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# Department of State, Foreign Operations and Related Programs: FY2019 Budget and Appropriations

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## Summary

The Trump Administration submitted to Congress its FY2019 budget request on February 12, 2018. The proposal includes \$41.86 billion for the Department of State, Foreign Operations, and Related Programs (SFOPS). Of that amount, \$13.26 billion would be for State Department operations, international broadcasting, and related agencies, and \$28.60 billion for foreign operations. With the enactment of the Bipartisan Budget Act of 2018 (BBA; P.L. 115-123, February 9, 2018), which raised discretionary spending limits set by the Budget Control Act of 2011 (BCA; P.L. 112-25), the Administration's FY2019 foreign affairs funding request is entirely within enduring (base) funds; no Overseas Contingency Operations (OCO) funding is in the SFOPS request for the first time since FY2012.

Comparing the request with the FY2018-enacted funding levels, the FY2019 request represents a 22.7% decrease in SFOPS funding. The proposed State and related agency funding would be 18.23% below FY2018 enacted and the foreign operations funding would be reduced by 24.7%. In the State and related programs budget, cuts are proposed for the diplomatic security accounts (the Worldwide Security Protection programmatic allocation within the Diplomatic and Consular Programs account and, separately, the Embassy Security, Construction, and Maintenance account), contributions to international organizations, and contributions for international peacekeeping activities. In the foreign operations budget, cuts would be applied across all accounts, with disproportionately large cuts proposed for humanitarian assistance, multilateral assistance, and funding for bilateral development programs focused on agriculture, education, and democracy promotion.

This report provides an account-by-account comparison of the FY2019 SFOPS request to the FY2018-enacted funding in **Appendix A**. The International Affairs (function 150) budget in **Appendix B** provides a similar comparison.

This report will be updated to reflect congressional activity on FY2019 appropriations.

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## Overview

On February 12, 2018, the Trump Administration submitted to Congress its FY2019 budget request, which includes \$41.86 billion of base (or enduring) funds for the Department of State, Foreign Operations, and Related Programs (SFOPS).<sup>1</sup> Of that amount, \$13.26 billion would be for State operations, international broadcasting, and related agencies and \$28.60 billion for foreign operations.<sup>2</sup> Comparing the request with the FY2018-enacted SFOPS funding levels, the FY2019 request represents a 22.7% decrease in SFOPS funding. The proposed State and related agency funding would be 18.23% below FY2018 enacted, and the foreign operations funding would be reduced by 24.7%. An account-by-account comparison of the SFOPS request with the FY2018-enacted funding levels is provided in **Appendix A**. International Affairs 150 function funding levels are detailed in **Appendix B**. A chart depicting the components of the SFOPS appropriations bill is in **Appendix C**. A glossary is provided in **Appendix D**.

## Bipartisan Budget Act of 2018

The appropriations process for the coming FY2019 is shaped by the Bipartisan Budget Act of 2018 (BBA, H.R. 1892, P.L. 115-123), which Congress passed on February 9, 2018. The act raises the overall revised discretionary spending limits set by the Budget Control Act of 2011 (BCA, P.L. 112-25) from \$1.069 trillion for FY2017 to \$1.208 trillion for FY2018 and to \$1.244 trillion for FY2019. The BBA increases FY2019 defense funding levels by \$85 billion, from \$562 billion to \$647 billion, and nondefense funding (including SFOPS) by \$68 billion, from \$529 billion to \$597 billion.<sup>3</sup> It also extends direct spending reductions from FY2021 in the original BCA through FY2027, as amended.<sup>4</sup>

## Enduring vs. Overseas Contingency Operations Request

Every year since FY2012, the Administration distinguished SFOPS spending as either enduring (base) funds or those to support overseas contingency operations (OCO). The OCO designation gained increased significance with enactment of the BCA that specified emergency or OCO funds do not count toward the spending limits established by the act. In early years of requesting OCO funds, the Obama Administration described OCO requests for “extraordinary, but temporary, costs of the Department of State and USAID in Iraq, Afghanistan, and Pakistan.”<sup>5</sup> Syria and other countries were added in later years, and the Trump Administration expanded OCO use in its first budget request in FY2018 to be available for longer-term, core activities and more countries. For

<sup>1</sup> While the FY2017 actual funding and the FY2018 included some OCO funding, the FY2019 request is entirely base (enduring) funding.

