. § 1330, Organization of Commission

# U.S. International Trade Commission Office-Level Organization Chart



Revised December 2017

## Current Permanent and Term Staffing Plan with Onboard and Gaps

Office	Permanent and Term Positions			
	FY 2019 Staffing Plan	Current Onboard	End of FY 2019 Target	End of FY 2020 Target
Commissioners' Offices	32	23	30	30
External Relations	5	5	4	4
Inspector General	4	3	4	4
General Counsel	44	44	49	49
Administrative Law Judges	24	24	23	23
Equal Employment Opportunity	2	2	2	2
Chief Information Officer	32	29	32	35
<b>Subtotal Independent Offices</b>	<b>143</b>	<b>130</b>	<b>144</b>	<b>147</b>
Operations	7	6	6	6
Analysis and Research Services	24	22	24	24
Investigations	27	27	32	32
Unfair Import Investigations	21	23	21	21
Economics	43	39	42	42
Tariff Affairs and Trade Agreements	14	14	13	17
Industries	81	63	70	81
<b>Subtotal Operations</b>	<b>217</b>	<b>194</b>	<b>208</b>	<b>223</b>
Chief Financial Officer	6	6	6	6
Budget	3	3	3	3
Finance	6	6	6	6
Procurement	6	6	6	6
<b>Subtotal Chief Financial Officer</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>
Administrative Services	5	6	6	6
Human Resources	9	11	11	12
Security and Support Services	11	11	11	11
Secretary and Dockets	20	20	19	20
<b>Subtotal Administrative Services*</b>	<b>45</b>	<b>48</b>	<b>47</b>	<b>49</b>
<b>Commission Total</b>	<b>426</b>	<b>393</b>	<b>420</b>	<b>440</b>

Note: We are constantly evaluating our workload and align resources to meet emergent needs. In the short term, we may approve requests for staffing that exceed office allocations to meet workload challenges. If those workload challenges persist, we may make the adjustment permanent by shifting positions. Furthermore, end of Q1 /beginning of Q2 staffing level typically reflects the lowest point for staffing due to yearend retirements.



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