



Congress Rejects Administration's Proposal to Slash International Affairs Programs for Third Straight Year

USGLC Comparison of House and Senate Funding
Levels for the FY20 International Affairs Budget

September 27, 2019

Executive Summary

In March 2019, the USGLC released an [analysis](#) of the Administration’s FY20 budget request, which called for dangerous and disproportionate cuts to America’s development and diplomacy programs for the third year in a row. Since that time, both the House and Senate have taken decisive action to protect and strengthen the International Affairs Budget in FY20 – highlighting the continued strong bipartisan support for these programs on Capitol Hill.

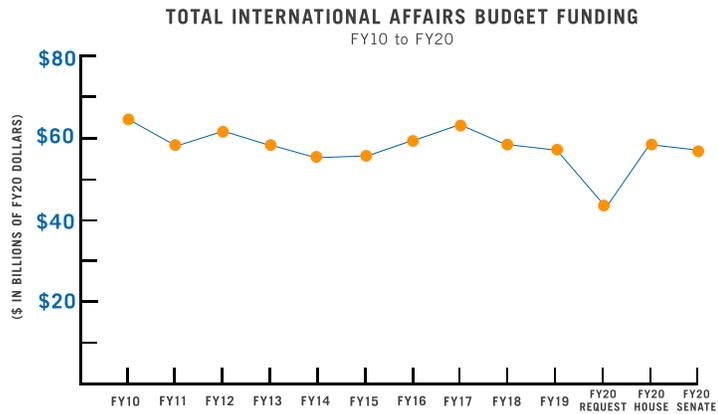
The topline funding levels for the FY20 International Affairs Budget provided by the House and Senate not only reject the Administration’s proposed deep cuts but also increase resources for these programs compared to the FY19 enacted level. The Senate Appropriations Committee provided a modest \$800 million (1.4%) increase while the House approved a more substantial \$2.3 billion (4%) increase in international affairs spending.

Of note, the House approved its topline funding levels before Congress and the Administration reached a bipartisan [budget deal](#) that raised the caps on defense and non-defense discretionary (NDD) spending for FY20 and, as a result, assumed a higher level for NDD spending than the budget deal allows.

Whether it is combating violence and instability, fighting the second largest Ebola outbreak ever, responding to the greatest number of displaced people in human history, or countering China’s rapid expansion across the developing world, the global challenges America faces are only growing. At the same time, funding for the State Department, USAID, and our other development agencies remains below the recent high-water mark of FY17.

USGLC commends bipartisan Members of Congress for once again rejecting the Administration’s proposed deep cuts to the International Affairs Budget and for standing up in support of strong and effective development and diplomacy programs. As work to finalize FY20 spending continues, the USGLC urges Congress to agree to – at a minimum – the House approved funding level for the International Affairs Budget, which moves closer to providing the resources needed to address today’s growing global threats.

A full analysis of the similarities and differences between the Administration’s FY20 budget request, the House proposal, and the Senate proposal follows.



INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

	FY19 Enacted	FY20 Request*	FY20 House	FY20 Senate
Base	\$48.1 billion	\$43.3 billion	\$50.4 billion	\$48.9 billion
OCO	\$8.0 billion	\$0 billion	\$8.0 billion	\$8.0 billion
Total	\$56.1 billion	\$43.3 billion	\$58.4 billion	\$56.9 billion

*CBO re-estimate of Administration’s request

I. Comparison of Select Key Accounts

Compared to the Administration’s request, both the House and Senate generally provide more resources for agencies and accounts funded through the International Affairs Budget. The House and Senate prioritized many of the same areas but differed on some issues, including UN peacekeeping, international organizations, and international food aid.

