

Department of State and Foreign Operations Appropriations: History of Legislation and Funding in Brief

/name redacted/

Specialist in Foreign Policy

September 15, 2016

Congressional Research Service

7-....

www.crs.gov

R44637

Summary

Congress currently appropriates foreign affairs funding through annual Department of State, Foreign Operations, and Related Programs (SFOPs) appropriations. This was not always the case, however. Prior to FY2008, Congress provided funding for the Department of State, international broadcasting, and related programs within the Commerce, Justice, State, the Judiciary, and Related Agencies appropriations. In those years, Congress separately appropriated funding for the U.S. Agency for International Development (USAID) and foreign aid within the Foreign Operations, Export Financing, and Related Programs appropriations. The 110th Congress aligned the two foreign affairs appropriations into the SFOPs legislation.

SFOPs appropriations over the past 20 years have included enduring (ongoing or base funding), emergency supplemental appropriations, and Overseas Contingency Operations (OCO) appropriations. Total SFOPs funding levels in both current and constant dollars show a general upward trend, with FY2004 as the peak because of emergency supplemental appropriations for Iraq Relief and Reconstruction Funds. In current dollars, SFOPs funding levels off after FY2013, while in constant dollars it declines somewhat. In addition, the Budget Control Act (BCA) of 2011 and the Bipartisan Budget Act (BBA) of 2015 appear to have had an impact on both enduring and OCO funding levels.

This report discusses legislation, funding levels, and funding designations for the Department of State, Foreign Operations, and Related Programs Appropriations between FY1995 and FY2017.

Contents

Introduction	1
Legislative History	1
Funding History.....	5
20-Year Funding Trends	7
Current vs. Constant.....	8
Enduring vs. Supplemental/OCO Appropriations	9

Figures

Figure 1. State-Foreign Operations Funding: FY1998-FY2017 Request.....	8
Figure 2. Current vs. Constant State-Foreign Operations Funding: FY1998-FY2017 Request.....	9
Figure 3. OCO as a Percentage of Total State-Foreign Operations Funding.....	11

Tables

Table 1. History of Department of State and Foreign Operations Appropriations, FY1995-FY2016	2
Table 2. Components Included in the FY2016 Department of State, Foreign Operations, and Related Programs Appropriations.....	5
Table 3. State-Foreign Operations Funding Table: FY1998-FY2017 Request.....	7

Contacts

Author Contact Information	11
----------------------------------	----

Introduction

Congress appropriates foreign affairs funding primarily through annual Department of State, Foreign Operations, and Related Programs (SFOPs) appropriations.¹ Prior to FY2008, however, Congress provided funds for the Department of State and international broadcasting within the Commerce, Justice, and State, the Judiciary, and Related Agencies appropriations (CJS) and separately provided foreign aid funds within Foreign Operations, Export Financing, and Related Programs appropriations. The transition between the different alignments occurred in the 109th Congress, with a change in appropriations subcommittee jurisdiction. For that Congress, the House of Representatives appropriated State Department funds separately from foreign aid, as in earlier Congresses, but the Senate differed by appropriating State and foreign aid funds within one bill—the Department of State, Foreign Operations, and Related Programs Appropriations.² Both the House and Senate began jointly funding Department of State and foreign aid appropriations within the Department of State, Foreign Operations and Related Programs Appropriations in the Consolidated Appropriations Act, 2008 (P.L. 110-161).

SFOPs appropriations currently include State Department Operations (including accounts for Embassy Security, Construction, and Maintenance, and Education and Cultural Affairs, among others); Foreign Operations (including USAID administration expenses, bilateral economic assistance, international security assistance, multilateral assistance, and export assistance); various international commissions; and International Broadcasting (including VOA, RFE/RL, Cuba Broadcasting, Radio Free Asia, and Middle East Broadcasting Networks). While the distribution varies slightly from year to year, Foreign Operations funding is typically about twice as much as State Operations funding.

In addition to regular, enduring SFOPs appropriations, Congress has approved emergency supplemental funding requested by Administrations to address emergency or otherwise off-cycle budget needs. Since FY2012, Congress has appropriated Overseas Contingency Operations (OCO) funding requested within the regular budget process for Department of State and USAID war-related expenses.