<sup>2</sup> This includes \$158.9 million for the Foreign Service Retirement account that is mandatory spending and, therefore, is not included in State Operations data that only reflects discretionary spending, such as the State Department Congressional Budget Justification of Fiscal Year 2019.

<sup>3</sup> Section 30101(a) of the BBA 2018 (P.L. 115-123) establishes amended spending limits for the “revised security” and “revised nonsecurity” categories for FY2018 and FY2019. The “revised security category” is defined in Section 251A(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, as “discretionary appropriations in budget function 050” and is generally referred to as the “defense” category. The “revised nonsecurity category” is defined in Section 251A(1)(B) as “discretionary appropriations other than in budget function 050” and is generally referred to as the “nondefense” category.

<sup>4</sup> For more information, see CRS Insight IN10861, *Discretionary Spending Levels Under the Bipartisan Budget Act of 2018*, by (name redacted) and (name redacted).

<sup>5</sup> Executive Budget Summary, Function 150 & other International Programs, Fiscal Year 2013, p. 137.

FY2019, because the BBA raised spending limits, the Administration is not seeking foreign affairs OCO funds, but is requesting the entire SFOPS budget within base funds. For funding trends, see **Table 1**.

**Table 1. State-Foreign Operations Appropriations, FY2010-FY2019 Request**

(in billions of current U.S. dollars)

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18 enacted	FY19 request
Enduring	49.44	48.80	41.80	39.75	42.91	41.01	37.97	36.93	42.16	41.86
OCO/Supp	2.34	0.00	11.20	10.82	6.52	11.89	16.07	20.79	12.02	00.00
Total	51.78	48.80	53.00	50.57	49.43	52.90	54.04	57.72	54.18	41.86

**Sources:** Congressional Budget Justification Department of State and Foreign Operations, various years, including FY2019; FY2019 Addendum, P.L. 115-141, and CRS appropriations reports; CRS calculations.

**Note:** Supp=supplemental appropriations that includes funds for Iraq and Afghanistan prior to when OCO was first requested and appropriated in FY2012. FY2015 OCO/Supp includes \$9.36 billion for OCO and \$2.53 billion for emergency Ebola funds; FY2016 includes \$14.89 billion for OCO (including for Zika funds) and \$1.18 billion to address the emergency refugee crisis in the Middle East; and FY2017 includes \$16.49 billion for OCO and \$4.3 billion for security assistance.

## Key Issues for Congress

### Department of State and Related Agency Funding<sup>6</sup>

#### Overview

The State Department seeks to cut funding for the Department of State and Related Agency category by 18% in FY2019 from FY2018-enacted levels, to \$13.26 billion.<sup>7</sup> The entirety of this category would be funded through base (or enduring) funding. Following passage of the BBA and the resulting increase in discretionary spending cap levels for FY2018 and FY2019, the State Department moved the \$3.69 billion request for Overseas Contingency Operations (OCO) in this category into the base budget request.

Areas where the proposed cuts are focused include the diplomatic security accounts (the Worldwide Security Protection programmatic allocation within the Diplomatic and Consular Programs account and, separately, the Embassy Security, Construction, and Maintenance account), contributions to international organizations, and contributions for international peacekeeping activities.

The State Department has also requested \$246.2 million to implement the Leadership and Modernization Impact Initiative, which serves as the implementation phase of the department's

<sup>6</sup> This section was prepared by Cory Gill, Analyst in Foreign Affairs.

<sup>7</sup> The Department of State and Related Agency Appropriation includes State Operations, Contributions to International Organizations and International Peacekeeping Operations, Function 300 International Commissions, International Broadcasting, State-related Commissions, and other related organizations. It also includes mandatory payments to the Foreign Service Retirement and Disability Fund, which the State Department does not include in its FY2019 calculation. This figure (\$13.26 billion for the FY2019 request) is reflected above.

“Redesign” efforts. **Table 2** provides an overview of the proposed cuts to selected accounts within the State Department and Related Agency category.

