

UNITED STATES COURT OF INTERNATIONAL TRADE

Salaries and Expenses

SUMMARY STATEMENT OF ACCOUNT REQUIREMENTS

	Mandatory	Discretionary	Total
Total Fiscal Year 2021 Enacted Appropriation	\$2,083,000	\$20,000,000	\$22,083,000
Total Fiscal Year 2022 Appropriation Request	\$2,172,000	\$20,675,000	\$22,847,000
Total Requested Increase from Fiscal Year 2021 Enacted Appropriation	\$89,000	\$675,000	\$764,000

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, [\$20,000,000]*\$20,675,000*.

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.

(P.L. 116-260 - Financial Services and General Government Appropriations Act, 2021)

SUMMARY OF REQUEST
UNITED STATES COURT OF INTERNATIONAL TRADE
SALARIES AND EXPENSES
FISCAL YEAR 2022
(Dollar amounts in thousands)

Fiscal Year 2022 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 2021 Assumed Obligations	9	2,083	68	21,024	77	23,107
Utilization of Electronic Public Access Receipts and Judiciary Information Technology Fund Balances ...	-	-	-	(1,024)	-	(1,024)
Fiscal Year 2021 Enacted Appropriation	9	2,083	68	20,000	77	22,083

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No. Adjustments to Base to Maintain Current Services:

A. Judges

Pay and Benefit Adjustments

3.9	1. Proposed 2022 pay adjustment (1.0% for nine months)	-	53	-	-	-	53
3.9	2. Annualization of 2021 pay adjustment (1.0% for three months)	-	24	-	-	-	24
3.9	3. Benefits increases						
	a. Health benefits	-	8	-	-	-	8
	b. FICA adjustment	-	4	-	-	-	4

B. Personnel

Pay and Benefit Adjustments

3.10	4. Proposed 2022 pay adjustment (1.0% for nine months)	-	-	-	54	-	54
3.10	5. Annualization of 2021 pay adjustment (1.0% for three months)	-	-	-	18	-	18
3.10	6. Promotions and within-grade increases	-	-	-	54	-	54
3.10	7. Benefits increases						
	a. Health benefits	-	-	-	65	-	65
	b. FICA adjustment	-	-	-	3	-	3
	c. FERS adjustment	-	-	-	54	-	54

**SUMMARY OF REQUEST
UNITED STATES COURT OF INTERNATIONAL TRADE
SALARIES AND EXPENSES
FISCAL YEAR 2022
(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	8. Inflationary increases in charges for contracts, services, supplies, and equipment.....	-	-	-	40	-	40
3.11	9. Inflationary increase and adjustments in GSA space rental costs.....	-	-	-	205	-	205
3.12	10. Increase in FPS basic/building specific security surcharges.....	-	-	-	182	-	182
Subtotal, Adjustments to Base to Maintain Current Services.....		-	89	-	675	-	764
Total Fiscal Year 2022 Appropriation Required.....		9	2,172	68	20,675	77	22,847

Financing the Fiscal Year 2022 Request:

Total Appropriation Required, Fiscal Year 2022.....		9	2,172	68	20,675	77	22,847
3.12	Utilization of Electronic Public Access Receipts and Judiciary Information Technology Fund Balances ...	-	-	-	233	-	233
Total Estimated Obligations, Fiscal Year 2022.....		9	2,172	68	20,908	77	23,080

**UNITED STATES COURT OF INTERNATIONAL TRADE
SALARIES AND EXPENSES**

Obligations by Activity (\$000)

Activity	FY 2020 Actual	FY 2021 Assumed	FY 2022 Request
Total Obligations	22,290	23,107	23,080
Unobligated Balance, Start of Year:			
Judiciary Information Technology Fund	(1,423)	(1,191)	(200)
Deposits and Other Adjustments:			
Judiciary Information Technology Fund	(850)	(33)	(33)
Prior Year Recoveries	(184)		
Unobligated Balance, End of Year:			
Judiciary Information Technology Fund	1,191	200	0
<i>Subtotal, Other Obligations</i>	<i>(1,266)</i>	<i>(1,024)</i>	<i>(233)</i>
Direct Obligations	21,024	22,083	22,847
Unobligated Balance, End of Year	154	0	0
Offsetting Collections		0	0
Appropriation Total	21,178	22,083	22,847
Appropriation - Mandatory	1,614	2,083	2,172
Appropriation - Discretionary	19,564	20,000	20,675

Obligations by Budget Object Class (\$000)

