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For Immediate Release: Thursday, July 17, 2008 Contact: John Bray, Full Committee, (202) 224-3904 David Carle, Chairman Leahy, (202) 224-4242

Senate Appropriations Committee Approves Fiscal Year 2009 State and Foreign Operations Appropriations Bill

Full Committee Mark

Washington, D.C... The Senate Appropriations Committee today approved Fiscal Year 2009 State and Foreign Operations Appropriations legislation that strengthens American diplomacy, advances international security, invests in clean energy, and promotes international economic development and global health. The legislation provides \$36.62 billion in discretionary funding, which is \$3.82 billion above the FY 2008 enacted level. In addition, \$3.42 billion was provided as FY 2009 bridge funding in the recently enacted emergency supplemental legislation.

"America's standing in the world has suffered terrible damage as a result of the current Administration's failed diplomacy. This legislation sets out the right priorities as our nation prepares to turn the page to the next chapter in American foreign policy. I applaud Chairman Leahy and the members of the subcommittee for crafting strong legislation that projects America's best values," said U.S. Senator Robert C. Byrd, Chairman of the Senate Appropriations Committee.

Senator Patrick Leahy, Chairman of the State and Foreign Operations Subcommittee, stated "This bill represents a major step toward replenishing the budget for diplomacy and foreign assistance that has suffered serious shortfalls in recent years, largely due to the strains caused by the growth in budget expenses for Iraq and Afghanistan. Including funds appropriated for FY09 in the FY08 supplemental bill, we provide the full amount requested for State Department operations, and an additional \$50 million for USAID operations. We provide large increases for global health, disaster relief, peacekeeping, and international security programs. We have reduced funding for the Millennium Challenge Corporation, but this should not be misinterpreted as a lack of support for the MCC. We want it to succeed, and we intend to fund future compacts. But with a pipeline of \$7.5 billion and just \$235 million disbursed, it makes sense first to process the billions that have already been appropriated. We want to see more results before we sign new compacts."

FY 2009 State and Foreign Operations Appropriations SUMMARY

DEPARTMENT OF STATE

The Committee provides \$12 billion for Department of State operations, an amount \$194,000 below the President's request and \$730 million above the FY08 enacted level (6.5%).

These increases are attributed to a major investment in personnel, particularly in countries of growing importance in South Asia and Asia. The bill supports the request of 500 additional positions, much of which will help posts left depleted (some by 25%) due to positions shifting to Iraq during the last 5 years. In addition, the bill recommends \$115 million for a new initiative to train and deploy personnel in post-conflict stabilization.

MAJOR INITIATIVES

- **Civilian Stabilization Initiative.** The Committee provides \$115 million for a new initiative to train and deploy personnel in post-conflict stabilization, \$133 million less than the President's request. The Department lacks the capability to quickly respond with technical experts, especially in engineering or local governance.
- **Passport privacy.** The bill includes language withholding funds until the Department of State implements all of the recent recommendations of the Inspector General to improve internal controls over access to passport files. This is in response to findings this spring of State Department staff and contractors having unauthorized access to personal privacy information.

Diplomatic and Consular Programs (D&CP). The Committee provides \$4.15 billion for D&CP, which funds State Department personnel, an increase of \$373 million (10%) above the FY08 enacted level and \$49 million below the President's request. This funds a major investment in personnel to increase language training and expand the number of personnel in regions of growing importance.

Worldwide Security Protection. The Committee recommends \$1.13 billion for Worldwide Security Protection for non-capital security upgrades, an increase of \$375 million above the FY08 enacted level. This account funds all the Diplomatic Security agents at every post world-wide, armored vehicles, and training.

Educational and Cultural Exchange Programs (ECE). The Committee provides \$545.25 million for ECE, \$44 million above the President's request and an increase of \$23 million above the FY08 enacted level (8%).

Embassy Security, Construction, and Maintenance. The Committee provides \$1.7 billion for embassy facilities, a \$340 million increase above the enacted level and \$24.5 million below the President's request. Of this amount, \$800 million is for

embassy maintenance, \$41 million less than the request and \$45 million above the FY08 enacted level (6%).

New Office Buildings. The Committee provides \$830 million for planning, design and construction of new embassies and office buildings worldwide, \$118 million above the request and \$159 million above the FY 08 enacted level. The need to replace insecure and old embassies is growing as security has worsened in many areas.

Contributions for International Peacekeeping Activities. The Committee provides \$1.65 billion for CIPA, an increase of \$427 million above the FY08 enacted level and \$153 million above the President's request (10%). The President's request under-funds the U.S. assessed contribution to United Nations Peacekeeping in FY09 by assuming a reduction in every mission. This downsizing is unrealistic and the bill funds what are expected to be actual costs in critical peacekeeping missions, especially Sudan, Darfur and the Congo.

Contributions to International Organizations & Conferences. The Committee provides \$1.53 billion for Contributions to International Organizations & Conferences (CIO), the same as the President's request and \$185 million above the FY08 enacted level. The account funds the U.S. assessed dues to 47 international organizations, including NATO, IAEA, the UN, and others for which the U.S. is treaty-obligated.