**Table 2. State Department and Related Agency: Selected Accounts**  
(in billions of current U.S. dollars)

	<b>FY2016 Actual</b>	<b>FY2017 Actual</b>	<b>FY2018 Enacted</b>	<b>FY2019 Request</b>	<b>% change (FY18 to FY19)</b>
Diplomatic & Consular Programs	8.18	9.68	8.72	7.81	-10%
Embassy Security, Construction & Maintenance	2.22	3.01	2.31	1.66	-28%
Intl. Orgs / Peacekeeping	3.91	3.27	2.85	2.29	-20%
Intl. Broadcasting	0.75	0.79	0.81	0.66	-19%
Educational and Cultural Exchanges	0.59	0.63	0.65	0.16	-75%
Related Programs	0.24	0.24	0.24	0.09	-63%

**Source:** CRS calculations based on Department of State, FY2018 and FY2019 Congressional Budget Justification, and the FY2019 Addendum.

## Diplomatic and Consular Programs

Under the State Department’s budget request, the Diplomatic and Consular Programs (D&CP) account, which is the State Department’s principal operating appropriation, would decline by 10% from the FY2018-enacted level, to \$7.81 billion. According to the State Department, this account provides funding for “core people, infrastructure, security, and programs that facilitate productive and peaceful U.S. relations” with foreign governments and international organizations.<sup>8</sup>

In Section 7081 of the Consolidated Appropriations Act, 2017 (P.L. 115-31), Congress authorized the establishment of a new “Consular and Border Security Programs” (CBSP) account into which consular fees shall be deposited for the purposes of administering consular and border security programs. As a result, consular fees retained by the State Department to fund consular services will be credited to this new account.<sup>9</sup> The State Department is therefore requesting that Congress rename this account “Diplomatic Programs.” However, because many consular fees are generated and retained by the State Department to administer consular programs, they do not comprise part of the department’s annual appropriations and therefore do not count against overall funds appropriated annually for D&CP.<sup>10</sup>

<sup>8</sup> U.S. Department of State, Bureau of Budget and Planning, Congressional Budget Justification: Department of State, Foreign Operations, and Related Programs, Fiscal Year 2019, February 12, 2018, p. 28.

<sup>9</sup> The Department of State notes that Expedited Passport Fees will not be deposited into the CBSP account and will instead continue to be deposited in the Diplomatic Programs account and support information technology programs. The department also notes that the portion of Fraud Prevention and Detection (H&L) fees that are made available to the department will continue to be deposited in the existing H&L account.

<sup>10</sup> For an overview of the statutory authorities governing Department of State fee consular collections, see U.S. Department of State, Bureau of Budget and Planning, Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, Fiscal Year 2019, March 1, 2018, pp. 17-21.

## *Personnel*

The D&CP account provides funds for a large share of U.S. direct hire positions.<sup>11</sup> Although the Trump Administration lifted the federal hiring freeze upon issuance of OMB M-17-22 on April 12, 2017, the State Department has elected to keep its own hiring freeze in place.<sup>12</sup> Some Members of Congress have called on the State Department to rescind the hiring freeze.<sup>13</sup> In addition, the State Department's efforts to cut personnel by approximately 2,000 positions (as detailed in the FY2018 budget request) are ongoing; the department says the cuts are intended to help implement the Trump Administration's efforts to reform the federal government and reduce the federal civilian workforce. While the FY2019 request supports hiring at the lower, re-baselined staffing level of 24,703 U.S. direct hire funded positions, the department has not ruled out additional personnel cuts in the future.<sup>14</sup>

## *Diversity*

Former Secretary Tillerson prioritized efforts to promote diversity in the Foreign Service. On August 18, 2017, he said that “as the arm of the U.S. Government representing America around the world, the U.S. State Department should be a clear display of America's values and our people, not just in our mission but in the composition of our workforce.” He added that “we have a great diversity gap in the State Department.... [T]he State Department must redouble our efforts to increase diversity at the highest ranks of the department, including at the ambassador level.” Former Secretary Tillerson's remarks included goals of broadening the geographic scope of the department's recruiting efforts, increasing the number of academic institutions from which the department recruits, and strengthening the training of qualified minority personnel for future senior leadership positions.<sup>15</sup> Secretary of State-designate Mike Pompeo, whose nomination was received in the Senate on March 20, 2018, has commented that “the State Department's work force must be diverse ... in every sense of the word” and indicated that he would be engaged on diversity matters if confirmed.<sup>16</sup>

The Human Resources funding category within D&CP provides funding for the Charles B. Rangel International Affairs and Thomas R. Pickering Foreign Affairs fellowship programs to promote greater diversity in the Foreign Service, as authorized by Section 47 of the Department of State Basic Authorities Act (P.L. 84-885). While Congress required the State Department to expand the number of fellows participating in the Rangel and Pickering programs by 10 apiece

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<sup>11</sup> In FY2017, the D&CP account provided funding for 18,105 Foreign Service and Civil Service employees out of the 26,966 funded through the FY2017 budget. See Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 13.

