USGLC 2023 NSAC HILL DAY

KEY ASKS

- **Support a strong and effective FY24 International Affairs Budget funded at no less than the FY23 enacted level of $61.6 billion as the absolute floor** – while also providing the additional emergency funding that is needed to ensure Ukraine's success, aid Israel, and meet other urgent threats to America's economic and security interests.
- Ensure the 118th Congress continues to **champion effective, accountable, and results-driven international affairs programs** that deliver a return on investment for American taxpayers.

KEY MESSAGES

- In the face of escalating global threats – from competition with China and conflict in the Middle East to Russia's war in Ukraine and historic humanitarian crises with skyrocketing levels of hunger, poverty, and migration worldwide – the **stakes could not be higher for America's global leadership** and our ability to advance the security and economic interests of American families.
- From rising prices to supply chain disruptions to unstable international markets, **global instability is affecting American families** – an acute reminder that what happens globally matters locally. The good news is that U.S. development, diplomacy, and foreign assistance programs are a proven investment in building a safer and more prosperous America.
- It is critical that **bipartisan Members of Congress and the Administration work together to ensure international affairs resources meet the needs on the global stage** and protect the security and economic interests of the American people.

TALKING POINTS

A SAFER, MORE SECURE AMERICA

- **FIRST LINE OF DEFENSE.** **Veterans and top military leaders** are the first to call for investments in diplomacy and development programs because they help stop threats before they reach our shores and keep U.S. servicemembers out of harm's way. In a recent letter to Congress, **110 former three- and four-star Generals and Admirals** warned that "shortchanging our nation's diplomacy and development tools would be a self-inflicted wound for protecting U.S. national security interests."
- **STRENGTHENING STABILITY.** More than **1 in every 4 countries** have populations facing severe hunger, exacerbating instability in hotspots around the world. U.S. foreign assistance is a critical tool to **prevent and reduce conflict** – helping stabilize fragile states, stem the drivers of food crises, and keep Americans safe at home.
- **COST-EFFECTIVE.** Every $1 the U.S. spends to prevent conflict **saves an estimated $16** in response costs – helping avoid direct military interventions that are more costly in lives and taxpayer dollars.

AMERICANS' ECONOMIC SECURITY

- **EASING ECONOMIC DISRUPTION.** The International Monetary Fund recently reported that global economic growth will slow in 2024 to a rate well below the historical average due in part to war-disrupted energy and food markets. Strong U.S. leadership on the world stage is critical to **protecting American jobs and growing America's economy** at a time of global economic uncertainty.

- **COMPETITING WITH CHINA.** China's development spending and financing has **increased by 430%** over the last ten years of available data – posing a direct challenge to America's strategic interests across the globe. As such, U.S. civilian diplomacy and development tools are central to a comprehensive strategy to compete with China and protect U.S. national security interests.
- **PROTECTING JOBS.** International trade supports **one in five jobs in the U.S.** and more than 95% of exporting companies are small and medium sized businesses. America's international affairs agencies enable U.S. businesses to compete in global markets – creating new jobs and growing our economy at a time of worldwide economic instability.

PROJECTING AMERICAN VALUES

- **SAVING LIVES.** **360 million people need humanitarian assistance globally**, a 30% increase from last year. America's development and diplomacy programs help save lives and alleviate suffering – strengthening global stability and showcasing the best of our nation's values.
- **PROTECTING FREEDOM.** Although the pace of rising authoritarianism has slowed, **global freedom and democracy has declined around the world for the 17th consecutive year**. With authoritarianism on the rise, U.S. leadership to strengthen democratic resilience advances America's security by promoting more peaceful, just, and stable societies.
- **PROVEN RESULTS.** As we marked its 20th anniversary this year, **PEPFAR has saved more than 25 million lives to date and built health systems for partner countries to confront other current and future health challenges beyond HIV/AIDS**, such as the COVID-19 pandemic and the 2014 West Africa Ebola outbreak.

