

With Growing Instability Abroad and Budget Challenges at Home, Outlook for U.S. Development and Diplomacy Resources Remains Uncertain

Comparison of House and Senate Funding Levels for the FY25 International Affairs Budget

AUGUST 29, 2024

Executive Summary

From rising global instability to a fraught domestic political and budgetary environment, this year's federal budget process is occurring against a backdrop of complex challenges both at home and abroad.

Around the world, intensifying threats are directly impacting America's national and economic security – whether it is authoritarian collaboration between Russia, China, and Iran to undermine U.S. interests and influence; wars raging in Europe and the Middle East; or historic humanitarian emergencies.

At home, a trifecta of pressures has hampered progress in finalizing FY25 spending. Congress is operating under a significantly shortened legislative calendar due to a 6-month delay in approving FY24 spending and the upcoming presidential and congressional elections. Heightened partisanship in an election year has also impeded dealmaking necessary to finalize FY25 spending bills in a divided Congress. Additionally, caps on FY25 spending approved in last summer's bipartisan spending deal leave little wiggle room for needed increases to defense and non-defense programs.

In this context, funding proposals for the FY25 International Affairs Budget are a mixed bag. The Administration's budget request provides a 10% (\$5.9 billion) increase for overall U.S. development and diplomacy resources compared to the FY24 enacted level. The Senate proposal includes a 6% (\$3.3 billion) increase, while the House makes a steep 12% (-\$7.3 billion) cut.

The Administration and Senate proposals generally adhere to the FY25 spending caps agreed to last summer while also adding additional emergency resources – as has been done in recent years – to help cover base budget activities and protect critical international affairs investments. By contrast, the House constrains non-defense discretionary spending – including for the International Affairs Budget – above and beyond what is required under the spending caps deal.

It is also important to note that these proposals come on the heels of a significant 6% (-\$3.7 billion) [reduction](#) to critical international affairs resources in the final FY24 spending deal. If enacted, the Senate proposal would reverse this deep cut while the House proposal would bring overall funding for the International Affairs Budget to its lowest level since FY15.

INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

	FY24 Enacted*	FY25 Request**	FY25 House	FY25 Senate
Non-Emergency	\$57.5 billion	\$63.1 billion	\$52.7 billion	\$57.1 billion
Base Emergency	\$2.5 billion	\$2.8 billion	\$0	\$5.9 billion
Total	\$60.0 billion	\$65.9 billion	\$52.7 billion	\$63.4 billion

*Excludes \$26.8 billion in emergency funding primarily for Ukraine, Israel, Taiwan, and global humanitarian assistance.

**Reflects CBO's re-estimate of the Administration's request.

The good news is that there is a legacy of strong, bipartisan support in Congress for strengthening America’s development and diplomacy tools. As the appropriations process moves forward, the **USGLC urges Congress to provide no less than the Senate-proposed level of \$63.4 billion for the FY25 International Affairs Budget** to ensure America has the necessary tools to meet the urgent needs affecting our security and economic interests.

The following analysis is a comparison of the House and Senate proposals alongside the Administration’s request for the FY25 International Affairs Budget.

I. Select Highlights of Similarities and Differences

In general, FY25 funding levels for international affairs agencies, accounts, and programs differ significantly across the Administration’s request and the House and Senate proposals – reflecting different priorities and approaches, particularly between the two chambers of Congress. However, in certain areas, there are also some notable similarities. Select highlights of these similarities and differences are included in the chart, with additional details in the analysis below. Unless otherwise noted, comparisons are to the FY24 enacted levels – including non-emergency and base emergency funding.

INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

Similarities	Differences
<p>HIV/AIDS: Both the House and Senate maintain funding at the FY24 enacted level for bilateral HIV/AIDS programs, consistent with the Administration’s request. The Administration, House, and Senate all make significant cuts to the U.S. contribution to the Global Fund, although the Administration’s cut is the deepest at 40% (-\$808 million).</p>	<p>Development Assistance: The House includes a 24% (-\$941 million) cut, while the Senate and Administration’s request increase funding by 6% (+\$222 million) and 15% (+\$604 million), respectively.</p>
<p>Embassy Security: Both the House and Senate increase funding for embassy security – by 2% (+\$115 million) and 0.5% (+\$26 million), respectively – coming in on either side of the Administration’s requested 1% (\$64 million) boost.</p>	<p>Humanitarian Assistance: The House makes a significant 32% (-\$2.8 billion) cut, while the Senate provides a 2% (+\$151 million) increase and the Administration proposes a 3% (-\$237 million) reduction.</p>
<p>Millenium Challenge Corporation: Both the House and Senate provide a 1% (+\$7 million) increase for the MCC, consistent with the Administration’s request.</p>	<p>International Organizations: The House dramatically cuts funding for assessed contributions by 83% (-\$1.27 billion), while the Senate matches the Administration’s requested 9% (+\$133 million) increase.</p>
<p>Democracy Fund: The Senate maintains funding for the Democracy Fund at the FY24 enacted level while the House provides a slight 3% (+\$11 million) boost – in contrast to the Administration’s request which cuts funding by 16% (-\$55 million).</p>	<p>Climate Change: The House eliminates funding for the Clean Technology Fund, while the Senate mirrors the Administration’s requested 20% (+\$25 million) increase.</p>

II. Notable Programs and Policy Issues

International Security Assistance

Across the Administration’s request and the House and Senate proposals, overall funding for international security assistance programs is increased compared to the FY24 enacted level of \$8.93 billion – although by different amounts. The House provides the largest boost of 10% (+\$928 million), while the Senate and the Administration provide more modest increases of 1% (+\$49 million) and 2% (+\$175 million), respectively. Of note:

- ▶ For **Foreign Military Financing (FMF)** – by far the largest security assistance account – the House provides \$6.8 billion, a 12% (+\$695 million) increase, while the Senate provides a more modest 0.5% (+\$28 million) boost. This contrasts with the Administration’s requested 1% (-\$49 million) reduction.
- ▶ Consistent with the Administration’s request, the House provides a 12% (+\$166 million) increase for **International Narcotics Control and Law Enforcement (INCLE)**, while the Senate sustains funding at the FY24 enacted level of \$1.4 billion.
- ▶ The House provides a 6% (+\$51 million) increase for **Nonproliferation, Anti-Terrorism, Demining and Related (NADR)** programs, in line with the Administration’s request, while the Senate includes a more modest 2% (+\$14 million) boost. Mirroring the Administration’s request, both the House and Senate increase funding for **International Military Education and Training (IMET)** by 5% (+\$6 million).

Peacekeeping

Consistent with the Administration’s FY25 request, the Senate reduces funding for UN peacekeeping by -10% (-\$133 million) and holds funding for non-UN peacekeeping programs essentially flat. By comparison, the House slashes funding for UN peacekeeping by -22% (-\$299 million), while providing a 2% (+\$10 million) increase for non-UN peacekeeping programs. Of note:

- ▶ The level for UN peacekeeping proposed by both the Senate and the Administration would fund U.S. assessed contributions at a rate of 25%. While this is consistent with the existing legislative cap on U.S. peacekeeping contributions, it is below the U.S. assessed rate of 26.9% – meaning that the U.S. will continue to incur peacekeeping arrears, which stand at more than \$1 billion.

PEACEKEEPING

	FY24 Enacted	FY25 Request	FY25 House	FY25 Senate
UN Operations (CIPA)	\$1.37 billion	\$1.23 billion	\$1.07 billion	\$1.23 billion
Non-UN Ops (PKO)	\$410 million	\$411 million	\$420 million	\$411 million
Total	\$1.78 billion	\$1.65 billion	\$1.49 billion	\$1.65 billion

Development Finance and Export Agencies

When it comes to funding for America’s development finance and export agencies, the Senate generally aligns with the Administration’s request, while the House is more of a mixed bag. Specifically:

- ▶ The Senate provides a total of \$1.03 billion for the **U.S. International Development Finance Corporation (DFC)**, 1% (+\$15 million) above the Administration’s request and 3% (+\$26 million) above the FY24 enacted level. By contrast, the House cuts funding by 23% (-\$228 million) compared to the FY24 enacted level – with all of the reductions coming out of administrative and program costs.
- ▶ In line with the Administration’s request, the Senate increases funding for the **Export-Import Bank** by 4% (+\$6 million), while the House provides a more modest 0.5% (+\$1 million) increase.