<sup>12</sup> See U.S. Department of State, “Hiring Freeze Information,” <https://www.state.gov/m/dghr/flo/c75985.htm>, accessed March 7, 2018.

<sup>13</sup> For example, see Letter from Senator Benjamin L. Cardin and Senator Todd Young, to John Sullivan, Deputy Secretary of State, December 5, 2017, <https://www.cardin.senate.gov/newsroom/press/release/in-letter-to-state-dept-cardin-and-young-express-concerns-about-reorganization-effort>.

<sup>14</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 13. The 24,703 number reflects an additional reduction of 127 positions within the Bureau of Educational and Cultural Affairs intended for FY2019, the re-baselined staffing level absent these new FY2019 intended position reductions is 24,830.

<sup>15</sup> U.S. Department of State, Secretary of State's Remarks, “Remarks Addressing State Department Student Programs and Fellowships Participants,” August 18, 2017, <https://www.state.gov/secretary/remarks/2017/08/273527.htm>, accessed October 25, 2017.

<sup>16</sup> U.S. Congress, Senate Committee on Foreign Relations, *Nomination*, 115<sup>th</sup> Cong., 2<sup>nd</sup> sess., April 12, 2018, <https://plus.cq.com/doc/congressionaltranscripts-5297768?3>.



pursuant to Section 706 of the Department of State Authorities Act, 2017 (P.L. 114-323), it has provided the department the discretion to fund these programs at levels it deems appropriate from monies appropriated for Human Resources.

### ***Overseas Programs***

The D&CP account also provides funding for a number of overseas programs. These include programs carried out by the Bureau of Conflict and Stabilization Operations and the department's regional bureaus. Activities of the department's Bureau of Medical Services, which is responsible for providing healthcare services to U.S. government employees and their families assigned to overseas posts, are also funded through this account.<sup>17</sup>

Public diplomacy programs are among the overseas programs funded through D&CP, which include the Global Engagement Center's (GEC's) countering state disinformation (CSD) and countering violent extremism (CVE) programs. According to the State Department, planned CSD activities, for which \$20 million is requested, include "coordinating U.S. government efforts in specific sub-regions; enhancing the capacity of local actors to build resilience against disinformation, including thwarting attacks on their IT systems; providing attribution of adversarial disinformation; and convening anti-disinformation practitioners, journalists, and other influencers to exchange best practices, build networks, and generate support for U.S. efforts against disinformation."<sup>18</sup>

Separately, the \$32 million requested for the GEC's CVE programs was among those funds originally requested for OCO but later rolled into the base budget request after the BBA was enacted.<sup>19</sup> These programs help enable the GEC to deliver on its efforts to play "a key role in the U.S. government's strategy to defeat terrorist organizations and disrupt their ability to recruit new followers" through programs intended to undermine terrorist organization ideologies across multiple platforms, including social media, satellite television, radio, film, and print.<sup>20</sup>

### **Diplomatic Security**

The State Department's FY2019 budget request seeks to provide approximately \$5.36 billion for the department's key embassy security accounts: \$3.70 billion for the Worldwide Security Protection (WSP) programmatic allocation within the D&CP account and \$1.66 billion for the Embassy Security, Construction, and Maintenance (ESCM) account. If enacted, this would mark a decline of 2% for WSP and 28% for ESCM relative to the FY2018-enacted figures. Over the past several years, Congress has provided no-year appropriations for both accounts, thereby authorizing the State Department to indefinitely retain appropriated funds beyond the fiscal year for which they were appropriated. As a result, the department has carried over large balances of unexpired, unobligated funds each year that it is authorized to obligate for programs within both accounts when it deems appropriate to do so.

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<sup>17</sup> For additional information regarding the scope of overseas programs funded through the D&CP account, see Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, pp. 29-30.

<sup>18</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 30.

<sup>19</sup> Ibid., pp. 31, 34.

<sup>20</sup> U.S. Department of State, Under Secretary for Public Diplomacy and Public Affairs, Global Engagement Center, <https://www.state.gov/r/gec/>, accessed March 7, 2018.

