

# International Affairs Budget Update

JUNE 17, 2024

## 1. House State-Foreign Operations Bill Cuts Funding by 11%

Last week, the House Appropriations Committee approved its FY25 State-Foreign Operations (SFOPS) Appropriations bill on a party-line vote of 31-26, following approval at the subcommittee level earlier this month. As previously [reported](#), the bill provides \$51.7 billion for America’s diplomatic and development agencies and programs – 11% (-\$6.6 billion) below the FY24 enacted level.

Adding in funding for international food assistance provided through the House FY25 Agriculture Appropriations bill and the small amount of funding for international programs provided through the House FY25 Commerce, Justice, and Science Appropriations bill – which has yet to be marked up – **the FY25 International Affairs Budget receives a total of \$52.7 billion**. This represents a 12% (-\$7.3 billion) cut compared to the FY24 enacted level and is 20% (-\$13.2 billion) below the Administration’s FY25 request.

### INTERNATIONAL AFFAIRS BUDGET SNAPSHOT

	FY24 Enacted*	FY25 Request**	FY25 House
<b>Non-Emergency</b>	\$57.5 billion	\$63.1 billion	\$52.7 billion
<b>Base Emergency</b>	\$2.5 billion	\$2.8 billion	\$0
<b>Total</b>	<b>\$60.0 billion</b>	<b>\$65.9 billion</b>	<b>\$52.7 billion</b>

\*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.

During the markup, Members offered five [amendments](#) – three of which were adopted by the full committee. These include:

- ▶ A manager’s amendment offered by Chairman Diaz-Balart (R-FL) to make technical, bipartisan changes to the bill and report – including strengthening language on wait times for U.S. consular services and cybersecurity needs in Latin America. *Adopted by voice vote.*
- ▶ An ‘en bloc’ amendment offered by Chairman Diaz-Balart (R-FL) with a number of provisions, including funding prohibitions related to DEI initiatives, antisemitism on college campuses, and NGOs that provide cash cards and other support to migrants seeking to come to the United States. *Adopted on a party-line vote of 31-25.*
- ▶ An amendment offered by Rep. Andrew Clyde (R-GA) to prohibit assistance to the Maldives until the State Department determines the country has revoked its ban on Israeli passport holders. *Adopted by voice vote.*

With Committee action now complete, the FY25 SFOPS bill could be considered on the House floor the week of June 24.

## Select Highlights

Below are select additional details on programmatic funding levels in the House SFOPS [bill](#) and [report](#). Unless otherwise noted, comparisons are to the FY24 enacted level.

### International Security Assistance

The House bill provides \$9.9 billion for international security assistance, a 10% (+\$928 million) increase compared to the FY24 enacted level and 8% (+\$753 million) above the Administration’s FY25 request. Of note:

- ▶ Includes \$500 million in Foreign Military Financing up to \$2 billion in loans and loan guarantees for Taiwan to “strengthen deterrence across the Taiwan Strait.”
- ▶ Provides \$1.56 billion for International Narcotics Control and Law Enforcement – a 12% (+\$166 million) increase compared to the FY24 enacted level to “counter the fentanyl crisis.”

### Peacekeeping

The House bill reduces funding for UN Peacekeeping by 22% (-\$299 million) to \$1.07 billion, while providing a 2% (+\$10 million) boost for non-UN peacekeeping programs. Of note:

- ▶ The funding level for UN Peacekeeping does not meet the 25% statutory cap enforced by Congress or the 26.9% UN-assessed rate. If enacted, this funding level would result in significant growth in U.S. arrears that already total approximately \$1.3 billion.

### PEACEKEEPING

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

### Development Finance and Export Agencies

When it comes to funding for America’s development finance and export agencies, the House bill is a mixed bag. Specifically:

- ▶ Includes \$777 million for the U.S. International Development Finance Corporation (DFC) – 23% (-\$228 million) below the FY24 enacted level and 24% (-\$249 million) below the Administration’s FY25 request. Of this total, \$769 million is for administrative and program costs and \$8 million is for the Inspector General.
- ▶ Provides \$150 million for the Export-Import Bank – a 0.5% (+\$1 million) increase compared to the FY24 enacted level.
- ▶ Sustains funding for the U.S. Trade and Development Agency at the FY24 enacted level of \$87 million.

## Humanitarian Assistance

The House bill provides \$5.9 billion for humanitarian assistance, a 32% (-\$2.8 billion) reduction compared to the FY24 enacted level, and 30% (-\$2.6 billion) below the Administration’s FY25 request.

### HUMANITARIAN ASSISTANCE

	FY24 Enacted*	FY25 Request**	FY25 House
<b>Disaster Assistance (IDA)</b>	\$4.78 billion	\$4.54 billion	\$3.45 billion
<b>Migration and Refugees (MRA)</b>	\$3.93 billion	\$3.83 billion	\$2.45 billion
<b>Emergency Refugees (ERMA)</b>	\$100,000	\$100 million	\$0
<b>Total</b>	<b>\$8.71 billion</b>	<b>\$8.47 billion</b>	<b>\$5.91 billion</b>

\*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).

## Development and Economic Assistance

The House bill significantly reduces funding for the two largest development and economic assistance accounts less than two months after Congress enacted steep [10% cuts](#) to these accounts in the final FY24 spending deal. The picture is mixed for the smaller accounts. Of note:

- ▶ Includes \$3 billion for Development Assistance, a 24% (-\$931 million) cut compared to the FY24 enacted level.
- ▶ Provides \$3.43 billion for the Economic Support Fund (ESF) – 12% (-\$459 million) below the FY24 enacted level.
- ▶ Reduces funding for the Peace Corps by 5% (-\$20 million).
- ▶ Increases funding for the Democracy Fund and the Millennium Challenge Corporation (MCC) by 3% (+\$11 million) and 1% (+\$7 million), respectively.