- ▶ The Senate matches the Administration’s request to increase funding for the **Trade and Development Agency** by 15% (+\$13 million), while the House sustains funding at the FY24 enacted level of \$87 million.

Humanitarian Assistance

When it comes to humanitarian assistance, the House and Senate take significantly different approaches. The Senate sets the high-water mark, increasing funding by 2% (+\$151 million) compared to the FY24 enacted level. On the other hand, the House includes a deep 32% (-\$2.8 billion) cut, while the Administration provides a slight 3% (-\$237 million) reduction. Notably, both the Senate and the Administration rely on base emergency funding to cover a substantial portion of humanitarian assistance.

HUMANITARIAN ASSISTANCE

	FY24 Enacted*	FY25 Request**	FY25 House	FY25 Senate ^
Disaster Assistance (IDA)	\$4.78 billion	\$4.54 billion	\$3.45 billion	\$4.83 billion
Migration and Refugees (MRA)	\$3.93 billion	\$3.83 billion	\$2.45 billion	\$4.03 billion
Emergency Refugees (ERMA)	\$100,000	\$100 million	\$0	\$100,000
Total	\$8.71 billion	\$8.47 billion	\$5.91 billion	\$8.86 billion

* Includes \$1.5 billion in base emergency funding (\$750 million for IDA and \$750 million for MRA).

** Includes \$2.47 billion in base emergency funding (\$1.09 billion for IDA and \$1.37 billion for MRA).

^ Includes \$2.5 billion in base emergency funding (\$1.4 billion for IDA and \$1.1 billion for MRA).

Development and Economic Assistance

In general, there are considerable differences in how the House and Senate fund the major development and economic assistance accounts – with the House making substantial reductions to the two largest accounts on the heels of already steep [10% cuts](#) included in the final FY24 spending deal. Notably:

- ▶ While both the Senate and the Administration’s request increase funding for **Development Assistance (DA)** by 6% (+\$222 million) and 15% (+\$604 million), respectively, the House slashes the account by 24% (-\$931 million) compared to the FY24 enacted level.
- ▶ The Senate and the Administration’s request similarly boost funding for the **Economic Support Fund (ESF)** by 5% (+\$193 million) and 6% (\$223 million), respectively, while the House cuts the account by 12% (-\$459 million).
- ▶ The House increases funding for the **Democracy Fund** by 3% (+\$11 million), while the Senate sustains funding at the FY24 enacted level. Conversely, the Administration’s request would cut the account by 16% (-\$55 million).
- ▶ Consistent with the Administration’s request, both the House and Senate increase funding for the **Millenium Challenge Corporation (MCC)** by 1% (+\$7 million) compared to the FY24 enacted level. The House differs from the Senate and Administration’s request in cutting the **Peace Corps** by 5% (-\$20 million).

DEVELOPMENT AND ECONOMIC ASSISTANCE

	FY24 Enacted*	FY25 Request**	FY25 House	FY25 Senate ^
Development Assistance (DA)	\$3.93 billion	\$4.54 billion	\$3 billion	\$4.15 billion
Economic Support Fund (ESF)	\$3.89 billion	\$4.11 billion	\$3.43 billion	\$4.08 billion
AEECA	\$770 million	\$850 million	\$770 million	\$903 million
Democracy Fund	\$345 million	\$291 million	\$356 million	\$345 million
MCC	\$930 billion	\$937 billion	\$937 million	\$937 million
Peace Corps	\$431 million	\$479 million	\$411 million	\$479 million

* Includes \$610 million in base emergency funding (\$300 million for ESF and \$310 million for AEECA).

** Includes \$350 million in base emergency funding for AEECA.

^ Includes \$815 million for ESF and \$400 million for AEECA.

