



APPROPRIATIONS ALERT

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STATE-FOREIGN OPERATIONS APPROPRIATIONS A 33-PERCENT HIKE FOR INTERNATIONAL PROGRAMS H.R. 3081

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The largest percentage increase among this year’s twelve regular appropriations bills will be considered by the House this week. It is the State-Foreign Operations Appropriations bill (H.R. 3081), which provides \$48.8 billion in discretionary budget authority [BA] and \$47.5 billion in budget year outlays for diplomatic, foreign aid, and global humanitarian activities. The BA is \$12.2 billion, or 33 percent, above the regular 2009 enacted level (including funding previously designated as an emergency), far outpacing the increases passed or planned for any of the other House appropriations measures. Still, the President wanted even more: the administration request was \$3.2 billion higher than the amount provided in the committee-reported bill.

Because its spending levels equal the 302(b) allocation provided to the subcommittee, the bill complies with the fiscal year 2010 budget resolution (S.Con.Res. 13). It does not change any mandatory spending programs, and contains no advance appropriations, cap adjustments, or funding for the war against terrorism. There are no rescissions of previously appropriated budget authority.

Table 1: State-Foreign Operations Appropriations Bill
(dollars in millions)

	2009 Enacted ^a	2010 Request	302 (b) for 2010	H.R. 3081
Discretionary Budget Authority	36,622	52,043	48,843	48,843
Outlays	37,886	45,620	47,487	47,487

^a Excludes emergencies.

Key elements of the bill include the following:

- **Department of State.** H.R. 3081 provides \$26.2 billion in discretionary BA for the State Department, an increase of \$5.7 billion above 2009 (excluding emergencies and supplementals) but approximately \$1.3 billion below the President’s request. The total includes \$8.2 billion for Diplomatic and Consular programs; \$120 million for the Democracy Fund; \$600 million for the Educational and Cultural Exchange program; and \$2.1 billion in total funds for U.S. contributions for International Peacekeeping.
- **U.S. Agency for International Development [USAID].** A sum of \$5.8 billion is provided for USAID programs, roughly \$405 million below the President’s request, principally because the Development Assistance Program receives \$269 million less than

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the administration sought. Nevertheless, USAID’s funding is an increase of \$2 billion, or 54 percent, over the 2009 regular level.

- **International Monetary Fund [IMF] Restrictions.** The bill incorporates additional oversight and safeguards in connection with the \$108 billion in new IMF authority provided in the recently enacted supplemental spending bill (Public Law 111-32). Among other things, the restrictions impose a fiscal year 2014 sunset date on the United States’ ability to make loans to the IMF’s New Arrangements to Borrow [NAB] facility; they require the Treasury to report biannually on NAB lending; and they direct the U.S. to try to ensure the Special Drawing Rights increase provided in the supplemental do not go to states that support international terrorism.

These restrictions were added to the bill through an amendment by Subcommittee Ranking Member Granger and adopted unanimously by the full Appropriations Committee.

- **Terminations and Reductions.** The Majority claims H.R. 3081 includes \$705.1 million in savings from two terminations and a number of “reductions.” The claim is false, however, because \$661.9 million of the “savings” result simply from not continuing supplemental or emergency appropriations in three accounts. A true apples-to-apples analysis – comparing H.R. 3081 with regular 2009 levels – would show spending in these accounts actually *increases* by \$761 million.

Table 2: State-Foreign Operations Appropriations Bill
(discretionary budget authority in millions of dollars)

	2009 Enacted ^a	2010 Request	2010 Reported	2010 Rept./Reqst.	% Change Reqst./Rept.	% Change 2009/Rept.
Millennium Challenge	875	1,425	1,400	-25	-2%	60%
International Security Assistance	8,519	12,949	11,803	-1,146	-9%	39%
Multilateral Assistance	1,931	2,841	2,437	-404	-14%	26%
Agency for International Development	3,775	6,210	5,805	-405	-7%	54%
Other Int’l Assistance Programs	277	324	401	77	24%	45%
Department of State	20,532	27,485	26,190	-1,295	-5%	28%
Other Agencies	713	809	807	-2	0%	13%
Total	36,622	52,043	48,843	-3,200	-6%	33%

^a Excludes emergencies.

This document was prepared by the Republican staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and may not reflect the views of individual committee members.