MOBILIZING ACTION AND MAXIMIZING IMPACT

- **LEVERAGING PRIVATE SECTOR RESOURCES.** Recognizing that nearly 90% of financial flows to the developing world come from private sources, America's international affairs agencies continue to **prioritize public-private partnerships** – leveraging public funds to catalyze private sector expertise and resources on global challenges such as food insecurity, energy, and more.
- **BRINGING PARTNERS TO THE TABLE.** American leadership has helped to **mobilize international allies and partners** and strengthened their commitment to supporting Ukraine in its war with Russia. The European Union and its member states are the largest contributors of economic and humanitarian aid to Ukraine, with **the U.S. now ranking sixteenth globally in its support to Ukraine as a percentage of GDP.**
- **PRIORITIZING COUNTRY ENGAGEMENT.** With its **focus on country-led development**, the U.S. is a more reliable partner than China for countries seeking sustainable growth. Through initiatives like Feed the Future and Power Africa, the U.S works with partner countries to develop better policies and empower them to **move from vulnerability to self-reliance**.

BUILDING CONSENSUS ACROSS PARTY LINES

- **BIPARTISAN SUPPORT.** Democrats and Republicans in Congress have long supported strong funding for the International Affairs Budget and have worked together to ensure America's development and diplomacy programs are **effective, accountable, and data driven**.
- **REFORM-MINDED.** Over the past decade, Congress has passed **more than 50 bipartisan bills** to reform U.S. diplomacy and development programs on issues ranging from food security to empowering women and girls to aid transparency.
- **UNITED FRONT.** It is a longstanding tradition for bipartisan Members of Congress to travel together abroad to advance U.S. foreign policy priorities and reinforce America's global leadership role. **America is strongest when we stand united on the world stage**.

INTERNATIONAL AFFAIRS BUDGET: STATE OF PLAY

International Affairs Budget Snapshot

FY23 Enacted*	FY24 Request**	FY24 House^	FY24 Senate^^
$61.6 billion	$70.9 billion	$53.4 billion	$60.3 billion

**Excludes $21.1 billion in primarily Ukraine-related emergency funding.*
***Reflects Congressional Budget Office's re-estimate of the Administration's request and excludes $11.6 billion in emergency funding for Ukraine and other emerging crises.*
^Assumes the enactment of $11.1 billion in rescissions of prior-year Environment Protection Agency (EPA) funding.
^^Excludes $3.25 billion in emerging funding.

FY24 Budget Proposals

The Administration's FY24 budget request, released in March, proposed a **$9 billion increase** for the International Affairs Budget compared to the FY23 non-emergency enacted level. Specifically, the request **includes $70.6 billion in discretionary non-emergency funding for the International Affairs Budget – 14.5% above the FY23 enacted level**. Above and beyond its discretionary funding proposal, the Administration's request includes **$13.1 billion in mandatory international affairs resources** to compete with the People's Republic of China (PRC).

On the other hand, the House and Senate Appropriations Committees' respective funding levels **fell short** of the Administration's request. The **House proposed a steep $7.2 billion (12%) cut** from the FY23 non-emergency enacted level, while the **Senate level is a more modest $1.2 billion (2%) lower** than the FY23 non-emergency enacted level.

FY24 Budget and Appropriations Update

On September 30, the House and Senate passed a 45-day continuing resolution (CR), which expires on November 17, that did not include emergency funds for Ukraine or other urgent global needs. The week prior, the House considered and passed the State-Foreign Operations (SFOPS) bill by a largely party-line vote of 216 to 212.

The bill includes $8.2 billion in cuts – $7.2 billion of which were approved by the House Appropriations Committee and an additional $1 billion of which were approved through a Manager's Amendment – **13% lower than the FY23 enacted level**. All other amendments to cut additional funding, as well as two amendments to restrict assistance to Ukraine, were defeated on the House floor by overwhelming bipartisan majorities.