FY20 HOUSE AND SENATE COMPARISON

Similarities	Differences
<ul style="list-style-type: none"> ▪ Central America Strategy: Both the House and Senate fund the U.S. Strategy for Central America, the House approving \$541 million and the Senate \$515 million. ▪ Humanitarian Assistance: Both chambers continue support for humanitarian aid – the Senate maintains funding and the House includes a \$150 million increase compared to the FY19 enacted level. ▪ Contributions to International Financial Institutions (IFIs): The House and Senate both provide a \$174 million increase compared to FY19 enacted levels. ▪ Security Assistance: Both chambers hold funding essentially flat at FY19 funding levels. ▪ USAID Operating Expenses: The House and Senate increase funding compared to FY19, adding \$32 million and \$4 million, respectively. 	<ul style="list-style-type: none"> ▪ UN Peacekeeping: The House adds \$577 million compared to FY19 – largely to help pay down accumulated arrears – while the Senate provides a smaller \$26 million increase. ▪ Development Finance Corporation: The Senate fully funds the Administration’s \$300 million request for the new agency, while the House provides \$191 million. ▪ International Organizations: Compared to the Senate, the House provides \$269 million more for voluntary contributions and \$46 million more for assessed contributions to international organizations. ▪ National Endowment for Democracy: The Senate doubles funding for the program, while the House holds funding flat at \$180 million compared to FY19. ▪ Food for Peace: The House increases funding for the Food for Peace (PL 480/international food assistance) program by \$134 million, while the Senate maintains funding at the FY19 enacted level.

II. Notable Program and Policy Issues

Oversight and Accountability

In addition to rejecting the Administration's proposed budget cuts to international affairs programs, both the House and Senate prioritize strengthening Congressional oversight and protecting Congress's power of the purse in response to concerns regarding Administration overreach when it comes to withholding appropriated funds, personnel readiness shortfalls, and foreign assistance reviews.

- **Impoundment:** The House would extend the availability of funds targeted for rescission if they are in danger of expiring. The Senate suggests the "urgent need for updating and amending" the law governing impoundment and the presidential rescission process.
- **Personnel:** Both the House and Senate express concern about reductions to State Department and USAID staffing over the past three years. The House also increases funding for the State Department's Diplomatic Programs and USAID's Operating Expenses accounts in part to help restore both Foreign and Civil Service personnel to 2016 staffing levels.
- **Foreign Assistance Review:** The Senate prohibits the use of funds to implement an Administration-led foreign assistance review until the Government Accountability Office assesses the review and its recommendations. The House expresses concern that the Administration's "over-involve[ment]" in reviewing U.S. foreign assistance "needlessly hinders the execution of programming."

Development Finance Corporation

The House and Senate provide different levels of funding for the new U.S. International Development Finance Corporation (DFC) – authorized by the bipartisan BUILD Act – to modernize and expand America's development finance capabilities. The Senate fully funds the Administration's \$300 million request for the DFC, including \$98 million for administrative expenses and \$150 million for equity financing. In contrast, the House provides a total of \$191 million, focusing on setting up the new institution with \$101 million in administrative expenses, and providing \$50 million for equity financing. Of note, both the House and Senate follow the Administration's proposal to treat equity investments on a dollar-for-dollar basis, similar to grants, which could limit the DFC's ability to catalyze greater amounts of private investment.

Global Health

Both the House and Senate decisively reject the Administration’s proposal to dramatically cut funding for Global Health. The House provides \$9.3 billion and the Senate includes \$9.12 billion for these programs – increases of \$459 million (5%) and \$279 million (3%) respectively.

- As the Global Fund to Fight AIDS, Tuberculosis and Malaria’s Sixth Replenishment Conference approaches next month, both chambers increase the U.S. contribution to the Global Fund by \$210 million (16%). Additionally, the House and Senate maintain funding for Gavi, the Vaccine Alliance at the FY19 enacted level of \$290 million.
- The House maintains funding for bilateral HIV/AIDS programs at FY19 enacted levels, while the Senate cuts funding by \$50 million.

The House and Senate both increased funding for international family planning, rejecting the Administration’s proposed deep cuts, but had different reactions to its application of the Mexico City Policy, also known as the Global Gag Rule.

- The House reverses the Mexico City Policy and provides \$806 million for family planning, including \$55 million for the UN Population Fund (UNFPA). This is a \$198 million (33%) increase over the FY19 enacted level.
- While the Senate maintains the Mexico City Policy, it sets out \$665 million for family planning, including \$32.5 million for the UNFPA and \$51 million in Economic Support Fund (ESF) resources. In total, the Senate provides a \$58 million (9%) increase for these programs compared to FY19.

