

UNITED STATES COURT OF INTERNATIONAL TRADE
Salaries and Expenses
SUMMARY STATEMENT OF ACCOUNT REQUIREMENTS

| | Mandatory | Discretionary | Total |
|---|--------------------|----------------------|---------------------|
| Total Fiscal Year 2019 Assumed Appropriation | \$2,087,000 | \$19,450,000 | \$21,537,000 |
| Total Fiscal Year 2020 Appropriation Request | \$2,099,000 | \$19,930,000 | \$22,029,000 |
| Total Requested Increase from Fiscal Year 2019 Assumed Appropriation | \$12,000 | \$480,000 | \$492,000 |

APPROPRIATION LANGUAGE

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of officers and employees of the court, services, and necessary expenses of the court, as authorized by law, [~~\$19,450,000~~]*\$19,930,000*.

In addition, there are appropriated such sums as may be necessary under current law for the salaries of the chief judge and judges of the court.

(H.R. 6147 - Financial Services and General Government Appropriations Act, 2019, updated to reflect the judiciary's fiscal year 2019 assumed appropriation)

**SUMMARY OF REQUEST
UNITED STATES COURT OF INTERNATIONAL TRADE
SALARIES AND EXPENSES
FISCAL YEAR 2020
(Dollar amounts in thousands)**

Fiscal Year 2020 Resource Requirements:

| | Mandatory | | Discretionary | | Total | |
|---|------------|---------------|---------------|---------------|------------|---------------|
| | <u>FTE</u> | <u>Amount</u> | <u>FTE</u> | <u>Amount</u> | <u>FTE</u> | <u>Amount</u> |
| Fiscal Year 2019 Assumed Obligations | 9 | 2,087 | 68 | 20,461 | 77 | 22,548 |
| Utilization of Electronic Public Access Receipts and Judiciary Information Technology Fund Balances | - | - | - | (1,011) | - | (1,011) |
| Fiscal Year 2019 Assumed Appropriation | 9 | 2,087 | 68 | 19,450 | 77 | 21,537 |

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No. Adjustments to Base to Maintain Current Services:

A. Judges

Pay and benefit cost adjustments

| | | | | | | | |
|-----|---|---|---|---|---|---|---|
| 3.9 | 1. Annualization of assumed 2019 pay adjustment (1.4% for three months) | - | 7 | - | - | - | 7 |
| 3.9 | 2. Benefits increases | | | | | | |
| | a. Health benefits increase..... | - | 2 | - | - | - | 2 |
| | b. FICA adjustment..... | - | 3 | - | - | - | 3 |

B. Court Support Personnel and Programs

Pay and benefit cost adjustments

| | | | | | | | |
|------|---|---|---|---|-----|---|-----|
| 3.10 | 3. Annualization of assumed 2019 pay adjustment (1.9% for three months) | - | - | - | 32 | - | 32 |
| 3.10 | 4. Promotions and within-grade increases..... | - | - | - | 50 | - | 50 |
| 3.10 | 5. Benefits increases | | | | | | |
| | a. Health benefits increase..... | - | - | - | 27 | - | 27 |
| | b. FICA adjustment..... | - | - | - | 3 | - | 3 |
| | c. FERS adjustment..... | - | - | - | 119 | - | 119 |
| 3.11 | 6. One more compensable day..... | - | - | - | 35 | - | 35 |

**SUMMARY OF REQUEST
 UNITED STATES COURT OF INTERNATIONAL TRADE
 SALARIES AND EXPENSES
 FISCAL YEAR 2020
 (Dollar amounts in thousands)**

| | Mandatory | | Discretionary | | Total | |
|---|------------|---------------|---------------|---------------|------------|---------------|
| | <u>FTE</u> | <u>Amount</u> | <u>FTE</u> | <u>Amount</u> | <u>FTE</u> | <u>Amount</u> |
| C. Other Adjustments | | | | | | |
| General Inflationary Adjustments | | | | | | |
| 3.11 7. Inflationary increases in charges for contracts, services, supplies, and equipment | - | - | - | 30 | - | 30 |
| 3.11 8. GSA rent increase..... | - | - | - | 174 | - | 174 |
| 3.11 9. Increases in FPS basic/building specific security surcharges..... | - | - | - | 10 | - | 10 |
| Subtotal, Adjustments to Base to Maintain Current Services..... | - | 12 | - | 480 | - | 492 |
| Total Fiscal Year 2020 Appropriation Required..... | 9 | 2,099 | 68 | 19,930 | 77 | 22,029 |

