



International Affairs Budget Update March 29, 2019

- **Senate Budget Resolution Introduced: Makes Deep Cuts to Spending**
- **Global Development Legislation an Early Priority for 116th Congress**
- **Bipartisan Congressional Champions Defend the International Affairs Budget**

1. Senate Budget Resolution Introduced: Makes Deep Cuts to Spending

This week, **Senate Budget Committee Chairman Mike Enzi (R-WY)** released an FY20 Budget Resolution, which was approved by the committee on a party-line vote. The resolution sets out **\$542 billion for non-defense discretionary spending** – \$55 billion (9%) below the FY19 enacted level and consistent with the FY20 Budget Control Act (BCA) cap.

The budget resolution does not specify how the proposed spending reductions would be distributed across federal agencies – including the State Department and USAID. However, if the 9% cut were applied across the board, base funding for the International Affairs Budget would see a cut of \$4.4 billion from the FY19 enacted level of \$48.1 billion.

It also does not specify the Overseas Contingency Operations (OCO) funding breakdown between defense and international affairs, but rather provides an overall total of \$67 billion for OCO – \$10 billion below current levels and \$107 billion less than the Administration's FY20 request. Given that the overall OCO level provided in the resolution is \$2 billion below what Congress provided in OCO funding for the Defense Department *alone* in FY19, it is unlikely that the resolution includes any OCO funding for the International Affairs Budget. As a reminder, the FY19 enacted level of \$56.1 billion for the International Affairs Budget included \$8 billion in OCO funding.

While the budget resolution would allow for an increase to defense discretionary spending if Congress approves a budget deal that raises discretionary spending caps, no similar allowance is made for non-defense discretionary spending. **Senator Patty Murray (D-WA)** offered an amendment to ensure "parity" – or equivalent increases in defense and non-defense discretionary spending – in any budget deal, but it was rejected on a party-line vote.

Traditionally, a budget resolution provides important guidelines for topline spending levels but with bipartisan Members of Congress focused on reaching an agreement to lift spending caps, the resolution is less salient in this regard.

Next Steps

In a divided Congress, the non-binding budget resolution will not be taken up in the House and it may not even be considered by the full Senate. Across the Capitol, House **Budget Committee Chairman John Yarmuth (D-KY)** may forego a budget resolution entirely and instead take up legislation to raise the spending caps.

2. Global Development Legislation an Early Priority for 116th Congress

In just the first few months of the 116th Congress, several bipartisan bills have been introduced that seek to strengthen America's development and diplomacy programs. This early momentum sends a clear message that Members on both sides of the aisle are

committed to building on the work of the 115th Congress to strengthen and enhance foreign assistance programs.

- **Global Fragility Act ([H.R.1580/S.727](#))**. Led by **Reps. Eliot Engel (D-NY)** and **Michael McCaul (R-TX)** and **Senators Chris Coons (D-DE)** and **Lindsey Graham (R-SC)**, the legislation would establish a strategy and inter-agency initiative to reduce and address the causes of violence in fragile states.
- **H.Res.220 ([H.Res.220](#))**. Introduced by **Reps. Eliot Engel (D-NY)**, **Michael McCaul (R-TX)**, **Nita Lowey (D-NY)**, and **Hal Rogers (R-KY)**, this resolution recognizes the interdependence of diplomacy, development, and defense as critical to effective national security.
- **Championing American Business Through Diplomacy Act ([H.R.1704](#))**. Introduced by **Reps. Michael McCaul (R-TX)** and **Eliot Engel (D-NY)**, the bill aims to bolster U.S. business competitiveness abroad by prioritizing economic and commercial diplomacy.
- **Women and Countering Violent Extremism Act ([H.R.1653](#))**. Led by **Reps. Lois Frankel (D-FL)** and **Steve Chabot (R-OH)**, the legislation seeks to increase women's participation in combating violent extremism and terrorism.

3. Congressional Champions Defend the International Affairs Budget

This week, Secretary of State Pompeo testified in back-to-back hearings before the House State-Foreign Operations Appropriations Subcommittee and the House Foreign Affairs Committee on the Administration's FY20 International Affairs Budget request. On a bipartisan basis, Members rejected the Administration's proposed 24% cut and highlighted the wide-ranging consequences of cuts to development assistance, global health funding, humanitarian aid, and international organizations. Below are just a few key quotes from the hearings, which serve as a powerful reminder of Congress's bipartisan commitment to protect funding for programs that advance America's global leadership.

- **Rep. Nita Lowey (D-NY), Chairwoman of the House Appropriations Committee and State-Foreign Operations Subcommittee:** "These self-inflicted constraints compromise the quality of our efforts, make it harder to maintain American leadership in the world, create risk to our national security, and are a disservice to the American taxpayer. Our national security is strongest when development, diplomacy, and defense are all well-funded and equality prioritized." ([March 27, 2019](#))
- **Rep. Hal Rogers (R-KY), Ranking Member of the House Appropriations State-Foreign Operations Subcommittee:** "I firmly believe that strong investments in diplomatic and development programs are a central component of our national security. In fact, our most-senior military commanders have told us time and again that these critical tools help provide the means by which we prevent the need for military intervention. That's why I was once again disappointed, frankly, after reviewing the budget request for programs funded by this subcommittee." ([March 27, 2019](#))
- **Rep. Eliot Engel (D-NY), Chairman of the House Foreign Affairs Committee:** "This budget request was dead the moment it arrived on Capitol Hill. I don't know whether this Administration really believes we can mount an effective foreign policy—one that advances American interests, values, and security—on a shoestring budget... or if the people calling the shots just don't care. But Congress won't stand by and see American leadership on the global stage undermined. And that's not just our opinion. That's the power of the purse. That's what we're supposed to do." ([March 27, 2019](#))

- **Rep. Michael McCaul (R-TX), Ranking Member of the House Foreign Affairs Committee:** “I believe that certain cuts can have unintended consequences that cost us more in the long term. This is especially true of cuts to critical humanitarian and developmental assistance programs that promote democracy, support economic growth, and provide lifesaving resources to bolster stability in areas at risk of terrorism and extremist ideologies. As the former Secretary of Defense Jim Mattis once said, ‘If you don’t fund the State Department fully, then I need to buy more ammunition.’” ([March, 27, 2019](#))

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