

# Trade-Related Agencies: FY2024 Appropriations, Commerce, Justice, Science, and Related Agencies (CJS)

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## Trade-Related Agencies: FY2024 Appropriations, Commerce, Justice, Science, and Related Agencies (CJS)

This report provides an overview of actions by the Biden Administration and Congress to provide FY2024 appropriations for the International Trade Administration (ITA) of the Department of Commerce, the U.S. International Trade Commission (USITC or the Commission), and the Official of the Department of Commerce of the United States Trade Department (USTR). These three trade related experies are fi

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 reviews these trade agencies' programs.

#### FY2024 Enacted Appropriations

Congress passed and President Biden signed the Consolidated Appropriations Act, 2024 (P.L. 118-42) on March 9, 2024. The act included a total of \$807.0 million for the three trade-related agencies, which was \$4.4 million less (-0.5%) than FY2023-enacted funding. The act provided the following amounts for each agency:

- ITA: \$611.0 million in direct appropriations, 0.3% less than the FY2023 enacted amount;
- USITC: \$122.0 million, 0.3% less than the FY2023 enacted amount; and
- USTR: a total of \$74.0 million, 2.6% less than the FY2023 enacted amount. (USTR's appropriation includes funding for salaries and expenses and funding from the Trade Enforcement Trust Fund for certain enforcement activities.)

#### Summary and Timeline of the FY2024 Budget Cycle

The President submitted his FY2024 budget request to Congress on March 9, 2023. The Administration requested a total of \$918.1 million in appropriations for the three CJS trade-related agencies. The request was \$106.7 million (13.1%) more than the FY2023 enacted level. The President's budget included \$712.8 million in direct appropriations for ITA, \$127.4 million for USITC, and a total of \$77.9 million for USTR.

The Senate Appropriations Committee reported a CJS bill on July 13, 2023 (S. 2321). The Senate committee-reported bill would have provided a total of \$823.4 million for the three agencies, \$12.0 million (1.5%) more than the FY2023 enacted amount, and \$94.7 million less (-10.3%) than the President's request. The Senate committee-reported bill included \$625.0 million in direct appropriations for ITA; \$122.4 million for USITC; and a total of \$76.0 million for USTR.

On July 14, 2023, the House CJS Appropriations Subcommittee marked up and reported its FY2024 CJS appropriations bill. The House Appropriations Committee did not hold a mark-up for the subcommittee's bill. Chairman Rogers introduced the subcommittee's bill as H.R. 5893; the bill text was later modified for consideration by the House Rules Committee (H. Print 118-12). The House Rules committee print version of the bill would have provided a total of \$751.4 million for the three agencies, \$60.0 million less (-7.4%) than FY2023 enacted funding, and \$166.7 million less (-18.2%) than the President's budget request. The bill would have included \$558.0 million in direct appropriations for ITA; \$122.4 million in appropriations for USITC; and a total of \$71.0 million in appropriations for USTR.

Congress passed multiple continuing resolutions, before agreeing on a final minibus appropriations bill. The agreement was released March 3, 2024, and the President signed the Consolidated Appropriations Act, 2024 (P.L. 118-42) into law on March 9, 2024.

#### SUMMARY

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## Background

The International Trade Administration (ITA) of the Department of Commerce, the U.S. International Trade Commission (USITC, or the Commission), and the Office of the United States Trade Representative (USTR) are the three trade-related agencies funded through the annual Commerce, Justice, Science, and Related Agencies (CJS) appropriations.<sup>1</sup> This report provides an overview of these agencies' programs and compares the FY2024 CJS proposals with the previous fiscal year's enacted legislation.<sup>2</sup> In this report, appropriation amounts are rounded to the nearest thousand. However, for greater accuracy, percentage change and annual differences are calculated using whole, not rounded, numbers; this means that, in some instances, totals may not sum due to rounding and there may be small differences between the actual percentage change and the percentage change that would be calculated by using the rounded amounts.

For FY2023, the Commerce, Justice, Science, and Related Agencies Appropriations Act, 2023 (Division B, P.L. 117-328), provided \$811.4 million for the three CJS trade-related agencies, including \$613.0 million in direct appropriations for ITA; \$122.4 million for USITC; and a total of \$76.0 million for USTR.<sup>3</sup> The FY2023 appropriations amount was \$71.4 million (9.6%) more than the previous year's enacted amount.