Description	FY 2020 Actual	FY 2021 Assumed	FY 2022 Request
11 Personnel compensation	7,496	9,050	9,253
12 Personnel benefits	2,058	2,363	2,497
21 Travel	94	126	129
22 Transportation of things	18	46	47
23 Rent, communications and utilities			
<i>Rental payments to GSA</i>	8,151	8,891	9,096
<i>Communications utilities & misc. charges</i>	26	17	18
24 Printing and reproduction	3	3	3
25 Other services	2,085	1,250	1,455
26 Supplies and materials	25	46	47
31 Equipment	218	291	302
91 Undefined Disbursements (JITF Deposit)	850	0	0
Direct Obligations	21,024	22,083	22,847
Other Obligations (JITF Obligations)	1,266	1,024	233
Total Obligations	22,290	23,107	23,080

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

	FY 2020 Actual	FY 2021 Assumed Obligations	FY 2022 Request
Direct obligations incurred	21,024	22,083	22,847
Obligated balance, start of year	8,223	3,955	4,154
Adjustments of prior year activity	616	647	669
Obligated balance, end of year	<u>(3,955)</u>	<u>(4,154)</u>	<u>(4,298)</u>
Total Outlays	25,908	22,531	23,372
Less Offsets	<u>(33)</u>	<u>(33)</u>	<u>(33)</u>
Net Outlays	25,875	22,498	23,339

<u>UNITED STATES COURT OF INTERNATIONAL TRADE</u> <u>SALARIES AND EXPENSES</u> <u>Summary of Mandatory Costs</u>					
	<u>Fiscal Year 2021</u>		<u>Fiscal Year 2022</u>		<u>Increase</u> <u>(\$000)</u>
	<u>No. of Judgeships</u>	<u>Compensation and</u> <u>Benefits</u> <u>(\$000)</u>	<u>No. of Judgeships</u>	<u>Compensation and</u> <u>Benefits</u> <u>(\$000)</u>	
Article III Judges	9	2,083	9	2,172	89

GENERAL STATEMENT AND INFORMATION

The United States Court of International Trade, 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 databases, and acquisition and maintenance of legal reference materials.

The fiscal year (FY) 2022 request for the Court of International Trade totals \$22,847,000 to support the operations of the Court at a current services level. The request includes \$2,172,000 for mandatory appropriations and \$20,675,000 for discretionary appropriations.

The COVID-19 pandemic caused significant disruptions to courthouse operations. The Court revised its business practices to allow judges and staff to work remotely. The Court itself, for the first time, widely used videoconferencing to hold hearings and conduct court business. To ensure the success of these remote operations, the Court engaged with key stakeholders to determine how best to handle proceedings via videoconference. To date, this transition to using videoconferencing has been successful. While the Court was able to adjust to remote work using existing assets, it is upgrading information technology resources as necessary.

During FY 2020, the Court experienced an unprecedented increase in case filings. From FY 2019 to FY 2020, new case filings increased from 223 to 3,670 – an increase of over 1,500 percent. This massive increase is primarily due to novel challenges to recent applications of the federal trade laws. Based on commonalities in the claims of many of these new cases, the Court believes that it will be able to utilize case management approaches to preside over these additional cases with existing resources. The Court does not plan to seek significant additional funding to manage this increased workload.

FISCAL YEAR 2021 APPROPRIATION

The judiciary built the FY 2022 discretionary budget request for the U.S. Court of International Trade on the FY 2021 enacted appropriation, which is \$20,000,000. This amount maintains current services in FY 2021. For bill language, the judiciary used the language from P.L. 116-260, Financial Services and General Government Appropriations Act, 2021.

The table below provides caseload data of the Court for FY 2016 through FY 2020.

Civil Action Cases

Fiscal Year	Pending Beginning of Year	Received	Decided	Pending End of Year
2016	2,031	270	489	1,812
2017	1,812	313	448	1,677
2018	1,677	242	428	1,491
2019	1,491	223	631	1,083
2020	1,083	3,670	482	4,271

JUSTIFICATION OF CHANGES

The FY 2022 budget request for the Court includes \$2,172,000 for mandatory appropriations and \$20,675,000 for discretionary appropriations. The discretionary request is a 3.4 percent increase over the FY 2021 enacted appropriation of \$20,000,000. The total increase reflects only the necessary adjustments to base to maintain current services. The Court requests no program increases in FY 2022.

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. Proposed 2022 pay adjustment

Mandatory Increase: \$53,000

The judiciary is assuming federal pay rates will increase by 1.0 percent in January 2022. The requested increase provides for the cost of nine months of the anticipated adjustment raise in FY 2022, from January 2022 to September 2022. (If the pay adjustment included in the President's FY 2022 budget request is different than 1.0 percent, the judiciary will revise this line item in its FY 2022 budget re-estimate.)