Legislative History

Nearly all foreign affairs appropriations within the past 22 years were passed within omnibus, consolidated, or full-year continuing resolutions, rather than in stand-alone bills, and usually after the start of the new fiscal year. Many foreign policy experts contend that stand-alone appropriations legislation would allow for a more rigorous debate on specific foreign policy activities and improve the ability to introduce or fund new programs. Such experts assert that the frequent practice of passing continuing resolutions and delaying passage of appropriations well into the next fiscal year has hindered program planning (not just in foreign affairs) and reduced the ability to fund programs that did not exist in the previous cycle.

¹ For more detail, see CRS Report R44391, *State, Foreign Operations and Related Programs: FY2017 Budget and Appropriations*, by (name redacted) and (name redacted).

² H.R. 5522, Department of State, Foreign Operations, and Related Programs Appropriations Act, 2007, in the 109th Congress, was the first appropriations legislation to combine both State Operations and Foreign Operations funding into one bill.

In addition to annual appropriations, several laws require Congress to authorize State and foreign operations funding prior to expenditure.³ Before 2003, Congress typically provided authorization in a biannual Foreign Relations Authorization bill.⁴ This practice not only authorized funding for obligation and expenditure, but also provided a forum for more rigorous debate on specific foreign affairs and foreign aid policies and a legislative vehicle for congressional direction. In recent years, the House and Senate have separately introduced or considered foreign relations and foreign aid authorization bills, but none have been enacted.

Table 1 below provides a 22-year history of enacted foreign affairs appropriations laws (excluding short-term continuing resolutions and supplemental appropriations), including the dates they were sent to the President and signed into law. Some observations follow:

- Since FY1995, Congress appropriated foreign affairs funding in on-time, freestanding bills once—in 1994 for the FY1995 appropriations year. The last time Congress passed foreign affairs funding on time, but not in freestanding legislation, was for FY1997.
- Congress included foreign affairs funding within an omnibus, consolidated, or full-year continuing resolution 18 of the past 22 years.
- FY2006 was the last time Congress enacted freestanding State Department and foreign operations appropriations bills.
- Four times over the past 22 years, Congress sent the State and foreign operations appropriations to the President in March or April—six to seven months into the fiscal year.

Table 1. History of Department of State and Foreign Operations Appropriations, FY1995-FY2016

Fiscal Year	Commerce, Justice, State, the Judiciary, and Related Agencies	Foreign Operations, Export Financing, and Related Programs	The Department of State, Foreign Operations, and Related Programs	Date Sent to President and Signed
FY2016			P.L. 114-113—Consolidated Appropriations Act, 2016	To Pres. 12/18/2015; signed 12/18/2015
FY2015			P.L. 113-235—Consolidated and Further Continuing Appropriations Act, 2015.	To Pres. 12/16/14; signed 12/16/14
FY2014			P.L. 113-76—Consolidated Appropriations Act, 2014	To Pres. 1/17/14; signed 1/17/14

³ In years when authorizations are not passed, the laws requiring authorization are waived in the appropriations measure. Laws requiring authorization, but waived within the General Provisions of the appropriations law since 2003, include Section 10 of P.L. 91-672, Section 15 of the State Department Basic Authorities Act of 1956, Section 313, P.L. 103-236, and Section 504(a)(1) of the National Security Act of 1947 (50 U.S.C. 3094(a)(1)).

⁴ The last time Congress authorized the Department of State was September 30, FY2002 to be enacted in FY2003. In some years, foreign aid has been included within foreign relations authorization legislation. Prior to 1985, the most recent year Congress enacted foreign aid authorization legislation, Congress typically authorized foreign aid separately.