In addition to providing funding through regular appropriations, Congress also passed supplemental funding for USTR in Title IX of the United States-Mexico-Canada Agreement Implementation Act (USMCA, P.L. 116-113) in December 2019. USMCA implementing legislation provided a total of \$90.0 million for USTR; funds are to remain available until September 30, 2024.<sup>4</sup> The supplemental funds were provided for USTR to monitor USMCA parties' compliance with labor and environmental obligations of the agreement and to enforce USMCA environmental obligations, including for state-to-state dispute settlement actions. In this report, funding levels are taken from the regular annual CJS Appropriations Acts and do not include supplemental appropriations provided in USMCA.

See the **Appendix** for enacted budget authority for the trade-related agencies for FY2014-FY2023.

## **FY2024 Appropriations**

For FY2024, the Administration requested a total of \$918.1 million in appropriations for the three CJS trade-related agencies. The request was \$106.7 million (13.1%) more than the FY2023 enacted level. The President's budget included \$712.8 million in direct appropriations for ITA, \$127.4 million for USITC, and a total of \$77.9 million for USTR.

The Senate Committee on Appropriations reported out a CJS bill (S. 2321) on July 13, 2023. S. 2321 proposed a total of \$823.4 million for the three CJS trade-related agencies. The Senate

<sup>&</sup>lt;sup>1</sup> For more on the overall CJS appropriations, see CRS Report R47566, *Overview of FY2024 Appropriations for Commerce, Justice, Science, and Related Agencies (CJS)*, by Nathan James.

<sup>&</sup>lt;sup>2</sup> The FY2023 funding levels stated in this report reflect the amounts appropriated in the Consolidated Appropriations Act, 2023. They do not include supplemental appropriations provided in the United States-Mexico-Canada Agreement implementing legislation (P.L. 116-113).

<sup>&</sup>lt;sup>3</sup> Total USTR funding amounts in this report include both direct appropriations for "salaries and expenses" and funding to be derived from the Trade Enforcement Trust Fund for certain trade enforcement activities. See the "Trade Enforcement Trust Fund (TETF), USTR" section in this report.

<sup>&</sup>lt;sup>4</sup> Section 540, P.L. 117-328 extended the availability of USMCA supplemental funds for USTR for an additional year beyond the September 30, 2023, date established in USMCA (P.L. 116-113).

committee-reported proposal was \$12.0 million (1.5%) more than the FY2023 enacted level, and \$94.7 million less (-10.3%) than the President's request. S. 2321 included \$625.0 million in direct appropriations for ITA; \$122.4 million for USITC; and a total of \$76.0 million for USTR.

On July 14, 2023, the House CJS Appropriations Subcommittee marked up and reported a FY2024 CJS appropriations bill. The House Appropriations Committee did not hold a mark-up for the bill reported by the CJS Appropriations Subcommittee. Chairman Rogers introduced the subcommittee's bill as H.R. 5893.<sup>5</sup> The House introduced proposal would have provided a total of \$751.4 million for the three agencies, \$60.0 million less (-7.4%) than FY2023 enacted funding. The proposal included \$558.0 million in direct appropriations for ITA; \$122.4 million in appropriations for USITC; and a total of \$71.0 million in appropriations for USTR.

Following a series of continuing resolutions, the Consolidated Appropriations Act, 2024 (P.L. 118-42) was enacted on March 9, 2024. The act provided a total of \$807.0 million for the three trade-related agencies, which is \$4.4 million less (-0.5%) than FY2023 enacted funding. The act included \$611.0 million in direct appropriations for ITA; \$122.0 million for USITC; and a total of \$74.0 million for USTR.

| Millions of Current U.S. Dollars   |                   |                      |       |                                       |                              |  |  |  |
|--|-------------------|----------------------|-------|---------------------------------------|------------------------------|--|--|--|
|  |                   | FY2024               |       |                                       |                              |  |  |  |
| CJS Trade-<br>Related Agencies   | FY2023<br>Enacted | FY2023 Introduced Co |       | Senate<br>Committee-<br>Reported Bill | Enacted<br>(P.L. 118-<br>42) |  |  |  |
| Total  | 811.4             | 918.1                | 751.4 | 823.4                                 | 807.0                        |  |  |  |
| International Trade Administration<br>(ITA) (direct appropriations) <sup>a</sup> | 613.0             | 712.8                | 558.0 | 625.0                                 | 611.0                        |  |  |  |
| U.S. International Trade Commission (USITC) <sup>6</sup>                         | 122.4             | 127.4                | 122.4 | 122.4                                 | 122.0                        |  |  |  |
| Office of the U.S. Trade Representative (USTR) <sup>c</sup>                      | 76.0              | 77.9                 | 71.0  | 76.0                                  | 74.0                         |  |  |  |

#### Table 1. Appropriations for CJS Trade-Related Agencies, FY2023-FY2024

**Sources:** For FY2023 enacted amounts, see P.L. 117-328. For FY2024, see the appendix tables to the President's budget; House Rules Committee Print 118-12, Text of H.R. 5893; S. 2321; and P.L. 118-42.