Financing the Fiscal Year 2020 Request:

| | | | | | | |
|--|----------|--------------|-----------|---------------|-----------|---------------|
| Total Appropriation Required, Fiscal Year 2020..... | 9 | 2,099 | 68 | 19,930 | 77 | 22,029 |
| 3.12 Utilization of Electronic Public Access Receipts and Judiciary Information Technology Fund Balances | - | - | - | 432 | - | 432 |
| Total Estimated Obligations, Fiscal Year 2020..... | 9 | 2,099 | 68 | 20,362 | 77 | 22,461 |

**UNITED STATES COURT OF INTERNATIONAL TRADE
SALARIES AND EXPENSES
Obligations by Activity (\$000)**

| Activity | Fiscal Year 2018 Actual | Fiscal Year 2019 Assumed Obligations/ Appropriation | Fiscal Year 2020 Request |
|---|----------------------------|--|-----------------------------|
| Salaries and Expenses, Total Obligations | 21,102 | 22,548 | 22,461 |
| Unobligated Balance, Start of Year | | | |
| Judiciary Information Technology Fund | (1,054) | (1,379) | (400) |
| Prior year recoveries | (87) | | |
| New Deposits | (1,169) | - | - |
| Unobligated Balance, End of Year | | | |
| Judiciary Information Technology Fund | 1,379 | 400 | - |
| Total Direct Obligations | 20,172 | 21,569 | 22,061 |
| Unobligated Balance, expiring | 339 | - | - |
| Available Appropriation | 20,511 | 21,569 | 22,061 |
| Less offsets from: | | | |
| Electronic Public Access | (31) | (32) | (32) |
| Appropriation Required (Direct) - Total | 20,480 | 21,537 | 22,029 |
| Appropriation Required - Mandatory | 1,591 | 2,087 | 2,099 |
| Appropriation Required - Discretionary | 18,889 | 19,450 | 19,930 |

Object Classification (\$000)

| Description | Fiscal Year 2018 Actual | Fiscal Year 2019 Assumed Obligations | Fiscal Year 2020 Request |
|--|----------------------------|--|-----------------------------|
| 11 Personnel compensation | 6,861 | 8,625 | 8,740 |
| 12 Personnel benefits | 1,865 | 2,424 | 2,586 |
| 21 Travel | 103 | 105 | 102 |
| 22 Transportation of things | 16 | 20 | 20 |
| 23 Rent, communications and utilities | | | |
| <i>Rental payments to GSA</i> | 7,321 | 8,677 | 8,851 |
| <i>Communications, utilities & misc. charges</i> | 94 | 30 | 20 |
| 24 Printing and reproduction | 2 | 8 | 8 |
| 25 Other services | 2,664 | 1,503 | 1,348 |
| 25.3 Building specific security surcharge | 483 | 500 | 510 |
| 26 Supplies and materials | 62 | 56 | 41 |
| 31 Equipment | 432 | 568 | 202 |
| 91 Undefined Disbursements ¹ | 1,200 | 32 | 32 |
| Total obligations² | 21,102 | 22,548 | 22,461 |

1/ Deposited into JITF fund

2/ Includes JITF obligations of \$930,000 in fiscal year 2018, \$979,000 in fiscal year 2019, and \$432,000 in fiscal year 2020.

UNITED STATES COURT OF INTERNATIONAL TRADE
Salaries & Expenses
Relation of Obligations to Outlays (\$000)

| | Fiscal Year 2018 Actual | Fiscal Year 2019 Assumed Obligations | Fiscal Year 2020 Request | Difference (+) or (-) |
|---|----------------------------|--|-----------------------------|--------------------------|
| Obligations incurred, net | 20,172 | 22,548 | 22,461 | (87) |
| Obligated balance, start of year | 9,697 | 9,361 | 9,922 | 561 |
| Adjustment of prior year activity | (107) | (113) | (114) | (1) |
| Obligated balance, end of year | (9,361) | (9,922) | (9,941) | (19) |
| Total Outlays | 20,401 | 21,874 | 22,328 | 454 |
| Less Judiciary Information Technology Fund Obligations | <u>(930)</u> | <u>(979)</u> | <u>(432)</u> | <u>547</u> |
| Net Outlays | 19,471 | 20,895 | 21,896 | 1,001 |

Personnel Summary

| | Fiscal Year 2018 Actual | Fiscal Year 2019 Assumed FTE | Fiscal Year 2020 Request | Difference (+) or (-) |
|---|----------------------------|------------------------------------|-----------------------------|--------------------------|
| Total compensable workyears: Full-time equivalent employment | 60 | 77 | 77 | 0 |

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

Summary of Mandatory Costs

| | Fiscal Year 2019 | | Fiscal Year 2020 | | |
|--------------------|-------------------|-----------------------------------|-------------------|-----------------------------------|------------------|
| | No. of Judgeships | Compensation and Benefits (\$000) | No. of Judgeships | Compensation and Benefits (\$000) | Increase (\$000) |
| Article III Judges | 9 | 2,087 | 9 | 2,099 | 12 |
| | | | | | |

GENERAL STATEMENT AND INFORMATION

The United States Court of International Trade (the Court), with nine authorized Article III judgeships, has exclusive nationwide jurisdiction of civil actions against the United States, its agencies and officers, and certain civil actions brought by the United States, arising out of import transactions and the administration and enforcement of the federal customs and international trade laws. In keeping with its national jurisdiction, sessions of the Court may be held throughout the country.