2. Annualization of 2021 pay adjustment

Mandatory Increase: \$24,000

The requested increase provides for the annualized costs of a 2021 Employment Cost Index pay adjustment. Based on the enacted appropriation, federal pay rates for judges increased by 1.0 percent, effective as of January 2021. The requested increase provides for the cost of three months (from October 2021 to December 2021) of the 2021 pay increase in FY 2022.

3. Benefits increases

a. Health benefits

Mandatory Increase: \$8,000

Based on information from the Office of Personnel Management, agency health benefit premium contributions are projected to increase by an average of 3.0 percent both in January 2021 and January 2022. The requested increase annualizes the 2021 premium increase and includes a nine-month provision for an estimated 3.0 percent increase anticipated for FY 2022.

b. FICA adjustment

Mandatory Increase: \$4,000

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 2021. The salary cap for OASDI increased from \$137,700 to \$142,800 in January 2021. The requested amount is needed to pay the agency's contribution in FY 2022.

B. PERSONNEL

Pay and Benefit Adjustments

4. Proposed 2022 pay adjustment

Requested Increase: \$54,000

The judiciary is assuming federal pay rates will increase by 1.0 percent in January 2022. The requested increase provides for the cost of nine months of the anticipated pay adjustment in FY 2022, from January 2022 to September 2022. (If the pay adjustment included in the President's FY 2022 budget request is different than 1.0 percent, the judiciary will revise this line item in its FY 2022 budget re-estimate.)

5. Annualization of 2021 pay adjustment

Requested Increase: \$18,000

The requested increase provides for the annualized costs of a 2021 Employment Cost Index pay adjustment for federal civilian workers. Based on the enacted appropriation, federal pay rates increased by 1.0 percent, effective as of January 2021. The requested increase provides for the cost of three months (from October 2021 to December 2021) of the 2021 pay increase in FY 2022.

6. Promotions and within-grade increases

Requested Increase: \$54,000

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.

7. Benefits increases

a. Health benefits

Requested Increase: \$65,000

Based on information from the Office of Personnel Management, agency health benefit premium contributions are

projected to increase by an average of 3.0 percent in both January 2021 and January 2022. The requested increase annualizes the 2021 premium increase and includes a nine-month provision for an estimated 3.0 percent increase anticipated for FY 2022.

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 2021. The salary cap for OASDI increased from \$137,700 to \$142,800 in January 2021. The requested amount is needed to pay the agency's contribution in FY 2022.

c. FERS adjustment

Requested Increase: \$54,000

Consistent with guidance from the Office of Management and Budget, funds are requested for an increase in the agency contribution rate to Federal Employees Retirement System (FERS) plans for FY 2022. For most employees, the agency contribution rate will increase from 17.3 percent to 18.4 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.

C. OTHER ADJUSTMENTS

General Inflationary Adjustments

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

Requested Increase: \$40,000

Consistent with guidance from the Office of Management and Budget, this requested increase is required to fund inflationary adjustments of 2.0 percent for operating expenses such as travel, communications, printing, contractual services, supplies and materials, furniture, and equipment.

9. Increase in GSA space rental costs

Requested Increase: \$205,000

This request represents the projected increase of \$205,000 in the cost of GSA space rental charges for FY 2022.

**10. Increase in Federal Protective Service (FPS)
basic/building specific security surcharges**

Requested Increase: \$182,000

Based on the Department of Homeland Security's FPS's estimate, an increase of \$182,000 in basic and building specific security surcharge costs is expected in FY 2022. 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 2022 REQUEST

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

Estimated Obligations: \$233,000

At the beginning of FY 2021, \$1,224,000 was available in carryforward balances from the Judiciary Information Technology Fund, including \$33,000 from Electronic Public Access receipts. Of this amount, the Court is planning to use \$1,024,000 during FY 2021 to:

- upgrade audio/video in the Court's training & conference rooms;
- cyclically upgrade the Court's VoIP desk phones and conference phones;

- implement a software-defined network management solution;
- upgrade cabling infrastructure within the courthouse, including the data center and network closets;
- continue licensing and maintenance of court IT hardware and software applications;
- continue to maintain and support digital recording system, data network and voice connections, Virtual Private Network System (VPN), Voice Over Internet Protocol (VOIP), and Judiciary Data Communications Network (DCN); and
- purchase computer desktop systems, monitors, laptops, mobile devices, and printers, according to the judiciary's cyclical replacement program and as necessary to facilitate videoconference needs.

At the beginning of FY 2022, the Court anticipates that \$233,000 will be available in carryforward balances into the Judiciary Information Technology Fund, including \$33,000 of EPA receipts. These funds will be used to continue the Court's information technology initiatives as described above and to support its short-term and long-term IT needs.