- 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. For FY2023, ITA's available funds were \$625.0 million, including \$12.0 million in user fees. For the FY2024 figures, in addition to the direct appropriations above, ITA's available funds include \$12.0 million to be derived from user fees. This would raise ITA's available funds to \$724.8 million for the FY2024 request, \$570.0 million for the House committee print; \$637.0 million for the Senate bill; and \$623.0 million for P.L. 118-42.
- b. In this table, USITC's request represents the President's budget request. The Commission is also authorized to submit an independent request directly to Congress (19 U.S.C. §2232). The Commission's independent request for FY2024 was \$131.0 million.

<sup>&</sup>lt;sup>5</sup> A committee print to be considered by the House Rules Committee (H. Print 118-12) contained modifications of the text of H.R. 5893, but did not change the top-level funding levels for these three trade-related agencies. The committee print included a technical modification, updating ITA's provision that a portion of its funding would remain available through September 30, 2025 (as opposed to 2024). An Explanatory Statement for H.R. 5893 was published on the House Appropriations Committee website at

https://appropriations.house.gov/sites/republicans.appropriations.house.gov/files/FY24-CJS-Explanatory-Materials.pdf.

c. USTR appropriations include direct appropriations for salaries and expenses and funds to be derived from the Trade Enforcement Trust Fund (TETF) for certain trade enforcement activities. Supplemental funding provided in USMCA implementing legislation is excluded from USTR totals above.

## International Trade Administration (ITA)<sup>6</sup>

ITA, a bureau within the Department of Commerce, has a mission to improve U.S. prosperity by strengthening the competitiveness of U.S. industry, promoting U.S. trade and investment, and ensuring foreign trading partners' 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 trade negotiations.

ITA is comprised of three primary 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 the FY2024 budget for ITA by unit. For historical budget amounts for ITA units, see the **Appendix**.)

ITA is funded through a combination of direct appropriations and user fees collected for certain services. For FY2024, the Administration requested \$712.8 million in direct appropriations for ITA, with an additional \$12.0 million to be collected in fees, for a total of \$724.8 million. The request for direct appropriations was \$99.8 million (16.3%) more than the FY2023 enacted amount. Among other initiatives, the request included \$25.8 million, across multiple ITA units, to support supply chain resilience, which, according to ITA's budget, would "enable ITA to provide leadership and coordination of supply chain issues across the U.S. Government; more effectively lead international engagement with key strategic partners; provide timely analysis to inform policy responses to supply chain disruptions and global shocks; map critical supply chains; and help to develop sector-specific strategies."<sup>7</sup> The request also proposed reorganizing ITA's travel and tourism work into a new unit, as discussed in more detail below.

The Senate committee-reported bill proposed \$625.0 million in direct appropriations, with an additional \$12.0 million to be collected in fees, for a total of \$637.0 million for ITA. For direct appropriations, the amount in the committee-reported bill is \$12.0 million (2.0%) more than the FY2023 enacted amount, and \$87.8 million less (-12.3%) than the President's request. In the report accompanying the bill, the Committee also directed ITA to establish a new office on supply chain resiliency program, within the provided increase.<sup>8</sup>

The House-introduced bill provided \$558.0 million in direct appropriations for ITA, with an additional \$12.0 million to be collected in fees, for a total of \$570.0 million in authorized spending. The proposal was \$55.0 million less (-9.0%) than the amount enacted through FY2023 direct appropriations, and \$154.8 million less (-21.7%) than the President's request. According to

<sup>&</sup>lt;sup>6</sup> In this report, the budget authority figures for ITA's subunits have been rounded; however, calculations comparing ITA's FY2023 budget and the FY2024 proposal are based on the original figures, as identified in ITA's FY2023 and FY2024 congressional budget justifications.