Global Health*	FY18	FY19	FY20 Request	FY20 House	FY20 Senate
Bilateral PEPFAR	\$4.32 billion	\$4.37 billion	\$3.35 billion	\$4.37 billion	\$4.32 billion
Global Fund	\$1.35 billion	\$1.35 billion	\$958 million	\$1.56 billion	\$1.56 billion
USAID HIV/AIDS	\$330 million	\$330 million	\$0	\$330 million	\$330 million
Malaria	\$755 million	\$755 million	\$674 million	\$755 million	\$789 million
Tuberculosis	\$261 million	\$302 million	\$261 million	\$310 million	\$310 million
Maternal/Child Health	\$830 million	\$835 million	\$620 million	\$850 million	\$847 million
Vulnerable Children	\$23 million	\$24 million	\$0	\$24 million	\$26 million
Nutrition	\$125 million	\$145 million	\$79 million	\$145 million	\$150 million
Family Planning	\$608 million	\$608 million	\$259 million	\$806 million	\$665 million
Neglected Tropical Diseases	\$100 million	\$103 million	\$75 million	\$103 million	\$103 million
Global Health Security	\$73 million	\$100 million	\$90 million	\$100 million	\$100 million
Total	\$8.69 billion	\$8.84 billion	\$6.34 billion	\$9.3 billion	\$9.12 billion

**State Department and USAID Global Health accounts only, except for family planning.*

Development and Economic Assistance

For the third straight year, both the House and Senate reject the Administration’s proposed deep cuts and consolidation of several major accounts into a new Economic Support and Development Fund (ESDF).

Both chambers either maintain or increase funding for most development and economic assistance accounts. The one exception is the **Economic Support Fund** (ESF), which the House and Senate cut by \$1.6 billion (42%) and \$241 million (6%) respectively compared to the FY19 enacted level.

- The House includes a \$1.2 billion (39%) increase for **Development Assistance** (DA) and a \$15 million (4%) increase for the **Peace Corps**, while the Senate maintains the FY19 enacted level for both accounts.
- Both chambers provide a \$47 million (20%) increase for the **Democracy Fund**, a slight \$10 million increase for **Assistance to Europe, Eurasia and Central Asia** (AEECA), and maintain the FY19 enacted funding level for the **Millennium Challenge Corporation** (MCC).

Development and Economic Assistance	FY18 Enacted	FY19 Enacted	FY20 Request	FY20 House	FY20 Senate
ESDF	\$0	\$0	\$5.23 billion	\$0	\$0
DA	\$3 billion	\$3 billion	\$0	\$4.17 billion	\$3 billion
MCC	\$905 million	\$905 million	\$800 million	\$905 million	\$905 million
Peace Corps	\$410 million	\$411 million	\$396 million	\$425 million	\$411 million
USAID OE	\$1.35 billion	\$1.37 billion	\$1.28 billion	\$1.41 billion	\$1.38 billion
ESF	\$3.97 billion	\$3.72 billion	\$0	\$2.15 billion	\$3.48 billion
AEECA	\$750 million	\$760 million	\$0	\$770 million	\$770 million
Democracy Fund	\$216 million	\$227 million	\$0	\$274 million	\$274 million

Humanitarian Assistance

At a time of unprecedented humanitarian crises, both the House and Senate dismiss the Administration's latest proposal to slash humanitarian assistance by \$1.5 billion (19%) as well as its new proposal to consolidate most of this funding into a new USAID-administered International Humanitarian Assistance account. While the Senate essentially maintains funding for humanitarian assistance at the FY19 enacted level, the House increases funding for **Migration and Refugee Assistance (MRA)** by \$100 million and **International Disaster Assistance (IDA)** by \$50 million compared to the FY19 enacted levels.

Humanitarian Assistance	FY18 Enacted	FY19 Enacted	FY20 Request	FY20 House	FY20 Senate
Disaster Aid (IDA)	\$4.29 billion	\$4.39 billion	\$0	\$4.44 billion	\$4.39 billion
Humanitarian Assistance	\$0	\$0	\$5.97 billion	\$0	\$0
Refugees (MRA)	\$3.36 billion	\$3.43 billion	\$365 million	\$3.53 billion	\$3.43 billion
Emergency Refugees (ERMA)	\$1 million	\$1 million	\$0	\$1 million	\$0.1 million
Total	\$7.65 billion	\$7.82 billion	\$6.34 billion	\$7.97 billion	\$7.82 billion

Peacekeeping

In contrast to the Administration's proposed \$415 million cut, both the House and Senate increase funding for **UN peacekeeping**. The House boosts funding by \$577 million (37%), while the Senate provides a smaller increase of \$26 million (2%) compared to the FY19 enacted level.