The estimates under this title are to provide for the salaries of the judges and supporting personnel of the Court of International Trade, located in Manhattan, New York, and the necessary operating expenses of the Court. These operating expenses include internal courthouse security, Federal Protective Service (FPS) surcharges for basic and building-specific security services, GSA rent charges, travel, equipment maintenance contracts, cyclical maintenance of and upgrades to facilities, printing and binding, general office supplies, purchase of new/replacement office equipment and furniture, repair of existing equipment and furniture, access to legal research data bases, and acquisition and maintenance of legal reference materials.

The FY 2020 request for the Court of International Trade totals \$22,029,000 to support the operations of the Court at a current services level. The request includes \$2,099,000 for mandatory appropriations and \$19,930,000 for discretionary appropriations.

FISCAL YEAR 2019 APPROPRIATIONS ASSUMPTION

In the absence of enacted full year FY 2019 appropriations, the judiciary had to make funding assumptions in order to construct a FY 2020 budget request. The judiciary built the FY 2020 discretionary budget request for the U.S. Court of International Trade assuming the FY 2019 House and Senate mark level, which is \$19,450,000. This amount maintains current services in FY 2019.

For bill language, the judiciary used the language from H.R. 6147, the House-passed FY 2019 Financial Services and General Government appropriations bill, updated with the assumed funding level as described above, as the closest approximation of eventual enacted FY 2019 appropriations language.

After full year FY 2019 appropriations are enacted, the judiciary will re-estimate its FY 2020 budget request and transmit to the Appropriations Committees any changes to FY 2020 appropriations requirements and language.

The table below provides caseload data of the Court for FY 2013 through FY 2018.

Civil Action Cases

| Fiscal Year | Pending Beginning of Year | Received | Decided | Pending End of Year |
|-------------|---------------------------|----------|---------|---------------------|
| 2013 | 2,222 | 461 | 414 | 2,269 |
| 2014 | 2,269 | 301 | 544 | 2,026 |
| 2015 | 2,026 | 390 | 385 | 2,031 |
| 2016 | 2,031 | 270 | 489 | 1,812 |
| 2017 | 1,812 | 313 | 448 | 1,677 |
| 2018 | 1,677 | 242 | 428 | 1,491 |

JUSTIFICATION OF CHANGES

The FY 2020 budget request for the Court includes \$2,099,000 for mandatory appropriations and \$19,930,000 for discretionary appropriations. The discretionary request is a 2.5 percent increase over the FY 2019 appropriations assumption of \$19,450,000. The total increase reflects only the necessary adjustments to base to maintain current services. The Court requests no program increases for FY 2020.

ADJUSTMENTS TO BASE TO MAINTAIN CURRENT SERVICES

The following narrative provides information and justification for each of the adjustments to base for the Court.

A. JUDGES

1. Annualization of assumed 2019 pay adjustment

Mandatory Increase: \$7,000

The requested increase provides for the annualized costs of an assumed 2019 pay adjustment associated with the Employment Cost Index (ECI). Based on the FY 2019 appropriations action to date, federal pay rates for judges are assumed to increase by 1.4 percent, effective as of January 2019. The requested increase provides for the cost of three months (from October 2019 to December 2019) of the assumed 2019 pay

increase in FY 2020. (If Congress ultimately does not enact a 2019 pay adjustment for federal civilian workers, or if one is provided at a rate different than 1.4 percent for ECI, the judiciary will revise this line item in a FY 2020 budget re-estimate.)

2. Benefits increases

a. Health benefits

Mandatory Increase: \$2,000

Based on information from the Office of Personnel Management, health benefit premium contributions are projected to increase by an average of 1.2 percent both in January 2019 and January 2020. The requested increase annualizes the 2019 premium increase, and includes a nine-month provision for the increase anticipated for FY 2020.

b. FICA adjustment

Mandatory Increase: \$3,000

Based on information from the Social Security Administration, employer contributions to the Old Age, Survivor, and Disability Insurance (OASDI) portion of the FICA tax will increase in 2019. The salary cap for OASDI increased from \$128,400 to \$132,900 in January 2019. The requested

amount is needed to pay the Court's contribution in FY 2020.