<sup>&</sup>lt;sup>7</sup> International Trade Administration, *Congressional Budget Justification, Fiscal Year 2024*, p. 5. (Hereinafter ITA, *Congressional Budget Justification.*)

<sup>&</sup>lt;sup>8</sup> U.S. Senate Committee on Appropriations, *Departments of Commerce, Justice, Science, and Related Agencies*, report to accompany S. 2321, 118<sup>th</sup> Cong., 1<sup>st</sup> sess., July 13, 2023, S.Rept. 118-63, pp. 11-12 (hereinafter, S.Rept. 118-63).

the explanatory statement, the proposal would have scaled funding for ITA to a level similar to FY2022.<sup>9</sup>

The Consolidated Appropriations Act, 2024 (P.L. 118-42), provided \$611.0 million in direct appropriations for ITA, with an additional \$12.0 million to be collected in fees, for a total of \$623.0 million in authorized spending. The enacted funding was \$2.0 million less (-0.3%) than the amount enacted through FY2023 direct appropriations, and \$101.8 million less (-14.3%) than the President's request. The explanatory statement accompanying the bill also encouraged ITA to establish a supply chain resiliency office within Industry and Analysis.<sup>10</sup>

|                               |                               | 2024    |                             |                                       |            |  |
|-------------------------------|-------------------------------|---------|-----------------------------|---------------------------------------|------------|--|
| ITA Unit                      | FY2023<br>Budget<br>Authority | Request | House<br>Introduced<br>Bill | Senate<br>Committee-<br>Reported Bill | Enacted    |  |
| ΙΤΑ                           | 613.0                         | 712.8   | 558.0                       | 625.0                                 | 611.0      |  |
| Global Markets                | 374.0                         | 420.2   | _                           |                                       | _          |  |
| Enforcement and Compliance    | 125.1                         | 134.8   | _                           | —                                     | _          |  |
| Industry and Analysis         | 86.7                          | 110.8   | _                           | _                                     | _          |  |
| Travel and Tourism (proposed) | n/a                           | 15.5ª   | _                           | _                                     | <b>—</b> b |  |
| Executive Administration      | 27.2                          | 31.5    | —                           | _                                     | _          |  |

## Table 2. ITA Appropriations, by Unit, FY2023-FY2024

**Sources:** ITA budget office; ITA's FY2024 Congressional Budget Justification; H.R. 5893 and House Committee Print 118-12; S. 2321; P.L. 118-42.

Notes: "-" denotes that the bill and its explanatory material did not provide a specific funding amount.

- a. Travel and Tourism was a newly proposed unit in FY2024 that would include operations formerly in the Industry and Analysis unit. Of the \$15.5 million requested for Travel and Tourism, \$12.0 million would have been transferred from Industry and Analysis, and an additional \$3.5 million was requested.
- b. The agreement provides up to the requested level of \$3.5 million "for ITA to implement the 'Visit America Act" (P.L. 117-328).

#### **Global Markets**

ITA's Global Markets (GM) unit is a combination of the United States and Foreign Commercial Service (US&FCS) program, which provides export promotion services to U.S. businesses, and the SelectUSA program, which works to attract foreign investment into the United States.<sup>11</sup> 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

<sup>&</sup>lt;sup>9</sup> "Explanatory Materials for the Commerce, Justice, Science, and Related Agencies Appropriations Bill, 2024, H.R. 5893," published on the House Appropriations Committee's website,

https://appropriations.house.gov/sites/republicans.appropriations.house.gov/files/FY24-CJS-Explanatory-Materials.pdf. <sup>10</sup> Explanatory Statement accompanying H.R. 4366, Congressional Record, vol. 170, part 39 (March 5, 2024), p.

S1398.

<sup>&</sup>lt;sup>11</sup> For more on the US&FCS, see "U.S. Commercial Service," U.S. International Trade Administration, https://www.trade.gov/us-commercial-service. For more on SelectUSA, see CRS In Focus IF10674, *SelectUSA: U.S. Inbound Investment Promotion*, by Shayerah I. Akhtar.

unit also seeks to help to make business-to-business connections through 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 to advocate with foreign governments for U.S. firms competing for international contracts or other commercial opportunities.

The Administration requested \$420.2 million for GM, which was \$46.2 million (12.4%) more than the FY2023 enacted amount. The request included \$16.8 million to expand export promotion activities and counter China's unfair trade practices, by increasing staff abroad in strategic locations in Asia, the Middle East and Africa, and the Western Hemisphere, as well as in domestic U.S. Export Assistance Centers and ITA headquarters. The request also included \$4.8 million to expand SelectUSA services to coordinate supply chain priorities, and \$3.0 million for Indo-Pacific economic engagement, including through the Indo-Pacific Economic Framework for Prosperity (IPEF).<sup>12</sup>

Neither the Senate committee-reported bill nor the House introduced bill included specific funding amounts for ITA units, and Congress also did not outline specific funding levels for ITA's units in the Consolidated Appropriations Act, 2024 (P.L. 118-42).