Fiscal Year	Commerce, Justice, State, the Judiciary, and Related Agencies	Foreign Operations, Export Financing, and Related Programs	The Department of State, Foreign Operations, and Related Programs	Date Sent to President and Signed
FY2013			P.L. 113-6, Div. F—Consolidated and Further Continuing Appropriations Act, 2013	To Pres. 3/22/13; signed 3/26/13
FY2012			P.L. 112-74, Div. I—Consolidated Appropriations Act, 2012	To Pres. 12/21/11; signed 12/23/11
FY2011			P.L. 112-10 Title XI—Dept. of Defense and Full-Year Continuing Appropriations Act, 2011	To Pres. 4/15/11; signed 4/15/11
FY2010			P.L. 111-117—Consolidated Appropriations Act, 2010	To Pres. 12/15/09; signed 12/16/09
FY2009			P.L. 111-8—Consolidated Appropriations Act, 2009	To Pres. 3/11/09; signed 3/11/09
FY2008			P.L. 110-161—Consolidated Appropriations Act, 2008	To Pres. 12/24/07; signed 12/26/07
FY2007	P.L. 109-289 (CR) and P.L. 110-5—Revised Continuing Appropriations, 2007(Full-year CR through Sept. 30, 2007)	P.L. 109-289 (CR) and P.L. 110-5—Revised Continuing Appropriations, 2007(Full-year CR through Sept 30, 2007)		Full-year CR to Pres. 2/15/07; signed 2/15/07
FY2006	P.L. 109-108—Science, State, Justice, Commerce and Related Agencies Appropriations Act, 2006	P.L. 109-102—Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2006		P.L. 109-108 to Pres. 11/18/05; signed 11/22/05 P.L. 109-102 to Pres. 11/10/05; signed 11/14/05
FY2005	P.L. 108-447—Consolidated Appropriations Act, 2005, Div. B.	P.L. 108-447—Consolidated Appropriations Act, 2005, Div. D.		To Pres. 12/7/04; signed 12/8/04
FY2004	P.L. 108-199—Consolidated Appropriations Act, 2004, Div. B	P.L. 108-199—Consolidated Appropriations Act, 2004, Div. D		To Pres. 1/22/04; signed 1/23/04
FY2003	P.L. 108-7, Consolidated Appropriations Act, 2003, Div. B	P.L. 108-7, Consolidated Appropriations Act, 2003, Div. E		To Pres. 2/19/03; signed 2/20/03

Fiscal Year	Commerce, Justice, State, the Judiciary, and Related Agencies	Foreign Operations, Export Financing, and Related Programs	The Department of State, Foreign Operations, and Related Programs	Date Sent to President and Signed
FY2002	P.L. 107-77—Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2002	P.L. 107-115—Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002		P.L. 107-77 to Pres. 11/16/01; signed 11/28/01 P.L. 107-115 to Pres. 1/04/02; signed 1/10/02
FY2001	P.L. 106-553—Federal Funding, Fiscal Year 2001, Appendix B, Title IV	P.L. 106-429—Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001		P.L. 106-553 to Pres. 10/27/00; signed 12/21/00 P.L. 106-429 to Pres. 11/06/00; signed 11/06/00
FY2000	P.L. 106-113—Consolidated Appropriations Act, 2000	P.L. 106-113—Consolidated Appropriations Act, 2000		To Pres. 11/22/99; signed 11/29/99
FY1999	P.L. 105-277—Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999	P.L. 105-277—Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999		To Pres. 10/21/98; signed 10/21/98
FY1998	P.L. 105-119—Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998	P.L. 105-118—Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998		P.L. 105-119 to Pres. 11/24/97; signed 11/26/97 P.L. 105-118 to Pres. 11/19/97; signed 11/26/97
FY1997	P.L. 104-208—Omnibus Appropriations Act, 1997	P.L. 104-208—Omnibus Appropriations Act, 1997		To Pres. 9/30/96; signed 9/30/96
FY1996	P.L. 104-134—Omnibus Consolidated Rescissions and Appropriations Act of 1996	P.L. 104-134—Omnibus Consolidated Rescissions and Appropriations Act of 1996		To Pres. 4/25/96; signed 4/26/96
FY1995	P.L. 103-317—Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995	P.L. 103-306—Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995		P.L. 103-317 to Pres. 8/22/94; signed 8/26/94 P.L. 103-306 to Pres. 8/12/94; signed 8/23/94

Source: Legislative Information System (LIS), <http://www.lis.gov>. See also <http://www.congress.gov>.

Note: This table excludes short-term continuing resolutions and supplemental appropriations.