- Neither the House nor the Senate include language raising the statutory cap of 25% on assessed contributions for UN peacekeeping for FY20, consistent with the Administration's request.
- The House specifies that \$479 million be used to pay down some of the \$776 million the U.S. has accumulated in peacekeeping arrears since FY17. This total – which would increase to nearly \$1 billion without intervention in FY20 – has built up over the past three years as a result of the U.S. contributing below the assessed rate of 28%.

With respect to **non-UN peacekeeping**, the House increases funding by \$28 million (6%) while the Senate cuts this account by \$17 million (4%) compared to the FY19 enacted level. Both funding levels are substantially higher than the Administration's proposal, which would cut non-UN peacekeeping funding nearly in half.

Peacekeeping	FY18 Enacted	FY19 Enacted	FY20 Request	FY20 House	FY20 Senate
UN Operations (CIPA)	\$1.38 billion	\$1.55 billion	\$1.14 billion	\$2.13 billion	\$1.58 billion
Non-UN Operations (PKO)	\$538 million	\$489 million	\$291 million	\$516 million	\$471 million
Total	\$1.92 billion	\$2.04 billion	\$1.43 billion	\$2.65 billion	\$2.05 billion

International Security Assistance

Rejecting the Administration's proposed \$1.7 billion (19%) cut to international security assistance, both the House and Senate largely maintain flat funding for these programs compared to the FY19 enacted level.

- **International Narcotics Control and Law Enforcement (INCLE):** Both the House and Senate cut funding for these programs by \$87 million (6%) and \$135 million (9%), respectively, compared to the FY19 enacted level.
- **Foreign Military Financing (FMF):** The House cuts funding by \$82 million (1%), while the Senate holds funding essentially flat at the FY19 enacted level.
- **Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR):** Compared to the FY19 enacted level, both chambers increase funding for these programs by \$22 million (3%) and \$96 million (11%), respectively.
- **International Military Education and Training (IMET):** The House maintains funding at the FY19 enacted level of \$111 million, while the Senate provides a \$4 million (4%) increase.

Multilateral Assistance and International Organizations

The House and Senate not only deny the Administration's proposal to eliminate funding for the **International Organizations and Programs (IO&P)** account, but they also increase funding for the account compared to the FY19 enacted level. The House provides a \$308 million (91%) increase for the account, which is the source of U.S. voluntary contributions to UN-affiliated and other international entities, while the Senate includes a \$39 million (12%) increase.

Both chambers also increase funding for U.S. contributions to **International Financial Institutions (IFIs)** by \$174 million (11%) and for **Contributions to International Organizations (CIO)** by \$160 million (12%) and \$114 million (8%), respectively, compared to the FY19 enacted levels. The Administration had proposed holding funding for IFIs flat and cutting the CIO account by \$347 million (25%).

Diplomatic Operations and Embassy Construction

The House provides a slight \$72 million (1%) increase for the **Diplomatic Programs** account, while the Senate cuts funding by \$279 million (3%) compared to the FY19 enacted level. By comparison, the Administration had requested a \$754 million (8%) cut.

Consistent with the Benghazi Accountability Review Board's recommendations for **Embassy Security Construction and Maintenance (ESCM)**, the House maintains funding at the FY19 enacted level. The Senate cuts funding by \$86 million (4%) and includes a rescission of \$242 million in previously enacted funding. The Administration had proposed a deep \$342 million (17%) cut to this account.

Environmental Programs

In contrast to the Administration’s proposal to slash biodiversity funding by \$204 million (72%) in FY20, both the House and Senate increase resources for these programs by \$10 million (4%) and \$29 million (10%), respectively, compared to the FY19 enacted level. Additionally, the House includes \$101 million to counter wildlife trafficking and poaching, a \$10 million (11%) increase compared to FY19, while the Senate holds funding flat at the FY19 enacted level of \$91 million.