## ***Worldwide Security Protection***

The Worldwide Security Protection (WSP) allocation within the D&CP account supports the Bureau of Diplomatic Security's (DS's) implementation of security programs located at over 275 overseas posts and 125 domestic offices of the State Department, including a worldwide guard force protecting overseas diplomatic posts, residences, and domestic offices. The account further funds DS-provided protective services for the Secretary of State, the U.S. Ambassador to the United Nations, U.S. diplomatic personnel abroad, and foreign dignitaries visiting the United States. Among other programs, the WSP allocation supports security and emergency response programs in the department's seven regional bureaus and also in 10 functional bureaus.<sup>21</sup> The State Department maintains that this request will continue to support DS programs at high-risk, high-threat posts, including in Iraq, where the request will support costs in several areas, including with respect to "diplomatic couriers, static/local guards, Embassy Air overseas support costs, premium pay, TDY [Temporary Duty]-related costs, armored vehicle replacements, training, and physical and technical security."<sup>22</sup>

The President's budget request estimates that in addition to the \$3.70 billion requested for WSP in FY2019, the State Department will bring forward an unexpired, unobligated balance of \$4.64 billion for D&CP in 2019.<sup>23</sup> The State Department maintains that keeping access to no-year funding "provides DS and Partner Bureaus with the flexibility needed to meet vital and increasingly unpredictable security requirements worldwide."<sup>24</sup> The President's budget projects that obligations for WSP within this account will decline from \$1.96 billion in 2018 to \$1.59 billion in 2019. WSP program obligations totaled \$2.03 billion in 2017.<sup>25</sup> Of the \$3.69 billion in the State Department and Related Agency category that the Administration is now seeking to move from OCO into the base budget following passage of the BBA, \$2.33 billion of these funds (or approximately 63%) are for WSP.<sup>26</sup>

The State Department has revisited previous assumptions for funding for the U.S. security presence, which prompted it to ask for a rescission of \$301.20 million for WSP provided through the Further Continuing and Security Assistance Appropriations Act, 2017 (P.L. 114-254).<sup>27</sup> State Department officials have noted in information provided to CRS that this funding was "intended to support diplomatic reengagements in Syria, Libya, and Yemen that were predicated on different security and political conditions." They add that "DS will retain a portion of the supplemental carryover balances ... in the event of future re-entry into these countries or other contingencies." The department maintains that this proposed cancellation is based on evolving security and political conditions, and will not affect DS operations.<sup>28</sup>

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<sup>21</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 31.

<sup>22</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 244.

<sup>23</sup> The White House, Office of Management and Budget, President's FY2019 Budget, p. 772.

<sup>24</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 243.

<sup>25</sup> The White House, Office of Management and Budget, President's FY2019 Budget, p. 772.

<sup>26</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 2.

<sup>27</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, pp. 31-32.

<sup>28</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 2.

### ***Embassy Security, Construction, and Maintenance***

The Embassy Security, Construction, and Maintenance (ESCM) account funds the Bureau of Overseas Building Operations (OBO), which is responsible for providing U.S. diplomatic and consular missions overseas with secure, safe, and functional facilities. The State Department notes that, in having access to no-year funds in this account, it maintains the capacity to complete critical overseas projects without interruption over the span of several fiscal years and realign cost savings toward emerging priorities.<sup>29</sup>

In addition to new capital construction projects, this account provides funding for projects intended to maintain and extend the useful life of existing facilities. The State Department’s request includes \$869.54 million to provide its share of the \$2.20 billion in annual funding that the Benghazi Accountability Review Board recommended for the Capital Security Cost Sharing (CSCS) and Maintenance Cost Sharing (MCS) programs (the remainder of the funding is provided through consular fee revenues and contributions from other agencies).<sup>30</sup> These programs are used to fund the planning, design, and construction of new overseas posts and the maintenance of existing diplomatic facilities.