B. PERSONNEL

Pay and Benefit Adjustments

3. Annualization of assumed 2019 pay adjustment

Requested Increase: \$32,000

The requested increase provides for the annualized costs of an assumed 2019 pay adjustment for Employment Cost Index (ECI) and locality pay. Based on the FY 2019 appropriations action to date, federal pay rates are assumed to increase by an average of 1.9 percent, effective as of January 2019. The requested increase provides for the cost of three months (from October 2019 to December 2019) of the assumed 2019 pay increase in FY 2020. (If Congress ultimately does not enact a 2019 pay adjustment for federal civilian workers, or if one is provided at a rate different than 1.9 percent, the judiciary will revise this line item in a FY 2020 budget re-estimate.)

4. Promotions and within-grade increases

Requested Increase: \$50,000

The requested increase provides for promotions and within-grade increases for personnel. The salary plan for judicial

support personnel provides for periodic within-grade increases for staff who receive at least a satisfactory performance rating.

5. Benefits increases

a. Health benefits

Requested Increase: \$27,000

Based on information from the Office of Personnel Management, health benefit premium contributions are projected to increase by an average of 1.2 percent both in January 2019 and January 2020. The requested increase annualizes the 2019 premium increase, and includes a nine-month provision for the increase anticipated for FY 2020.

b. FICA adjustment

Requested Increase: \$3,000

Based on information from the Social Security Administration, employer contributions to the Old Age, Survivor, and Disability Insurance (OASDI) portion of the FICA tax will increase in 2019. The salary cap for OASDI increased from \$128,400 to \$132,900 in January 2019. The requested amount is needed to pay the Court's contribution in FY 2020.

c. FERS adjustment

Requested Increase: \$119,000

Consistent with guidance from the Office of Management and Budget, funds are requested for an increase in the agency contribution rate to Federal Employee Retirement System (FERS) plans for FY 2020. For most employees, the agency contribution rate will increase from 13.7 percent to 16.0 percent. Any FERS increase is in accordance with revised estimates of the cost of providing benefits by the Board of Actuaries of the Civil Service Retirement and Disability System.

6. One more compensable day

Requested Increase: \$35,000

There is one more compensable day in FY 2020 than in FY 2019. The requested amount increases personnel compensation and benefits associated with one more compensable day for biweekly paid employees.

C. OTHER ADJUSTMENTS

General Inflationary Adjustments

7. Inflationary increases in charges for contracts, services, supplies, and equipment

Requested Increase: \$30,000

Consistent with guidance from the Office of Management and Budget, this request of \$30,000 is required to fund inflationary increases of 2.0 percent for operating expenses such as travel, communications, printing, contractual services, supplies and materials, and furniture and equipment.

8. Inflationary increase in GSA space rental costs

Requested Increase: \$174,000

This request represents an inflationary increase of \$174,000 in the cost of GSA space rental charges for FY 2020.

**9. Increases in Federal Protective Service (FPS)
basic/building specific security surcharges**

Requested Increase: \$10,000

Based on the Department of Homeland Security's FPS estimate, an additional \$10,000 is needed to pay for increases in basic and building specific security surcharge costs in FY 2020. The building specific security surcharges provide for the Court's pro rata share of installing, operating, and maintaining the enhanced security for the Federal Complex in lower Manhattan.

FINANCING THE FISCAL YEAR 2020 REQUEST

**Utilization of Electronic Public Access Receipts and the
Judiciary Information Technology Fund**

Estimated Obligations: \$432,000

At the beginning of FY 2019, \$1,411,000 was available in carry forward balances from the Judiciary Information Technology Fund, including \$32,000 from Electronic Public Access receipts. Of this amount, the Court is planning to use \$979,000 during FY 2019 to:

- continue to contract for IT security services to enhance the Court's cybersecurity program;
- upgrade the Court's primary core switch;
- upgrade the Court's software maintenance and licensing

of existing software applications for major requirements, such as Microsoft and Linux;

- continue to maintain and support the video conferencing system, digital recording system, data network and voice connections, Virtual Private Network System, Voice Over Internet Protocol, and Judiciary Data Communications Network; and
- purchase computer desktop systems, monitors, laptops, tablets, and printers, according to the judiciary's cyclical replacement program.

At the beginning of FY 2020, the Court anticipates that \$432,000 will be available in carry forward balance into the Judiciary Information Technology Fund, including \$32,000 of EPA receipts. These funds will be used to continue the Court's information technology initiatives as described above and to support the short term and long term information technology needs.