Global Health

Across the Administration's request and the House and Senate proposals, overall funding for Global Health Programs sees a reduction compared to the FY24 enacted level, with the House providing the steepest cut. Specifically, the Senate cuts overall funding by 4% (-\$356 million) while the House includes an 8% (-\$762 million) decrease. A few areas to note:

- ▶ Matching the Administration's request, both the House and Senate sustain bilateral funding for the **President's Emergency Plan for AIDS Relief (PEPFAR)** at the FY24 enacted level. The Senate would also reauthorize the program through FY26.
- ▶ Similar to the Administration's request, both the House and Senate reduce funding for the U.S. contribution to the **Global Fund to Fight AIDS, Tuberculosis, and Malaria** compared to the FY24 enacted level – with the House providing the highest level of \$1.25 billion. The Senate echoes the Administration's rationale for the reduction, citing the statutory limit that sets the U.S. contribution at \$1 for every \$2 contributed by other donors, and “continues to urge other donors to increase their contributions.”
- ▶ The House cuts funding for **international family planning** by 24% (-\$147 million), compared to increases of 5% (+\$28 million) and 2% (+\$15 million), respectively, in the Senate and the Administration's request. The House also prohibits funding for the United Nations Population Fund (UNFPA) and implements the Protecting Life in Global Health Assistance Policy, the expanded Mexico City Policy.

GLOBAL HEALTH*

	FY24 Enacted	FY25 Request	FY25 House	FY25 Senate
Bilateral PEPFAR	\$4.4 billion	\$4.4 billion	\$4.4 billion	\$4.4 billion
Global Fund	\$1.65 billion	\$1.19 billion	\$1.25 billion	\$1.2 billion
USAID HIV/AIDS	\$330 million	\$330 million	\$330 million	\$330 million
Malaria	\$795 million	\$795 million	\$800 million	\$795 million
Tuberculosis	\$395 million	\$395 million	\$395 million	\$395 million
Maternal/Child Health	\$915 million	\$940 million	\$915 million	\$940 million
Vulnerable Children	\$32 million	\$30 million	\$33 million	\$32 million
Nutrition	\$165 million	\$160 million	\$173 million	\$166 million
Family Planning*	\$608 million	\$623 million	\$461 million**	\$635 million
NTDs	\$115 million	\$115 million	\$115 million	\$115 million

	FY24 Enacted	FY25 Request	FY25 House	FY25 Senate
Global Health Security	\$700 million	\$902 million	N/A	\$730 million
Health Resilience Fund	\$6 million	\$8 million	N/A	\$30 million
Global Health Workers Initiative	\$10 million	\$20 million	N/A	N/A
Unallocated	\$0	\$0	\$404 million	\$0
Total	\$10.03 billion	\$9.83 billion	9.27 billion	9.67 billion

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

***Represents a cap on funding.*

Multilateral Assistance

When it comes to U.S. investments in international organizations and other multilateral fora, the House and Senate take dramatically different approaches.

- ▶ The House makes a deep 83% (-\$1.27 billion) cut to the **Contribution to International Organizations (CIO)** account, which covers assessed contributions to the UN and other international organizations, in stark contrast to the Senate and Administration’s request, both of which include increases of 9% (+\$133 million). The House also eliminates all funding for the UN regular budget and prohibits funding for the World Health Organization (WHO).
- ▶ The House eliminates funding for the **International Organizations and Programs (IO&P)** account – the source of U.S. voluntary contributions to a range of international organizations such as the UN Children’s Fund (UNICEF). Conversely, the Senate includes a 9% (+\$38 million) increase compared to the FY24 enacted level and 3% (+\$15 million) above the Administration’s request.
- ▶ While the Senate and the Administration’s request both increase funding for U.S. contributions to the World Bank and other **international financial institutions (IFIs)** by 16% (+\$367 million) and 21% (+\$488 million), respectively, the House includes a deep 25% (-583 million) cut.

Civilian Capacity and Operations

In general, the House bill reduces funding for the State Department and USAID accounts that fund personnel and other operating costs for the U.S. presence around the world. The Senate provides slight increases for these accounts, although well below the Administration’s request.

- ▶ The House cuts funding for **Diplomatic Programs (DP)**, which funds State Department staffing and operations, by 11% (-\$1 billion). By contrast, the Senate includes a 3% (+\$319 million) increase.
- ▶ While the House includes a 28% (-\$480 million) reduction for **USAID Operating Expenses (OE)**, which funds USAID staffing and operations, the Senate provides a 3% (+\$52 million) increase.
- ▶ When it comes to the State Department’s **Embassy Security Construction and Maintenance (ESCM)** account, the Senate matches the Administration’s request of a 3% (-\$51 million) cut, while the House maintains funding at the FY24 enacted level.