### **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 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. The Enforcement and Compliance unit also administers the steel and aluminum import monitoring and licensing programs, and supports the Bureau of Industry and Security (BIS) in work related to the Section 232 tariffs on steel and aluminum products.<sup>13</sup>

For FY2024, the Administration requested \$134.8 million for the Enforcement and Compliance unit, which is \$9.7 million (7.7%) more than the FY2023-enacted amount.

Neither the Senate committee-reported bill nor the House introduced bill included specific funding amounts for ITA units.

Congress did not outline specific funding level for ITA's Enforcement and Compliance unit in the enacted legislation (P.L. 118-42). In the accompanying explanatory statement, Congress directed ITA to report to the committees on "efforts to counteract the use of third countries for transshipment by state-backed industries and producers to evade U.S. AD/CVD laws."<sup>14</sup>

<sup>&</sup>lt;sup>12</sup> ITA, *Congressional Budget Justification*, p. 83, p. 89. For more on IPEF, see CRS In Focus IF12373, *Indo-Pacific Economic Framework for Prosperity (IPEF)*, by Cathleen D. Cimino-Isaacs, Kyla H. Kitamura, and Mark E. Manyin.

<sup>&</sup>lt;sup>13</sup> ITA, Congressional Budget Justification, p. 59. For more on related issues, see CRS In Focus IF10018, *Trade Remedies: Antidumping and Countervailing Duties*, by Christopher A. Casey.

<sup>&</sup>lt;sup>14</sup> Explanatory Statement accompanying H.R. 4366, Congressional Record, vol. 170, part 39 (March 5, 2024), p. S1398: "ITA is directed to continue following the directive under the heading "Antidumping and Countervailing Duties (AD/CVD) Evasion" in the joint explanatory statement accompanying Public Law 117–328," which was published in the *Congressional Record*, December 20, 2022, p. S7898.

### **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. The unit analyzes economic and international policies to improve market access for U.S. businesses and designs and implements trade and investment promotion programs. It aims to serve as the primary liaison between U.S. industries and the federal government on trade and investment promotion activities. It also administers programs that support small and medium-sized enterprises, such as the Market Development Cooperator Program, which provides financial and technical assistance to nonprofit industry groups, like trade associations and standards-developing organizations, for projects that help U.S. companies to compete globally.<sup>15</sup>

For FY2024, the Administration requested \$110.8 million for ITA's Industry and Analysis unit, which was \$24.2 million (27.9%) more than the FY2023-enacted amount. The request included an increase of \$21.0 million to support and expand its supply chain resiliency work and to establish a supply chain resiliency office. The request also included an additional \$5.0 million "to fulfill any new requirements related to outbound investment" from the United States into critical sectors and \$2.0 million for an attaché program to promote development of international standards.<sup>16</sup> The Industry and Analysis program request also included a transfer of its travel and tourism staff to a new unit in ITA (see section below).<sup>17</sup>

The Senate committee-reported bill did not include specific funding amounts for ITA units; however, in the accompanying report, the committee directs ITA to establish a supply chain unit and expresses support for ITA's efforts to gather and analyze information regarding outbound investments in critical sectors.<sup>18</sup>

The House introduced bill did not provide specific funding level for ITA units.

Congress did not outline specific funding level for ITA's units in the enacted legislation (P.L. 118-42); however, the accompanying explanatory statement clarified the Senate report language, "to encourage ITA, within the funds provided, to establish a supply chain resiliency office within Industry and Analysis. The agreement also encourages ITA, within funds provided, to prioritize efforts to support the resilience of supply chains that are critical to U.S. national security and economic competitiveness."<sup>19</sup>

### **Travel and Tourism (Proposed Unit)**

In the FY2024 budget request, the Administration proposed reorganizing ITA's existing travel and tourism activities from the Industry and Analysis unit into a new and expanded Travel and Tourism unit. The Visit America Act (Division BB, Title VI of P.L. 117-328) created a new Assistant Secretary position in ITA and expanded "the scope of ITA's authorities beyond attracting international visitors and related research, analysis, and statistics to activities in support

<sup>&</sup>lt;sup>15</sup> For more on the Market Development Cooperator Program, see "Market Development Cooperator Program," International Trade Administration, https://www.trade.gov/mdcp.

<sup>&</sup>lt;sup>16</sup> ITA's request cites new requirements on outbound investment, per Executive Order 14105, "Addressing United States Investments in Certain National Security Technologies and Products in Countries of Concern," 88 *Federal Register* 54867, August 9, 2023.