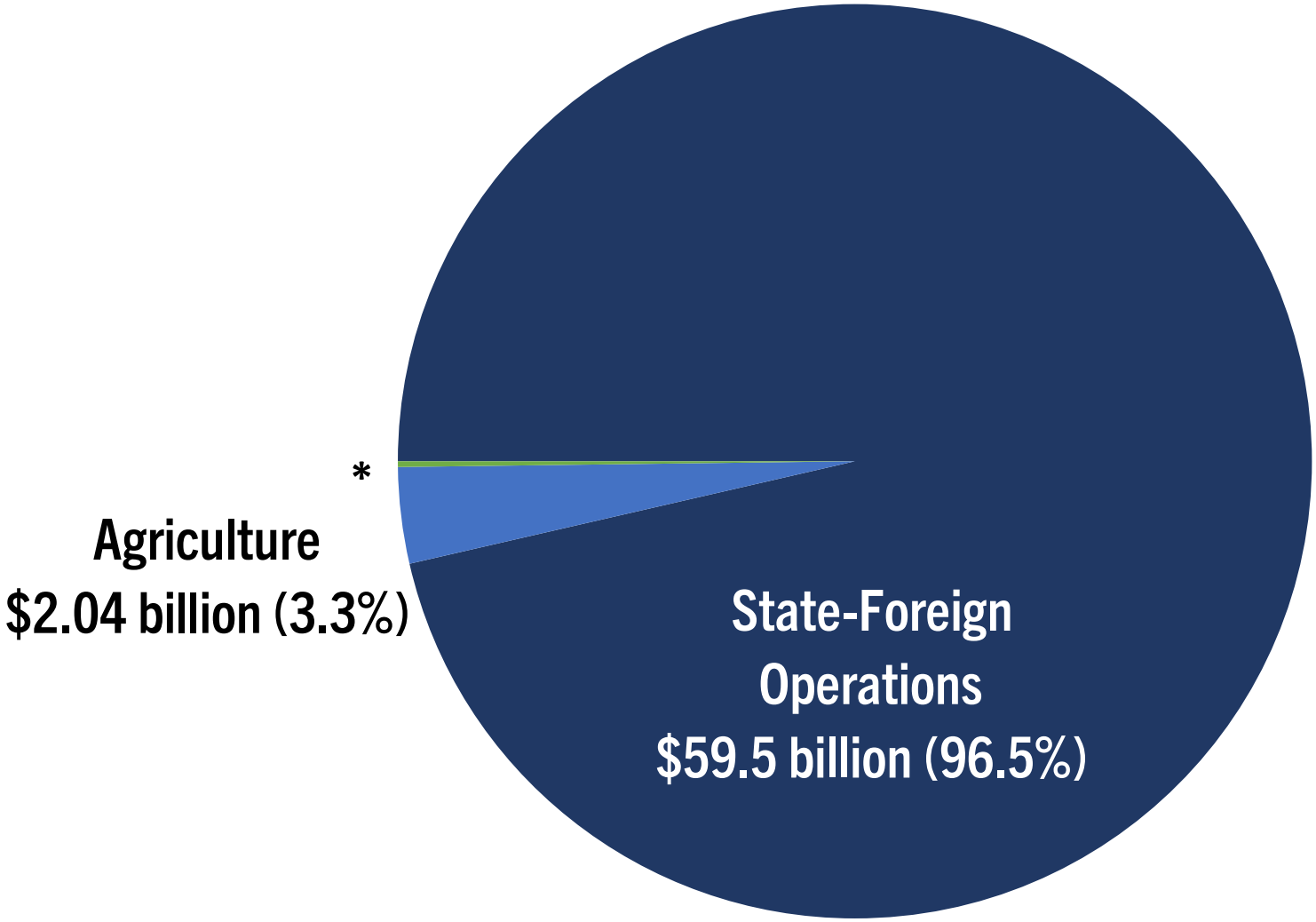
The Senate has advanced its appropriations bills through committee on a bipartisan basis but has yet to pass any of them on the floor.

What's Ahead

Over the past three weeks, the budget and appropriations process has largely been on hold while the House works to elect a new Speaker. With government funding set to expire on November 17 and the House and Senate no closer to a FY24 spending deal, all eyes are on Congress to reach a bipartisan agreement. Congress will also need to consider a forthcoming emergency supplemental request from the administration to provide assistance for Ukraine, Israel, and other urgent global needs.

In the absence of a FY24 spending deal, Congress could pass a short- or long-term CR to buy more time for negotiations. If no spending deal is reached or CR is approved by November 17, the government would shut down. Furthermore, if Congress fails to pass all 12 appropriations bills before the end of the calendar year, a 1% across the board spending reduction is meant to be triggered for all defense and non-defense discretionary accounts pursuant to the Fiscal Responsibility Act of 2023.

FY23 ENACTED INTERNATIONAL AFFAIRS BUDGET BY APPROPRIATIONS BILL



* $125 million (0.2%) is funded through Commerce, Justice, Science

U.S. GLOBAL LEADERSHIP COALITION