Funding History

Since realignment of the foreign affairs appropriations legislation in FY2008, SFOPs appropriations measures have included State Department Operations, Foreign Operations, various international commissions, and International Broadcasting. For a full list of the accounts included in the FY2016 SFOPs, see **Table 2**.⁵

Table 2. Components Included in the FY2016 Department of State, Foreign Operations, and Related Programs Appropriations

(organized by Title)

Title	Programs
	State Department Operations
Title I – Department of State and Related Agency	<p>Administration of Foreign Affairs Diplomatic and Consular Programs (Ongoing Operations & Worldwide Security Protection) Capital Investment Fund Embassy Security, Construction, and Maintenance (Ongoing Operations & Worldwide Security Upgrades) Conflict Stabilization Operations Office of Inspector General Educational and Cultural Exchange Programs Representation Expenses Protection of Foreign Missions and Officials Emergencies in the Diplomatic and Consular Service Buying Power Maintenance Account Repatriation Loans Program Account Payment to the American Institute in Taiwan</p> <p>International Organizations Contributions to International Organizations (CIO) Contributions for International Peacekeeping Activities (CIPA)</p> <p>International Commissions (Function 300) International Boundary and Water Commission (S&E & Construction) American Sections —International Joint Commission —International Boundary Commission —Border Environment Commission International Fisheries Commission</p> <p>Related Programs The Asia Foundation National Endowment for Democracy East-West Center</p> <p>Special and Trust Funds Center for Middle Eastern-Western Dialogue Eisenhower Exchange Fellowship Program Israeli Arab Scholarship Program International Chancery Center</p> <p>Broadcasting Board of Governors International Broadcasting Operations Broadcasting Capital Improvements</p> <p>Other Programs U.S. Institute of Peace</p>

⁵ For further discussion on the various SFOPs components, see CRS Report R40482, *State, Foreign Operations Appropriations: A Guide to Component Accounts*, by (name redacted) and (name redacted)

Title	Programs
Foreign Operations	
Title II - USAID	USAID Operating Expenses (OE) Conflict Stabilization Operations (CSO) USAID Capital Investment Fund (CIF) USAID Inspector General Operating Expenses
Title III – Bilateral Economic Assistance	Global Health Programs (USAID & State) Development Assistance (DA) International Disaster Assistance (IDA) Transition Initiatives (TI) Complex Crises Fund (CCF) Development Credit Authority – Subsidy (DCA) Development Credit Authority – Administrative Expenses Economic Support Fund (ESF) Democracy Fund Assistance for Europe, Eurasia & Central Asia (AEECA) Migration and Refugee Assistance (MRA) U.S. Emergency Refugee and Migration Assistance (ERMA) <i>Independent Agencies</i> —Peace Corps —Millennium Challenge Corporation (MCC) —Inter-American Foundation —U.S. African Development Foundation
Title IV – International Security Assistance	International Narcotics Control and Law Enforcement (INCLE) Nonproliferation, Antiterrorism, Demining and Related Programs (NADR) Peacekeeping Operations (PKO) International Military Education and Training (IMET) Foreign Military Financing (FMF)
Title V – Multilateral Assistance	International Organizations and Programs <i>Multilateral Development Banks and Related Funds</i> —International Bank for Reconstruction and Development —International Development Association (IDA) —IDA Multilateral Debt Relief Initiative —African Development Bank —African Development Fund (AfDF) —AfDF Multilateral Debt Relief Initiative —Asian Development Bank —Asian Development Fund —Inter-American Development Bank —Enterprise for the Americas Multilateral Investment Fund —Global Environment Facility (GEF) —Clean Technology Fund —Strategic Climate Fund —North American Development Bank —International Fund for Agricultural Development —Global Agriculture and Food Security Program —Central American and Caribbean Catastrophic Risk Insurance Facility (CCRIF) Global Infrastructure Facility
Title VI – Export Assistance	Export-Import Bank Overseas Private Investment Corporation Trade and Development Agency

Source: The Congressional Budget Justification, Department of State, Foreign Operations and Related Programs, Fiscal Year 2016.

20-Year Funding Trends

Since FY1998, SFOPs total funding in actual dollars has grown by a nominal \$34.52 billion (189%). **Table 3** and **Figure 1** provide the funding levels for enduring funds and Supplemental/OCO funds in the Department of State, Foreign Operations and Related Programs for FY1998-2017.