<sup>&</sup>lt;sup>17</sup> ITA, Congressional Budget Justification, pp. 37-54.

<sup>&</sup>lt;sup>18</sup> S.Rept. 118-63, pp. 11-12.

<sup>&</sup>lt;sup>19</sup> Explanatory Statement accompanying H.R. 4366, *Congressional Record*, vol. 170, part 39 (March 5, 2024), p. S1398.

of the domestic travel and tourism industry."<sup>20</sup> According to the reorganization request, the proposed unit would have provided expertise, analytical capability, and data programs on the travel and tourism industry, including administering the Survey of International Air Travelers (SIAT). The proposed Travel and Tourism unit would have absorbed existing ITA authorities to promote exports and competitiveness of the travel and tourism industry.<sup>21</sup>

The proposal would have transferred existing staff and budget from Industry and Analysis's National Travel and Tourism Office (\$12.0 million) to the new unit, and requested an additional \$3.5 million to set up the new unit.<sup>22</sup>

Neither the Senate committee-reported bill nor the House introduced bill included specific funding for the proposed Travel and Tourism unit.

The Explanatory Statement accompanying the final agreement included "up to the requested level of \$3,500,000 for ITA to implement the 'Visit America Act,'" the act which established a new Assistant Secretary position in ITA for travel and tourism. The agreement did not specifically address the issue of reorganization.<sup>23</sup> ITA's FY2025 budget request, released in March 2024, did not include further plans for this proposal.

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

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

The President's FY2024 budget requested \$127.4 million for USITC, which is \$5.0 million less (-4.1%) than the FY2023 enacted amount. The Commission's independent budget submission to Congress requested \$131.0 million for FY2024, which is \$8.6 million (7.0%) more than the FY2023 enacted amount, and \$3.6 million more than the President's request.

The Senate committee-reported bill proposed \$122.4 million for USITC, which is equal to the FY2023 enacted amount. The Senate committee-reported amount is \$5.0 million less (-3.9%)

<sup>&</sup>lt;sup>20</sup> ITA, Congressional Budget Justification, p. 6.

<sup>&</sup>lt;sup>21</sup> ITA, Congressional Budget Justification, pp. 105 -112.

<sup>&</sup>lt;sup>22</sup> ITA, Congressional Budget Justification, p. 109.

<sup>&</sup>lt;sup>23</sup> Explanatory Statement accompanying H.R. 4366, *Congressional Record*, vol. 170, part 39 (March 5, 2024), p. S1398.

than the President's request and \$8.6 million less (-6.6%) than the Commission's independent request.  $^{\rm 24}$ 

The House-introduced bill provided \$122.4 million in appropriations for USITC. The proposal was equal to the amount enacted through FY2023 direct appropriations, and \$5.0 million less (-3.9%) than the President's request.

The Consolidated Appropriations Act, 2024 (P.L. 118-42), provided \$122.0 million in funding for USITC. The enacted amount is \$400,000 less (-0.3%) than the amount enacted through FY2023 direct appropriations, and \$5.4 million less (-4.2%) than the President's request.

## 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.<sup>25</sup> As part of 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 or other trade initiatives, and to resolve disputes, and it participates in global trade policy organizations such as the World Trade Organization. USTR also meets with business groups, policymakers, and public interest groups on trade policy issues, and manages the U.S. advisory committee system for public and private sector input in U.S. trade policy.<sup>26</sup>

In addition to providing direct appropriations for USTR, Congress can provide USTR supplementary funding from the congressionally established Trade Enforcement Trust Fund. USTR may use funding from this trust fund for certain trade enforcement activities, authorized by the Trade Facilitation and Trade Enforcement Act of 2015 (P.L. 114-125). See the section below, "Trade Enforcement Trust Fund (TETF), USTR" for more detail.

For FY2024, the Administration requested a total of \$77.9 million for USTR, including \$62.9 million in direct appropriations for salaries and expenses and \$15.0 million to be derived from the TETF for certain trade enforcement activities (see **Table 3**). The total request was \$1.9 million (2.5%) more than the FY2023 enacted amount.

The Senate committee-reported bill proposed a total of \$76.0 million, equal to the FY2023 enacted amount. The bill included \$61.0 million in direct appropriations for salaries and expenses and \$15.0 million to be derived from the TETF for certain trade enforcement activities. The Senate committee-reported amount was equal to FY2023 funding amount, and was \$1.9 million less (-2.4%) than the President's budget request.