Broadcasting Board of Governors. The Committee provides \$693 million for the Broadcasting Board of Governors, an increase of \$23 million above the FY08 enacted level and \$6 million below the request. The bill provides funding for broadcasting in languages which the Administration proposed to eliminate in FY09, such as Russian, Kazak, Uzbek, Tibetan and the to the Balkans, where freedom of speech remains restricted and broadcasting is still necessary. The Committee does not provide funds for the expansion of Alhurra programming in Arabic.

ADMINISTRATION OF FOREIGN ASSISTANCE

Operating Expenses – USAID. The Committee provides \$817 million for USAID operating expenses, \$50 million above the President's request and \$187 million above the FY 08 enacted level. This is the first attempt in recent years to begin to address the serious staff shortage at USAID.

BILATERAL ECONOMIC ASSISTANCE

The Committee provides a total of \$16.8 billion for bilateral economic assistance.

Global Health Programs (GHP). The Committee provides \$6.74 billion for Global Health Programs, an increase of \$383 million above the request and \$248 million above FY08 enacted (6%).

• **Child Survival and Maternal Health.** The Committee provides a total of \$500 million for Child Survival and Maternal Health, an increase of \$130 million above the President's request and \$54 million above the FY08

enacted level. The Committee provides \$32 million within this account for programs to eradicate polio.

- **Family Planning.** The Committee provides a total of \$520 million from all accounts for family planning and reproductive health programs including \$45 million for UNFPA. This is \$15 million above the FY08 enacted level and \$219 million above the President's request.
- HIV/AIDS. The Committee provides a total of \$5.129 billion to combat HIV/AIDS, an amount equal to the President's request and \$117 million (2.5%) above the FY08 enacted level. Of this amount, \$550 million is for the Global Fund, \$350 million above the President's request and equal to the FY08 enacted level. The Subcommittee on Labor, Health and Human Services provided the President's request of \$300 million for the Global Fund, bringing the total U.S. FY08 contribution to \$850 million

Development Assistance (DA). The Committee provides \$1.850 billion for DA, \$211 million above the President's request and \$226 million above the FY08 enacted level.

International Disaster Assistance (IDA). The Committee provides \$450 million for International Disaster Assistance, \$152 million above the President's request and \$20 million above the FY08 enacted level including supplemental funding.

Economic Support Funds (ESF). The Committee provides \$3.098 billion for ESF, \$55 million below the President's request and \$123 million above the FY08 enacted level including supplemental funding.

Europe, Eurasia and Central Asia (AEECA). The Committee recommends \$661.7 million for this new combined account, an increase of \$40 million above the President's request and \$28 million below the FY08 enacted level. This account combines programs previously funded under the accounts Assistance to Eastern Europe (SEED) and Assistance for the Former Soviet Union (FSU).

Millennium Challenge Corporation (MCC). The Committee provides \$254 million for the MCC, which is \$1.9 billion below the President's request and \$1.3 billion below the FY08 enacted level.

Democracy Fund (DF). The Committee provides \$117.5 million for the Democracy Fund, a decrease of \$45 million below the FY08 enacted level. There was no request in the President's budget, but many of these programs were requested under ESF.

Andean Counterdrug Programs (ACP). The Committee provides \$315 million for Andean Programs, a decrease of \$92 million from the President's request and a decrease of \$10 million below the FY08 enacted level. Most of the reduction reflects a shift in the budget request of alternative development funds from ACP to ESF, and judicial reform funds to INCLE. **Migration and Refugee Assistance.** The Committee provides \$1.1 billion for Migration and Refugee Assistance, \$336 million above the President's request and \$277 million above the FY08 enacted level. The increases reflect a concern that international refugee programs are seriously under-funded, especially with the flood of refugees out of Iraq.

INTERNATIONAL SECURITY ASSISTANCE

The Committee provides \$4.827 billion for military assistance and peacekeeping operations, \$322 million below the President's request and \$64 million below the FY08 enacted level. The bill assumes \$170 million provided in the FY08 supplemental as FY09 bridge funds for military assistance to Israel, making the total amount for Israel equal to the President's request, \$2.55 billion (7% increase over the FY08 enacted level, as negotiated by the Administration.)

MULTILATERAL ASSISTANCE

The Committee provides \$2.13 billion for multilateral economic assistance, \$217 million below the President's request and \$537 million (33%) above the FY08 enacted level.

EXPORT ASSISTANCE

The Committee provides \$41 million for Export-Import Bank subsidy appropriations, the amount requested by the President, and \$26 million below the FY08 enacted level. The Committee provides \$81.5 million for Export-Import Bank administrative expenses, an amount equal to the President's request and \$4 million above the FY 08 enacted level.

NEW INITIATIVES

<u>Global Food Security</u>. The Committee includes a new heading in the bill, funded with \$150 million, to address global food security including through agriculture development programs. Funds are also available for local purchase of food to address the immediate food crisis.

<u>Clean Energy Technology</u>. The President requested \$400 million for a Clean Energy Technology Fund at the World Bank. The Committee provides \$200 million for such a fund, if the Secretary of the Treasury certifies that it will only finance zero-carbon emissions technologies. If not, the funds are to be used for bilateral energy programs.

<u>Least Developed Countries Fund.</u> The Committee provides \$20 million for a U.S. contribution to this fund, operated by the Global Environmental Facility. The Administration had not contributed, although most European countries have.