Table 3. State-Foreign Operations Funding Table: FY1998-FY2017 Request
(In billions of current U.S. dollars)

Fiscal Year	State Operations			Foreign Operations			Total		
	Enduring	Supplemental/ OCO	Total	Enduring	Supplemental/ OCO	Total	Enduring	Supplemental/ OCO	Grand Total
1998 Actual	\$4.98	\$0.00	\$4.98	\$13.21	\$0.00	\$13.21	\$18.19	\$0.00	\$18.19
1999 Actual	\$4.82	\$2.09	\$6.91	\$15.44	\$0.00	\$15.44	\$20.26	\$2.09	\$22.35
2000 Actual	\$6.12	\$0.00	\$6.12	\$16.54	\$0.00	\$16.54	\$22.66	\$0.00	\$22.66
2001 Actual	\$6.49	\$0.51	\$7.00	\$14.99	\$0.00	\$14.99	\$21.48	\$0.51	\$21.99
2002 Actual	\$7.62	\$0.55	\$8.17	\$15.36	\$2.61	\$17.97	\$22.98	\$3.16	\$26.14
2003 Actual ^a	\$8.06	\$0.59	\$8.65	\$15.75	\$7.24	\$22.99	\$23.81	\$7.83	\$31.64
2004 Actual ^a	\$9.38	\$0.60	\$9.98	\$19.61	\$21.21	\$40.82	\$28.99	\$21.81	\$50.80
2005 Actual	\$7.04	\$3.68	\$10.72	\$21.23	\$2.20	\$23.43	\$28.27	\$5.88	\$34.15
2006 Actual	\$8.72	\$1.55	\$10.27	\$22.67	\$2.92	\$25.59	\$31.39	\$4.47	\$35.86
2007 Actual	\$9.48	\$1.22	\$10.70	\$21.95	\$4.43	\$26.38	\$31.43	\$5.65	\$37.08
2008 Actual	\$10.47	\$2.74	\$13.21	\$24.00	\$3.77	\$27.77	\$34.47	\$6.51	\$40.98
2009 Actual	\$13.13	\$2.70	\$15.83	\$27.27	\$7.04	\$34.31	\$40.40	\$9.74	\$50.14
2010 Actual	\$14.74	\$2.62	\$17.36	\$33.26	\$2.04	\$35.30	\$48.00	\$4.66	\$52.66
2011 Actual	\$15.76	\$0.00	\$15.76	\$33.38	\$0.00	\$33.38	\$49.14	\$0.00	\$49.14
2012 Actual	\$13.22	\$4.63	\$17.85	\$28.93	\$6.58	\$35.51	\$42.15	\$11.21	\$53.36
2013 Actual	\$13.10	\$4.60	\$17.70	\$26.48	\$7.33	\$33.81	\$39.58	\$11.93	\$51.51
2014 Actual	\$13.92	\$1.82	\$15.74	\$28.84	\$5.13	\$33.97	\$42.76	\$6.95	\$49.71

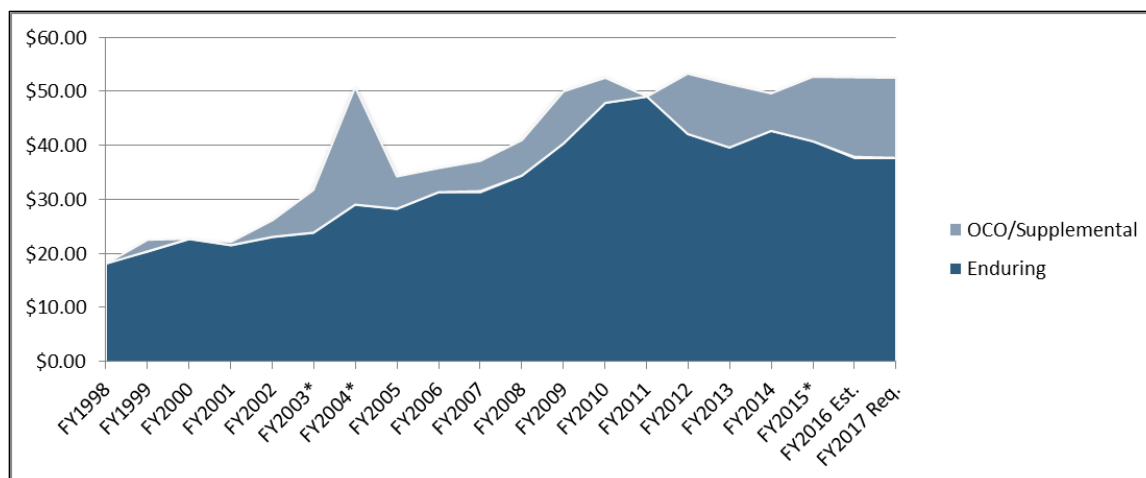
Fiscal Year	State Operations			Foreign Operations			Total		Grand Total
	Enduring	Supplemental/ OCO	Total	Enduring	Supplemental/ OCO	Total	Enduring	Supplemental/ OCO	
2015 Actual ^b	\$14.05	\$1.80	\$15.85	\$26.83	\$10.10	\$36.93	\$40.88	\$11.90	\$52.78
2016 Estimated	\$11.02	\$5.28	\$16.30	\$26.79	\$9.61	\$36.40	\$37.81	\$14.89	\$52.70
2017 Request	\$11.63	\$5.26	\$16.89	\$26.10	\$9.63	\$35.73	\$37.73	\$14.89	\$52.62

