

Statement by Chairwoman Nita M. Lowey State and Foreign Operations Appropriations Subcommittee June 30, 2010

The State, foreign operations bill funds the nation's diplomatic and development mission and is a vital component of our national security. Over the past five years we have seen an increase in funding for this bill as our nation has engaged in two wars and confronted threats to our security from terrorist and extremist networks which feed on the despair of poor and disenfranchised people around the world.

The President's request for activities under the jurisdiction of this Subcommittee is \$56.656 billion. The total funding in the chair's mark is \$52.656 billion, which is \$4 billion below the request and \$3.89 billion above the FY 2010 enacted level. However, the FY 09 supplemental included \$2.4 in forward funding for Israel, Egypt, Jordan, Pakistan, Iraq and Mexico which were requested in fiscal year 2010. When those funds are included as part of the FY 2010 enacted level, the Committee's recommendation for fiscal year FY 2011 is about \$1.46 billion, or 3% above the prior year level.

Before I turn to the highlights of the bill, let me discuss an important priority which this bill does not fund. Afghanistan is of paramount importance to our national security and I am a strong supporter of assistance programs in Afghanistan that educate women and girls, help poor farmers gain access to markets, foster economic opportunities for youth, strengthen civil society, train police, provide basic health care and empower Afghans in rebuilding their country. Yet this bill does not provide any of the \$3.9 billion in the President's request for assistance for Afghanistan.

I have the greatest admiration and appreciation for the nearly 90,000 American troops and thousands of American civilians who are serving our country and putting their lives on the line to help the Afghans take back their country from terrorists. However, their success and the success of the President's strategy is entirely dependent on the capability and commitment of the Afghans to govern effectively. Just in the past three days, there have been troubling reports of billions of dollars in cash being shipped out of Afghanistan. There have been "Unnamed senior US officials" alleging the diversion of U.S. and other donor aid. There have also been reports of high level Afghan officials interfering with and obstructing corruption investigations.

We have an obligation to every American to ensure that their hard earned tax dollars are not squandered through corruption and graft.

In light of these deeply disturbing reports, I have deferred consideration of the President's request for assistance in Afghanistan until such time that the Committee has had an opportunity to investigate the allegations. I have conferred with Representative Kay Granger, the Ranking Member and with the other members of our subcommittee. And I am pleased to announce that we will be holding hearings to investigate these concerns after the July 4 recess. We will consider the funding for Afghanistan after we review the actions of the Afghan government to combat corruption and after we determine what additional measures are needed to ensure that

U.S. tax dollars are not diverted. As an immediate step, we are asking the Government Accountability Office to conduct an audit of all United States assistance for Afghanistan from fiscal years 2008-2010 and we are providing funds in this bill for the Special IG for Afghan Reconstruction to establish an audit task force on corruption. I look forward to working with Ranking Member Granger and all the members of this subcommittee, on a bipartisan basis, to address these concerns.

Let me turn to the bill before us, which seeks to represent the interests, concerns and priorities of all the members of this subcommittee. I thank you all for your insights and suggestions, which have strengthened this bill, and particularly appreciate ranking member Kay Granger's strong partnership in this process.

Given the bipartisan nature of this bill, I would appreciate an expeditious markup and hope we will vote it out of subcommittee unanimously. I understand there are some amendments from our minority and welcome this debate. I'm sure we can all agree that maintaining bipartisanship on the integral components of U.S. national security we consider today is critical.

With that, let me turn to highlights of the bill:

National Security and Counter-Terrorism

- The Committee's fiscal year 2011 recommendation includes a total of \$15.9 billion to protect our national security and combat terrorism.
- Within this amount, the Committee provides \$2.514 billion for assistance to the frontline state of Pakistan to stabilize, strengthen and rebuild this critical country and \$351 million to transition Iraq security from the U.S. military to a civilian-led effort.
- This bill fully funds commitments to our allies and partners in the Middle East including \$3 billion pursuant to the MOU between the United States and Israel and our agreements with Egypt and Jordan.
- The bill provides \$607 million to support counter narcotics and alternative development programs in Mexico, Central America, the Caribbean Basin, Colombia and Peru.

Rebuilding Diplomatic and Development Capacity

- The bill provides \$8.864 billion for Diplomatic and Consular Programs at the State Department, \$678 million below the President's request, but \$637 above the FY 2010 enacted level.
- \$1.41 billion is included for USAID's Operating and Expenses Account to add 100 positions to USAID's capacity in the field and reduce its dependency on the U.S. military to implement assistance programs.

Global Health and HIV/AIDS:

The Committee continues robust funding for global health with a total of \$8.25 billion, including \$5.875 for HIV/AIDS activities, \$615 million to support malaria programs and increased funding for programs that address maternal and child health, family planning, tuberculosis and neglected tropical diseases.

• This amount includes \$825 million for the Global Fund, \$125 million above the request.

- Voluntary family planning services for families in the developing world remains a priority of this committee. I am proud the mark includes \$735 million, \$20 million above the request, to give millions of women access to basic reproductive health services. Of this amount, \$60 million is for the United Nations Population Fund.
- This bill does not change any of the provisions of law that restrict funding for abortion or otherwise condition family planning assistance. While I continue to be personally committed to the permanent repeal of the global gag rule, I have maintained current law at the request of our ranking member and out of consideration for a bipartisan bill.

Development and other Assistance

- The Committee provides \$925 million to improve access to quality education and provide alternatives to madrassas where youth are often exposed to extremism. The same as last year's enacted level, this is \$82 million above the request. Additionally, \$200 million is provided for higher education, which is the same as last year's enacted level.
- In light of increased food shortages in many developing countries, which are exacerbated by the global financial crisis, the Committee provides \$1 billion for food security and agricultural development, \$300 million below the request.
- To preserve and protect our environment and fight global climate change, this bill includes over \$1.34 billion in bilateral and multilateral funds for clean energy, biodiversity, and climate change initiatives, which is \$258 below the request.
- The Committee provides \$2.533 billion for refugee and disaster assistance, \$23 million above the request, to meet growing humanitarian needs around the world.
- The committee is aware of the bipartisan interest in increasing the size and strength of the Peace Corps and, despite significant budget constraints, provides the President's budget request, \$446 million, for the Peace Corps.

Oversight of Foreign Assistance Programs

• I continue to focus on improving oversight of the funds provided in this bill and have worked with my Ranking Member to include a number of provisions aimed at improving accountability and oversight of assistance and operations funding. Furthermore, the bill provides a total of \$166 million for oversight activities of the Inspectors General of the Department of State and USAID as well as for the Special Inspectors General for Iraq and Afghanistan Reconstruction.

Clearly there is much more than I can summarize here, and I urge you to read the bill and report when they are available. I want to take a moment to thank all of the staff that have worked so hard on this bill. Nisha Desai, our clerk, and the team that works with her—Craig Higgins, Steve Marchese, Michele Sumilas, Michael Marek, Clelia Alvarado and Dennis Vega. I also want to thank Ann Vaughan, Jennie Munoz and Elizabeth Stanley on my staff for their work.

I want to thank Anne Marie Chotvac and the other minority staff Alice Hogans, Mike Ringler, Susan Adams and Rachel Carter for all their hard work.

With that, I turn to Ms. Granger for her remarks.