The House-introduced bill provided a total of \$71.0 million in appropriations for USTR, including \$56.0 million for salaries and expenses and \$15.0 million to be derived from the TETF for certain trade enforcement activities. The total was \$5.0 million less (-6.6%) than the amount

<sup>&</sup>lt;sup>24</sup> S. Rept. 118-63, p. 181. For more on Section 337, see CRS In Focus IF12295, *An Introduction to Section 337 Intellectual Property Litigation at the U.S. International Trade Commission*, by Christopher T. Zirpoli.

<sup>&</sup>lt;sup>25</sup> USTR coordinates U.S. trade policy through the interagency process, as outlined by statute (see 19 U.S.C. 1872). 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?

<sup>&</sup>lt;sup>26</sup> For more on the advisory committee system, see "Advisory Committees," Office of the U.S. Trade Representative, https://ustr.gov/about-us/advisory-committees.

enacted through FY2023 direct appropriations, and \$6.9 million less (-8.8%) than the President's request.

The Consolidated Appropriations Act, 2024 (P.L. 118-42), provided a total of \$74.0 million in appropriations for USTR, including \$59.0 million for salaries and expenses and \$15.0 million to be derived from the TETF for certain trade enforcement activities. The total was \$2.0 million less (-2.6%) than the amount enacted through FY2023 direct appropriations, and \$3.9 million less (-5.0%) than the President's request.

|   | FY2023  | FY2024  |                             |  |         |  |  |
|---|---------|---------|-----------------------------|--|---------|--|--|
|   | Enacted | Request | House<br>Introduced<br>Bill | Senate<br>Committee<br>-Reported<br>Bill | Enacted |  |  |
| USTR  | 76.0    | 77.9    | 71.0                        | 76.0                                     | 74.0    |  |  |
| Direct appropriation<br>for salaries and<br>expenses                              | 61.0    | 62.9    | 56.0                        | 61.0                                     | 59.0    |  |  |
| Funding to be derived<br>from TETF for certain<br>trade enforcement<br>activities | 15.0    | 15.0    | 15.0                        | 15.0                                     | 15.0    |  |  |

## Table 3. USTR: FY2023-FY2024 Regular Appropriations Millions of Current U.S. Dollars

**Sources:** For FY2023-enacted amounts, see P.L. 117-328. For the FY2024 request, see the Appendix tables to the President's budget; H.R. 5893 and House Committee Print 118-12; S. 2321; P.L. 118-42.

**Notes:** The totals exclude supplemental funding from USMCA. TETF = Trade Enforcement Trust Fund, authorized by the Trade Facilitation and Trade Enforcement Act of 2015 (19 U.S.C. §4405).

## Selected Trade-Related Programs and Activities

#### 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.<sup>27</sup> ITA's Office of China Compliance was established by the Consolidated Appropriations Act, 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.<sup>28</sup>

<sup>&</sup>lt;sup>27</sup> 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." For more on trade remedies, see CRS In Focus IF10018, *Trade Remedies: Antidumping and Countervailing Duties*, by Christopher A. Casey.

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

ITA's FY2024 budget justification requested \$16.4 million, within ITA's budget, for China AD/CVD enforcement and compliance activities in FY2024, which is equal to the FY2023 enacted level. Both the Senate committee-reported bill and the House introduced bill also proposed \$16.4 million for these activities.

The Consolidated Appropriations Act, 2024 (P.L. 118-42) provided \$16.4 million for China AD/CVD enforcement and compliance activities, an amount equal to the FY2023 enacted amount.

### Survey of International Air Travelers (SIAT), ITA

The Survey of International Air Travelers (SIAT), a program within ITA's Industry and Analysis unit, 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. Since FY2020, congressional appropriators have provided specific funding for SIAT or have directed ITA regarding study and support of the travel industry.

For FY2024, the Administration's budget request proposed a reorganization of ITA's travel and tourism activities, out of Industry and Analysis and into a newly proposed unit, the Travel and Tourism unit. The Administration's budget does not provide a detailed funding level for SIAT within the Travel and Tourism unit. (See "Travel and Tourism (Proposed Unit).")

Neither the Senate committee-reported bill nor the House-introduced bill specifically address SIAT or the Travel and Tourism unit. The final agreement also did not provide specific funding or directives regarding SIAT.