Source: The Congressional Budget Justification, Department of State, Foreign Operations and Related Programs, FY1998-FY2017.

a. FY2003 and FY2004 include funding allocated as part of the Iraq Relief and Reconstruction Fund (IRRF).

b. FY2015 includes the Ebola Response Supplemental Funding.

Figure 1. State-Foreign Operations Funding: FY1998-FY2017 Request
(In billions of current U.S. dollars)



Source: The Congressional Budget Justification, Department of State, Foreign Operations and Related Programs, FY1998-FY2017.

Notes: FY2003 and FY2004 include funding allocated as part of the Iraq Relief and Reconstruction Fund (IRRF). FY2015 includes the Ebola Response Supplemental Funding.

Current vs. Constant

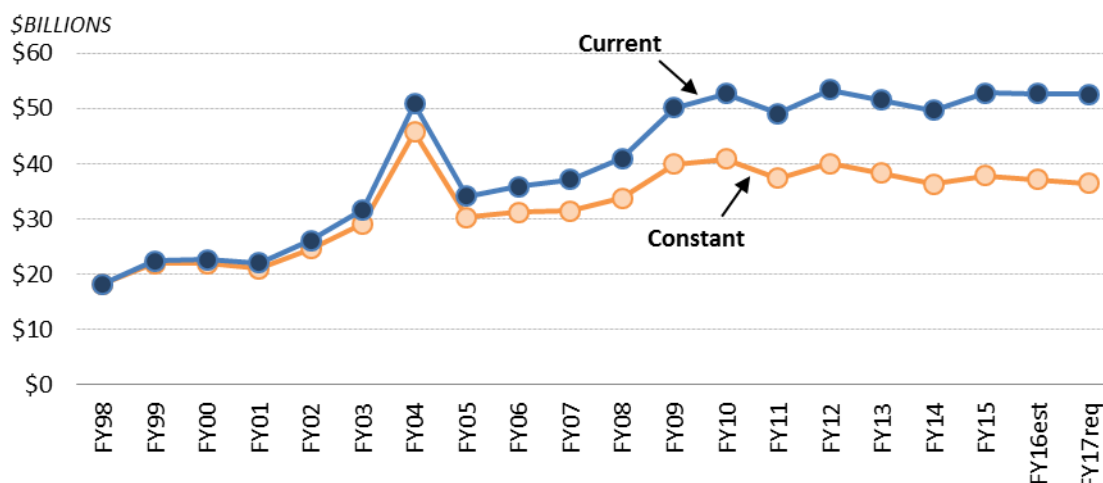
Current (nominal or actual dollars) versus constant (excluding inflation) trends illustrate a slightly different picture. Although current funding for State-Foreign Operations generally has grown since FY1998, there was a spike in funding in FY2004 that can, in large part, be attributed to supplemental funding for the Iraq Relief and Reconstruction Fund, which provided additional funds in that year. The creation of the Millennium Challenge Corporation (MCC) and the President's Emergency Plan for AIDS Relief (PEPFAR) added to current funding levels from