### DEVELOPMENT AND ECONOMIC ASSISTANCE

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

## Global Health

Overall funding for Global Health Programs is reduced by 8% (-\$762 million) compared to the FY24 enacted level and 6% (-\$559 million) compared to the Administration’s FY25 request. A few areas to note:

- ▶ Makes deep cuts to Global Health Security, although the bill does not include a specific funding level. Even if the \$404 million in unallocated Global Health funding was made available for Global Health Security, this would amount to a 42% (-\$296 million) decrease compared to the FY24 enacted level.

- ▶ Includes \$1.25 billion for the U.S. contribution to the Global Fund – 24% (-\$400 million) below the FY24 enacted level, but 5% (+\$58 million) above the Administration’s FY25 request.
- ▶ Reduces funding for international family planning by 24% (-\$147 million) compared to the FY24 enacted level and 26% (-\$162 million) compared to the Administration’s FY25 request. The bill 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
<b>Bilateral PEPFAR</b>	\$4.4 billion	\$4.4 billion	\$4.4 billion
<b>Global Fund</b>	\$1.65 billion	\$1.19 billion	\$1.25 billion
<b>USAID HIV/AIDS</b>	\$330 million	\$330 million	\$330 million
<b>Malaria</b>	\$795 million	\$795 million	\$800 million
<b>Tuberculosis</b>	\$395 million	\$395 million	\$395 million
<b>Maternal/Child Health</b>	\$915 million	\$940 million	\$915 million
<b>Vulnerable Children</b>	\$32 million	\$30 million	\$33 million
<b>Nutrition</b>	\$165 million	\$160 million	\$173 million
<b>Family Planning*</b>	\$608 million	\$623 million	\$461 million**
<b>NTDs</b>	\$115 million	\$115 million	\$115 million
<b>Global Health Security</b>	\$700 million	\$902 million	N/A
<b>Health Resilience Fund</b>	\$6 million	\$8 million	N/A
<b>Global Health Workers Initiative</b>	\$10 million	\$20 million	N/A
<b>Unallocated</b>	\$0	\$0	\$404 million
<b>Total</b>	<b>\$10.03 billion</b>	<b>\$9.83 billion</b>	<b>\$9.27 billion</b>

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

*\*\*Represents a cap on funding.*

### Multilateral Assistance

The House bill makes significant cuts to both U.S. assessed and voluntary contributions to the UN and other international organizations. Of note:

- ▶ The Contribution to International Organizations (CIO) account, which covers assessed contributions to the UN and other international organizations, receives a total of \$27 million – an 83% (-\$1.3 billion) cut compared to the FY24 enacted level. The bill also eliminates funding for the UN regular budget and prohibits funding for the World Health Organization and the United Nations Relief and Works Agency (UNRWA).
- ▶ Eliminates the International Organizations and Programs (IO&P) account, which covers voluntary contributions to a range of international organizations such as the UN Children’s Fund (UNICEF) and the Office of the United Nations High Commissioner for Human Rights (UNHCHR).
- ▶ Reduces funding for U.S. contributions to the World Bank and other international financial institutions (IFIs) by 25% (-\$583 million).

### 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. Of note:

- ▶ Reduces funding for Diplomatic Programs, which funds State Department staffing and operations, by 11% (-\$1 billion).
- ▶ Cuts funding for USAID Operating Expenses, which funds USAID staffing and operations, by 28% (-\$480 million).
- ▶ The bill provides a 2% (+\$115 million) increase for embassy security funding, slightly above the Administration’s requested 1% (\$64 million) boost.

### Other Notable Areas

- ▶ **Competing with China:** In line with the Administration’s request, the bill provides \$400 million for the Countering PRC Influence Fund, the same level provided for FY24, and directs that \$2.1 billion in economic and security assistance be allocated to implementation of the Indo-Pacific strategy. The bill also includes \$500 million in military assistance for Taiwan, compared to \$100 million requested by the Administration, representing a 400% increase.
- ▶ **Environment and Climate:** The House bill prohibits U.S. contributions to the Green Climate Fund. It also eliminates funding for the Clean Technology Fund and reduces funding for the Global Environment Facility by 7% (-\$11 million).
- ▶ **Food Security:** The House bill includes \$960 million to support Feed the Future and research and development initiatives at USAID – equal to the FY24 enacted level, but 17% (-\$200 million) below the Administration’s FY25 request.

## 2. House Appropriators Release FY25 Agriculture Bill

Last week, the House Appropriations Agriculture Subcommittee approved its FY25 Agriculture Appropriations bill by voice vote. The bill provides funding for two critical international food assistance programs, including:

- ▶ \$1 billion for Food for Peace – 38% (-\$619 million) below the FY24 enacted level and 44% (-\$800 million) below the Administration’s FY25 request. According to the bill summary, the proposed FY25 level “Accounts for Secretary Vilsack transferring \$1 billion from the Commodity Credit Corporation for international food aid and the program’s \$300 million in carryover balances.”
- ▶ \$240 million for the McGovern-Dole International Food for Education and Child Nutrition Program – equal to the FY24 enacted level but 1% (-\$3 million) below the Administration’s FY25 request.

### AGRICULTURE APPROPRIATIONS INTERNATIONAL PROGRAMS SNAPSHOT

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