Senate Appropriations Committee Approves FY24 State-Foreign Operations Bill

JULY 25, 2023

Last week, the Senate Appropriations Committee approved its version of the State-Foreign Operations (SFOPS) bill that funds the vast majority of the International Affairs Budget.

The FY24 International Affairs Budget receives a total of $60.3 billion in non-emergency funding. This includes funding for international food assistance provided through the Senate FY24 Agriculture Appropriations bill and the small amount of funding for international programs provided through the Senate FY24 Commerce, Justice, and Science Appropriations bill. This represents a $1.3 billion (2%) cut compared to the FY23 enacted level and is $10.6 billion (15%) below the Administration's FY24 request. The Senate level is, however, $6 billion (11%) above the level approved by the House Appropriations Committee.

The Senate SFOPS bill also includes an **additional $3.25 billion in emergency funding**, including $2.5 billion for humanitarian assistance and $785 million in economic assistance. Importantly, this funding is not designated specifically for Ukraine, but is available to help address ongoing crises globally.

INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

FY23 Enacted*	FY24 Request**	FY24 House^	FY24 Senate^^
$61.6 billion	$70.9 billion	$54.4 billion	$60.3 billion

**Excludes $21.1 billion in primarily Ukraine-related emergency funding.*
***Reflects the Congressional Budget Office's re-estimate of the Administration's request.*
^Assumes the enactment of $11.1 billion in rescissions of prior-year Environmental Protection Agency (EPA) funding.
^^Excludes $3.25 billion in emergency funding.

During the mark-up, Members considered five amendments, three of which were adopted:

- A managers' package offered by **Senator Chris Coons (D-DE)** with 25 member amendments addressing various topics, including access to safe drinking water, global health, and State Department modernization. *Adopted by voice vote.*
- An amendment offered by **Senator Jeanne Shaheen (D-NH)** to increase the bilateral family planning account by $25 million and the United Nations Population Fund (UNFPA) account by $2.6 million. *Adopted by a recorded vote of 16-13.*

- An amendment offered by **Senator Marco Rubio (R-FL)** to prevent funding provided by the Creating Helpful Incentives to Produce Semiconductors (CHIPS) for America International Technology Security and Innovation fund from being used to support semiconductor production in the People's Republic of China (PRC). *Adopted by voice vote.*

USGLC released a statement welcoming this serious proposal but urged Congress and the Administration to fund the International Affairs Budget at no less than the current FY23 level as the absolute floor while also being prepared to provide additional supplemental resources necessary to respond to unprecedented emergency needs, such as standing with our Ukrainian allies against Putin's war of aggression.

Select Highlights

Below are select additional details on programmatic funding levels in the Senate SFOPS bill and report. Unless otherwise noted, all comparisons are to FY23 non-emergency enacted levels.

USGLC will later release a comprehensive analysis comparing the House and Senate proposals alongside the Administration's request for the FY24 International Affairs Budget.

- **Global Health:** The Senate bill includes $10.3 billion in non-emergency funding for global health, a $293 million (3%) cut. This is $660 million (6%) less than the Administration's FY24 request, but $249 million (2%) more than the House-approved level. Specifically, the Senate bill provides $350 million less for the Global Fund than was requested by the Administration and included in the House measure – though the bill expresses the intention to fully fund the U.S. contribution to the Global Fund once other donors meet their commitments.

- **Development and Economic Assistance:** The Senate bill reduces non-emergency funding for Development Assistance by $390 million (9%) and the Economic Support Fund (ESF) by $710 million (16%) and holds funding for Assistance to Europe, Eurasia, and Central Asia (AEECA) flat. This constrained funding is partially offset by the inclusion of $785 million in emergency ESF and AEECA funding in the Senate bill. Even with this addition, the Senate levels are significantly below the Administration's request. However, they are substantially higher than the overall House-approved level.

- **Humanitarian Assistance:** The Senate provides $6.6 billion in non-emergency funding for humanitarian assistance, a $221 million (3%) cut from the enacted FY23 level. However, the bill also includes $2.5 billion in emergency funding for humanitarian assistance. Combined, the total is $691 million above the FY23 enacted level and significantly higher than both the Administration's FY24 request and, especially, the House-approved level.

- **Peacekeeping:** The Senate bill holds funding for United Nations (UN) peacekeeping flat at the FY23 enacted level. While this is $459 million (24%) less than the Administration's request, it is $213 million (17%) above the House-approved level. Additionally, the Senate bill does not waive the 25% statutory cap on U.S. financial contributions to UN peacekeeping, meaning that the U.S. would continue to accrue arrears – which now total approximately $1.28 billion. The Senate bill cuts non-UN peacekeeping by $45 million (10%), providing $5 million less than both the Administration's request and the House bill.

- **UN and Other International Organizations:** The Senate bill includes a $185 million (13%) increase in funding for U.S. assessed contributions to the UN and other international organizations, while reducing funding for the International Organizations and Programs (IO&P) account, which covers voluntary contributions, by $40 million (8%). Combined, the total provided by the Senate for these two accounts is slightly below the levels requested by the Administration, but far above the levels included in the House bill.

- **U.S. International Development Finance Corporation (DFC):** Consistent with the Administration's request, the Senate bill increases funding for administrative expenses, program costs, and other expenses by $40 million (4%). This is $254 million (35%) above the House-approved level.

- **International Financial Institutions (IFIs):** The Senate bill increases overall funding for U.S. contributions provided through the Treasury Department to IFIs by $284 million (13%). Most of the additional funding is going to the Treasury International Assistance Program, which is designed to allow the Treasury Department to rapidly respond to emerging requirements at IFIs through the new Economic Resilience Initiative. The Senate total is $1.4 billion (35%) lower than the Administration's request, but $1 billion (62%) above the House level.

Other Funding and Policy Priorities

- **Countering Chinese Influence:** Consistent with the Administration's request, the bill provides $400 million for the Countering PRC Influence Fund, $75 million (23%) above the FY23 enacted level. In addition, the bill directs $1.9 billion in funding towards advancing U.S. interests in the Indo-Pacific region and countering malign PRC influence globally – $100 million (6%) above this year's level, but $248 million (12%) below the Administration's request and $2.1 billion (53%) below the House bill.

- **Food Security:** The bill includes $1.1 billion to support the Global Food Security Strategy, Feed the Future, and research and development initiatives at the U.S. Agency for International Development (USAID). This is $100 million (10%) above the FY23 enacted level and the level provided in the House-approved bill, but $78 million (7%) less than requested by the Administration.

- **Economic Resilience Initiative (ERI):** The Senate provides $565 million for a new multi-agency initiative designed to improve the ability of the United States and its friends and allies to withstand economic coercion and sustain economic growth.