FY2004-FY2009. OCO became a regular part of foreign affairs funding as of FY2012. In addition, supplemental funding for Ebola was enacted in FY2015 (see **Figure 2**).⁶

When removing inflation from current dollars, the constant dollar trend line generally continues to increase, although at a slower pace than current dollars. FY2004 remains the peak year in constant dollars; however, funding levels after that peak do not rise to that peak again, as they do in current dollars. Funds in both current and constant dollars increase in FY2012, partly because of OCO funding. The following years, funding in current dollars levels off at nearly the same as the FY2012 level,⁷ but after removing inflation, funding for FY2013 through the FY2017 request declines below that level, suggesting that the Budget Control Act of 2011 (BCA) has kept foreign affairs funding below the rate of inflation.

**Figure 2. Current vs. Constant State-Foreign Operations Funding:
FY1998-FY2017 Request**

(In billions of current and constant 1998 U.S. dollars)



Source: The Congressional Budget Justification, Department of State, Foreign Operations and Related Programs, FY1998-FY2017. Calculations by CRS.

Note: Constant values were calculated using the GDP (chained) Price Index deflator from Table 10.1 in the Historical Tables, Budget of the U.S. Government, FY2016.

Enduring vs. Supplemental/OCO Appropriations

The Administration distinguishes between enduring (also called regular or ongoing), emergency supplemental, and Overseas Contingency Operations (OCO) funds. Funds designated as emergency or OCO are not subject to procedural limits on discretionary spending in congressional budget resolutions, or the statutory discretionary spending limits provided through the Budget Control Act of 2011 for FY2011-FY2021 (BCA, P.L. 112-25).

Prior to FY2012, the President typically submitted to Congress additional funding requests (after the initial annual budget request), referred to as emergency supplementals. Supplemental funding

⁶ For further discussion, see CRS Report R40213, *Foreign Aid: An Introduction to U.S. Programs and Policy*, by (name redacted) and (name redacted).

⁷ An emergency supplemental for Ebola was passed in FY2015.

packages have historically been approved to address emergency, war-related, or otherwise off-cycle budget needs. Recently, the Administration has requested emergency supplemental appropriations for urgent unexpected expenses, such as the U.S. international response to Ebola and the Zika virus.

In contrast to emergency supplemental appropriations, the Obama Administration included within the regular budget request in FY2012 what it described as short-term, temporary, war-related funding for the frontline states of Iraq, Afghanistan, and Pakistan—designated as Overseas Contingency Operations funds, or OCO.⁸ Congress had used the OCO designation in earlier years for Department of Defense appropriations to distinguish between ongoing versus war-related expenditures. In response to the FY2012 SFOPs OCO request, Congress appropriated OCO funds for the Department of State and USAID activities beyond the requested level and for more than just activities in Iraq, Afghanistan, and Pakistan. In FY2012, Congress included OCO funds for the three frontline states as well as for Yemen, Somalia, Kenya, and the Philippines. The Administration first requested OCO funds for a country other than the three frontline states in FY2015, when it requested OCO funds for Syria.⁹

Since FY2012, OCO has ranged from a low of 14% of the total budget request in FY2014 to the current high of 28% in FY2016 and FY2017. After the Bipartisan Budget Act of 2015 (BBA, P.L. 114-74) set non-binding OCO minimums for FY2016 and FY2017, OCO has become an even larger part of the overall funding for State and foreign aid programs. The FY2017 funding request includes \$14.89 billion in OCO—\$5.26 billion in State Operations OCO and \$9.63 billion in Foreign Operations OCO—representing 28.3% of the overall State-Foreign Operations budget (see **Figure 3**).