According to the President’s budget request, total direct program obligations for program activities within the ESCM account will decline from \$3.03 billion in 2018 to \$2.74 billion in 2019. Total direct program obligations in 2017 totaled \$3.61 billion.<sup>31</sup> In FY2019, OBO intends to fund four CSCS projects and one MCS project (see **Table 3**).<sup>32</sup>

With regard to OBO’s Repair and Construction program, there are no State-only major rehabilitation projects planned for FY2019, while the FY2019 request for minor construction and improvement projects provides funding for approximately 10% of repairs and improvements currently identified at the department’s overseas facilities.<sup>33</sup>

**Table 3. FY2019 Capital Security Cost Sharing and Maintenance Cost Sharing Project List**

(in thousands of U.S. dollars)

<b>Capital Security Cost Sharing</b>	<b>1,852,000</b>
Bangkok, Thailand New Office Annex	610,000
Jerusalem	TBD
Podgorica, Montenegro New Embassy Compound	261,000
Nassau, Bahamas New Embassy Compound	257,000
Site Acquisition, Project Development, and Design	300,000
<b>Maintenance Cost Sharing</b>	<b>353,000</b>
Moscow, Russia	163,000
Project Development and Design	40,000

<sup>29</sup> Ibid., p. 252.

<sup>30</sup> This portion of the ESCM request is detailed in Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 253.

<sup>31</sup> The White House, Office of Management and Budget, President’s FY2019 Budget, p. 777.

<sup>32</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 253.

<sup>33</sup> Ibid., p. 254.

Maintenance and Repair	150,000
<b>CSCS-MCS Reimbursements (other agency contributions and consular fee revenues)</b>	<b>(1,335,463)</b>
<b>Total State Department share</b>	<b>869,537</b>

**Source:** U.S. Department of State, Bureau of Budget and Planning, Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, Fiscal Year 2019, p. 253.

**Note:** TBD = to be determined.

The State Department maintains that the “construction of a new U.S. Embassy facility in Jerusalem is a high priority for the Administration ... planning and interagency coordination for the Jerusalem Embassy move is ongoing and the department intends to realign CSCS project funding, as necessary, to execute this project.”<sup>34</sup> It later attached a timeframe to its intent, announcing that the United States was planning to open a new U.S. embassy in Jerusalem in May 2018. According to the department, the embassy will initially be located in a building that is currently housing consular operations of the U.S. Consulate General in Jerusalem. Department efforts to locate a site for a permanent U.S. embassy to Israel are ongoing.<sup>35</sup> The department could choose to draw upon the unexpired, unobligated funds previously appropriated by Congress to the ESCM account for any construction expenses related to interim and permanent embassy facilities in Jerusalem.<sup>36</sup>

## International Organizations

The State Department’s FY2019 budget request includes a combined request of \$2.29 billion for the Contributions to International Organizations (CIO) and Contributions for International Peacekeeping Activities (CIPA) accounts, a 20% reduction from the FY2018-enacted figures for these accounts. The CIO account is the source for funding for annual U.S. assessed contributions to 45 international organizations, including the United Nations and its affiliated organizations and other international organizations, including the North Atlantic Treaty Organization (NATO).<sup>37</sup> The State Department’s FY2019 request for CIO totals approximately \$1.10 billion. Following passage of the BBA, the department increased its request for CIO by approximately \$100 million to fund a higher U.S. contribution to the U.N. regular budget at a rate of 20% of the overall U.N. budget (the U.S. assessment is 22%).

When announcing this increase, the department noted that the U.N. regular budget “supports activities that are important to the United States, such as drug control, transnational crime and terrorism prevention, and trade promotion” and that the U.S. contribution acknowledges “the U.N.’s recent efforts to begin to reduce its budget” while continuing to set the Administration’s “expectation for fairer burden sharing and continued budgetary reforms.”<sup>38</sup> According to the department, U.N. assessments of U.S. contributions to the United Nations and its affiliated

<sup>34</sup> Ibid.

<sup>35</sup> U.S. Department of State, Bureau of Public Affairs, “Opening of U.S. Embassy in Jerusalem,” February 23, 2018, <https://www.state.gov/r/pa/prs/ps/2018/02/278825.htm>.

<sup>36</sup> For more information, see CRS Insight IN10838, *Jerusalem: U.S. Recognition as Israel’s Capital and Planned Embassy Move*, by (name redacted)

<sup>37</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 280.