### Trade Enforcement Trust Fund (TETF), USTR

To provide additional funding for trade enforcement activities, Congress established the Trade Enforcement Trust Fund (TETF), in Section 611 of the Trade Facilitation and Trade Enforcement Act of 2015 (P.L. 114-125). In Section 611, Congress directed the Secretary of the Treasury to transfer \$15.0 million annually into TETF from the general fund of Treasury and outlined authorized uses of the funds. Under Section 611(d) of this act, funds are available to USTR, "only as provided by appropriations Acts," for any of the following: (1) to monitor and enforce U.S. free trade agreements and World Trade Organization (WTO) commitments; (2) to support trade capacity-building assistance to help partner countries meet their free trade agreement obligations and commitments; and (3) to investigate petitions concerning unfair trade practices under Section 301 of the Trade Act of 1974. The Trade Facilitation and Trade Enforcement Act of 2015 also authorizes USTR to transfer funds to select federal agencies for trade enforcement activities authorized in Section 611(d).

For FY2024, the Administration requested \$15.0 million to be derived from the TETF for USTR, for trade enforcement activities authorized by the Trade Facilitation and Trade Enforcement Act of 2015. The request is equal to the FY2023 enacted funding level.

The Senate committee-reported bill and the House introduced bill both proposed \$15.0 million to be derived from the TETF for USTR.

The Consolidated Appropriations Act, 2024 (P.L. 118-42), provided \$15.0 million to be derived from the TETF for USTR, an amount equal to the FY2023 enacted funding level.

| Millions of Current U.S. Dollars  |        |        |        |        |        |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|   | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
| Total (3 Agencies)  | 596.2  | 600.8  | 626    | 636.5  | 648.3  | 647    | 678.7  | 703    | 740    | 811.4  |
| ITA (total)   | 460.6  | 462.0  | 483.0  | 483.0  | 482.0  | 484.0  | 510.3  | 530.0  | 559.0  | 613.0  |
| Global Markets  | 312.0  | 311.8  | 324.4  | 319.2  | 319.2  | 320.0  | 333.0  | 340.8  | 352.1  | 374.0  |
| Enforcement and<br>Compliance   | 70.6   | 71.6   | 79.0   | 85.5   | 87.5   | 88.5   | 91.8   | 99.2   | 111.6  | 125.1  |
| Industry and Analysis   | 54.9   | 55.5   | 56.3   | 55.4   | 52.3   | 52.6   | 62.5   | 66.0   | 70.0   | 86.7   |
| Travel and Tourism <sup>a</sup>   | _      | _      | _      | _      | _      | _      | _      | _      | _      |        |
| Executive and<br>Administration   | 23.1   | 23.1   | 23.3   | 22.9   | 22.9   | 22.9   | 23.0   | 24.0   | 25.3   | 27.2   |
| USITC   | 83.0   | 84.5   | 88.5   | 91.5   | 93.7   | 95.0   | 99.4   | 103.0  | 110.0  | 122.4  |
| USTR (total) <sup>b</sup>   | 52.6   | 54.3   | 54.5   | 62.0   | 72.6   | 68.0   | 69.0   | 70.0   | 71.0   | 76.0   |
| Direct appropriation for salaries and expenses                                  | 52.6   | 54.3   | 54.5   | 47.0   | 57.6   | 53.0   | 54.0   | 55.0   | 56.0   | 61.0   |
| Funds to be derived<br>from TETF for certain<br>trade enforcement<br>activities | _      | _      | _      | 15.0   | 15.0   | 15.0   | 15.0   | 15.0   | 15.0   | 15.0   |

Table A-1. Budget Authority for ITA, USITC, and USTR: FY2014-FY2023

## Appendix. Budget Authority Table

Sources: Budget office, International Trade Administration (ITA), U.S. Department of Commerce. USITC and USTR figures from: FY2014: Joint explanatory statement to accompany P.L. 113-76. FY2015: Joint Explanatory Statement to accompany P.L. 113-235. FY2016: P.L. 114-113. FY2017: P.L. 115-31. FY2018: P.L. 115-141. FY2019: P.L. 116-6. FY2020: P.L. 116-93. FY2021: P.L. 116-260. FY2022: P.L. 117-103. FY2023: P.L. 117-328.

Notes: Totals may not sum due to rounding.

- a. Travel and Tourism was a newly proposed unit in the FY2024 budget. Division BB Title VI of the Consolidated Appropriations Act, 2023 (P.L. 117-328) created a new Assistant Secretary position for Travel and Tourism and expanded the scope of ITA's authorities in the sector.
- b. USTR totals exclude supplemental appropriations from USMCA. TETF = the Trade Enforcement Trust Fund, established by the Trade Facilitation and Trade Enforcement Act of 2015 (P.L. 114-125). Congress first provided funds for USTR to be derived from the Trade Enforcement Trust Fund in FY2017.

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