International Food Assistance

In general, both the Senate and the Administration’s request increase funding for international food assistance programs provided through the Agriculture Appropriations bill by varying degrees, while the House either makes cuts or holds funding flat at FY24 enacted levels.

- ▶ The Senate increases funding for the **Food for Peace Program** by 6% (+\$102 million), slightly less than requested by the Administration. By contrast, the House includes a 38% (-\$619 million) cut – noting in the report the existence of over \$300 million in carryover balances from prior years as well as “significant unobligated balances” from the Administration’s use of \$1 billion in Commodity Credit Corporation funding to help address the global food crisis.
- ▶ The Senate includes a 4% (+\$10 million) increase for the **McGovern-Dole International Food for Education and Child Nutrition Program**, slightly more than requested by the Administration, while the House sustains funding at the FY24 enacted level.

AGRICULTURE APPROPRIATIONS INTERNATIONAL PROGRAMS

	FY24 Enacted	FY25 Request	FY25 House	FY25 Senate
Food for Peace/PL 480 Title II	\$1.62 billion	\$1.8 billion	\$1 billion	\$1.72 billion
McGovern-Dole	\$240 million	\$243 million	\$240 million	\$250 million
Total	\$1.86 billion	\$2.04 billion	\$1.24 billion	\$1.97 billion

III. Other Funding and Policy Priorities

- ▶ **Competing with China:** Consistent with the Administration’s request and the FY24 enacted level, the House provides \$400 million for the **Countering PRC Influence Fund**, while the Senate boosts funding by 5% (+\$20 million). The House also notes that it fully funds the Administration’s request for \$2.1 billion needed to implement the U.S. Indo-Pacific Strategy while the Senate directs a total of \$1.9 billion for Strategy implementation.
- ▶ **Food Security:** The House sustains funding at the FY24 enacted level for the Global Food Security Strategy, **Feed the Future**, and research and development initiatives at USAID. The Senate includes a 4% (+\$40 million) increase but falls 7% (-\$78 million) short of the Administration’s request.
- ▶ **Climate Change:** The House cuts funding for a range of programs aimed at addressing global climate change. Among other things, it prohibits any funding for the **Green Climate Fund (GCF)** and the **Clean Technology Fund (CTF)**, and includes no bilateral funding for adaptation, sustainable landscapes, or clean energy programs. By contrast, and consistent with the Administration’s request, the Senate includes \$150 million for the CTF, a 20% (+\$25 million) compared to the FY24 enacted level. It also includes a total of \$760 million for adaptation, sustainable landscapes, and clean energy programs, a 12% (+\$81 million) boost.
- ▶ **Gender and Women:** The Senate sustains funding for women’s empowerment and gender programs at their FY24 levels, including for the Women, Peace and Security Strategy (\$150 million), the Madeleine Albright Women’s Leadership Program (\$50 million), the Gender Equity and Equality Action Fund (GEEAF) (\$200 million), and programs aimed at ending gender-based violence (\$250 million). While the House provides the same levels for the first two of these programs, it prohibits funding for the GEEAF and does not include a specific funding allocation for programs focused on gender-based violence.

IV. What's Ahead

When Congress reconvenes after Labor Day, Members will have just a few short weeks to take action to prevent a government shutdown when the current fiscal year ends on September 30th. With no progress on bipartisan, bicameral negotiations on FY25 topline spending levels and Members set to leave town again at the end of September to campaign, Congressional and Appropriations leaders are acknowledging that Congress will need to approve a short-term Continuing Resolution (CR) to keep the government funded.

The length of the CR will be the biggest challenge – with Democrats broadly supportive of a stopgap that would extend funding past Election Day but end before the New Year, but many House Republicans are open to a longer CR that would extend funding into early 2025.

V. Additional Information and Resources

USGLC [Analysis](#) of the Administration's FY25 International Affairs Budget Request

House FY25 State-Foreign Operations Appropriations [Bill](#) & [Report](#)

House FY25 Agriculture Appropriations [Bill](#) & [Report](#)

Senate FY25 State-Foreign Operations Appropriations [Bill](#) & [Report](#)

Senate FY25 Agriculture Appropriations [Bill](#) & [Report](#)

VI. Account-by-Account Details

[Download the account-by-account details](#)