In line with the Administration’s request, the Senate does not provide funding for the **Green Climate Fund** (GCF). While the House does not include a specific funding level for the GCF, it authorizes the use of FY20 or prior year economic assistance to meet the goals set out in the Paris Agreement on climate change. The House also restricts the Administration from using resources to withdraw from the Paris Agreement. Both chambers reject the Administration’s request to zero out U.S. contributions to the **Global Environment Facility** (GEF) and provide \$139.6 million for the Seventh Replenishment of the GEF Trust Fund.

Agencies Slated for Elimination

Both the House and Senate reject the Administration’s proposal to eliminate five agencies.

- **U.S. African Development Foundation:** The House maintains funding at the FY19 enacted level of \$30 million, while the Senate provides a \$3 million (10%) increase.
- **Asia Foundation:** Both chambers provide a \$2 million (12%) increase compared to the FY19 enacted level.
- **East-West Center:** Both the House and Senate maintain funding at the FY19 enacted level of \$17 million.
- **Inter-American Foundation:** The House includes a \$10 million (44%) increase, while the Senate boosts funding by \$15 million (67%) compared to the FY19 enacted level.
- **U.S. Trade and Development Agency (USTDA):** The House cuts funding by \$5 million (6%), while the Senate holds funding flat at the FY19 enacted level.

Food Aid Funding

For the third year in a row, both the House and Senate reject the Administration’s request to eliminate international food aid funding provided through the Agriculture Appropriations bill. Instead, the House provides a \$134 million (8%) increase for **Food for Peace** (PL 480, Title II) as well as a \$25 million (12%) boost for the **McGovern-Dole** International Food for Education and Child Nutrition Program compared to the FY19 enacted levels. The Senate maintains funding at the FY19 enacted level for both programs.

Food Aid	FY18 Enacted	FY19 Enacted	FY20 Request	FY20 House	FY20 Senate
Food for Peace/PL 480 Title II	\$1.72 billion	\$1.72 billion	\$0	\$1.85 billion	\$1.72 billion
McGovern-Dole	\$207.6 million*	\$210.3 million**	\$0	\$235 million***	\$210.3 million**
Total	\$1.92 billion	\$1.93 billion	\$0	\$2.09 billion	\$1.93 billion

**Includes \$10 million for local and regional procurement.*

***Includes \$15 million for local and regional procurement.*

****Includes \$25 million for local and regional procurement.*

III. What's Ahead

With the end of the fiscal year just three days away, the House and Senate have passed a Continuing Resolution (CR) that will keep the government funded through November 21. The President is expected to sign the CR in short order, averting a costly government shutdown for the time being.

However, House and Senate Appropriators still have a long road ahead when it comes to finalizing FY20 spending. Several contentious issues, including funding for a border wall, could complicate efforts to reach a final spending agreement before the current stopgap measure expires. If negotiations stall, Congress may need to pass another stopgap measure to provide additional time to strike a deal to fund the government for the remainder of FY20.

IV. Additional Information and Resources

- **USGLC Analysis of the Administration's FY20 International Affairs Budget Request**
<https://www.usglc.org/media/2019/03/USGLC-FY20-Budget-Analysis.pdf>
- **House FY20 State-Foreign Operations Appropriations Bill & Report**
<https://www.congress.gov/116/bills/hr2839/BILLS-116hr2839rh.pdf>
<https://www.congress.gov/116/crpt/hrpt78/CRPT-116hrpt78.pdf>
- **House FY20 Agriculture Appropriations Bill & Report**
<https://www.congress.gov/116/bills/hr3164/BILLS-116hr3164rh.pdf>
<https://www.congress.gov/116/crpt/hrpt107/CRPT-116hrpt107.pdf>
- **Senate FY20 State-Foreign Operations Appropriations Bill & Report**
<https://www.appropriations.senate.gov/imo/media/doc/FY2020%20SFOPS%20Appropriations%20Act,%20S.2583.pdf>
<https://www.appropriations.senate.gov/imo/media/doc/FY2020%20SFOPS%20Appropriations%20Act,%20Report%20116-126.pdf>
- **Senate FY20 Agriculture Appropriations Bill & Report**
<https://www.congress.gov/116/bills/s2522/BILLS-116s2522rs.pdf>
<https://www.congress.gov/116/crpt/srpt110/CRPT-116srpt110.pdf>

V. Account-by-Account Details

- Download the account-by-account details here:
https://www.usglc.org/media/2019/09/Account-by-Account-Summary_FY20-House-and-Senate-Comparison.xlsx