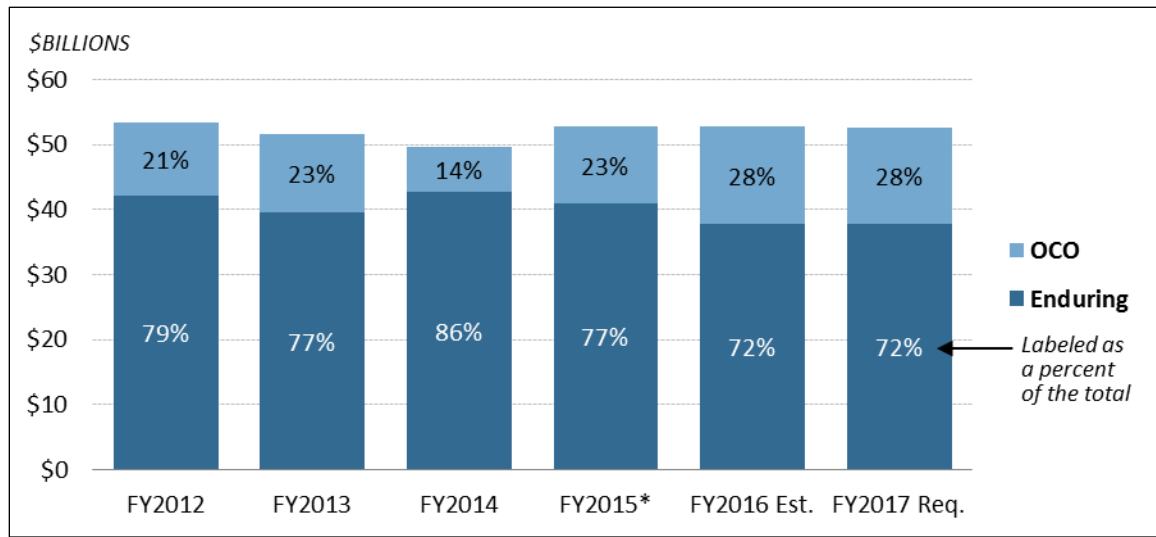
The BCA and BBA have had an effect on foreign affairs funding levels and may have future implications. The Budget Control Act of 2011 sets limits on discretionary spending through FY2021 for defense and nondefense funding categories. Because OCO funds are not counted against the discretionary spending limits, the BCA has put downward pressure on SFOPs enduring/base funds, while OCO has increasingly funded other foreign affairs activities. In addition, the BBA significantly increased FY2016 and FY2017 OCO funding for foreign affairs over the requested funding levels in FY2015 and FY2016, further encouraging a migration of funds for ongoing activities into OCO-designated accounts. The overall State and foreign operations FY2017 OCO request is 111% higher than the FY2016 OCO request, whereas the overall requested enduring funds fell by 19%—the State Department Operations request for enduring funds declined by 25%, and the Foreign Operations request for enduring funds in FY2017 declined by 17%. State Department officials and some foreign affairs observers are concerned that SFOPs enduring funds may not keep pace with needs after FY2017, when the expanded OCO minimums will no longer be authorized.¹⁰

⁸ Executive Budget Summary, Function 150 & Other International Programs, Fiscal Year 2013, p. 137.

⁹ For more information on OCO, its history, and current status, see CRS Report R44519, *Overseas Contingency Operations Funding: Background and Status*, coordinated by (name redacted) and (name redacted) .

¹⁰ For further discussion, see CRS In Focus IF10143, *Foreign Affairs Overseas Contingency Operations (OCO) Funding: Background and Current Status*, by (name redacted) .

Figure 3. OCO as a Percentage of Total State-Foreign Operations Funding



Source: The Congressional Budget Justification, Department of State, Foreign Operations and Related Programs, FY2012-FY2017.

Author Contact Information

(name redacted)
 Specialist in Foreign Policy
 fedactedj@crs.loc.gov, 7-....

Acknowledgments

The author acknowledges the assistance of Emily Morgenstern, CRS research associate, in the preparation of this report

EveryCRSReport.com

The Congressional Research Service (CRS) is a federal legislative branch agency, housed inside the Library of Congress, charged with providing the United States Congress non-partisan advice on issues that may come before Congress.

EveryCRSReport.com republishes CRS reports that are available to all Congressional staff. The reports are not classified, and Members of Congress routinely make individual reports available to the public.

Prior to our republication, we redacted names, phone numbers and email addresses of analysts who produced the reports. We also added this page to the report. We have not intentionally made any other changes to any report published on EveryCRSReport.com.

CRS reports, as a work of the United States government, are not subject to copyright protection in the United States. Any CRS report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS report may include copyrighted images or material from a third party, you may need to obtain permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

Information in a CRS report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to members of Congress in connection with CRS' institutional role.

EveryCRSReport.com is not a government website and is not affiliated with CRS. We do not claim copyright on any CRS report we have republished.