<sup>38</sup> U.S. Department of State, Bureau of Budget and Planning, Addendum to the FY 2019 President’s Budget to Account for the Bipartisan Budget Act of 2018: Department of State, Foreign Operations, and Related Programs Congressional Budget Justification, February 12, 2018; Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 281.

agencies exceed the request for funds to pay these contributions.<sup>39</sup> Therefore, if the department's request were enacted, the United States might accumulate arrears to some organizations. In addition, the request takes into account withholding the U.S. share of costs of U.N. activities providing benefits to the Palestine Liberation Organization (PLO) and associated entities from the U.N. regular budget.<sup>40</sup>

The Contributions for International Peacekeeping Activities (CIPA) account provides U.S. funding for U.N. peacekeeping missions around the world that the State Department maintains “seek to maintain or restore international peace and security.”<sup>41</sup> If enacted, the request would fund “the U.S. share of assessed expenses for U.N. peacekeeping operations for 12 ongoing missions, two war crimes tribunals, assessments arising from the U.N. logistical support package for the African Union Mission in Somalia (AMISOM) in Somalia, and \$100,000 for State personnel to review in person the work of each mission and assess overall effectiveness.”<sup>42</sup> The State Department's FY2019 request for CIPA totals \$1.20 billion. According to the department, this request “reflects the Administration's commitment to seek reduced costs by reevaluating the mandates, design, and implementation of peacekeeping missions and sharing the funding burden more fairly among U.N. members.”<sup>43</sup> Under this request, no U.S. contribution would exceed 25% of all assessed contributions for a single operation, which is the cap established in Section 404(b) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (P.L. 103-236).

The State Department maintains that it expects that the “unfunded portion of U.S. assessed expenses will be met through a combination of a reduction in the U.S. assessed rate of contributions, reductions in the number of U.N. peacekeeping missions, and significant reductions in the budgets of peacekeeping missions across the board.”<sup>44</sup> The department has also requested that Congress provide two-year funds for CIPA (in other words, that Congress make funds available for both the fiscal year for which the funds were appropriated and the subsequent fiscal year) “due to the demonstrated unpredictability of the requirements in this account from year to year and the nature of multi-year operations that have mandates overlapping U.S. fiscal years.”<sup>45</sup> Congress has provided some two-year appropriations for CIPA in the past.<sup>46</sup>

## **Leadership and Modernization Impact Initiative**

The State Department is requesting \$246.2 million for FY2019 to implement the Leadership and Modernization Impact Initiative (hereinafter, the Impact Initiative). The Impact Initiative constitutes the implementation phase of the State Department's “Redesign” project. Former Secretary Tillerson initiated the redesign in 2017 to implement Executive Order 13781 and Office of Management and Budget (OMB) Memorandum M-17-22, which aim to “improve the efficiency, effectiveness, and accountability of the executive branch.”<sup>47</sup> The Impact Initiative

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<sup>39</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 55.

<sup>40</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 284.

<sup>41</sup> *Ibid.*, p. 311.

<sup>42</sup> *Ibid.*

<sup>43</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 58.

<sup>44</sup> Congressional Budget Justification Appendix 1: Department of State Diplomatic Engagement, FY2019, p. 311.

<sup>45</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 59.

<sup>46</sup> For example, pursuant to the Consolidated Appropriations Act, 2017 (P.L. 115-31), 15% of the Title I appropriation for CIPA was a two-year appropriation. In addition, the entire Title VIII (Overseas Contingency Operations) CIPA appropriation was made available as a two-year appropriation.

<sup>47</sup> Executive Order 13781 of March 13, 2017, “Comprehensive Plan for Reorganizing the Executive Branch,” 82 F.R. (continued...)

seeks to forward Tillerson’s vision “to reaffirm the United States’ position as a world leader for decades to come by modernizing the processes, procedures, and technology of the Department of State ... and fostering a culture of continuous improvement, accountability, and strong leadership at every level.”<sup>48</sup>

The Impact Initiative constitutes 16 keystone modernization projects in three focus areas: Modernizing Information Technology and Human Resources Operations; Modernizing Global Presence, and Creating and Implementing Policy; and Improving Operational Efficiencies (see **Table 4**). According to the State Department, these focus areas and modernization projects are derived from the results of the listening tour that former Secretary Tillerson launched in May 2017, which included interviews conducted with approximately 300 individuals that the department said comprised a representative cross-section of its broader workforce, and a survey completed by 35,000 department personnel that asked them to discuss the means they use to help complete the department’s mission and obstacles they encounter in the process. While Secretary of State-designate Pompeo has discussed how he would approach the management of the State Department if confirmed, he has not specifically addressed the redesign or the Impact Initiative.<sup>49</sup> Therefore, it is not yet clear how, if at all, a transition to a new Secretary of State may affect the Impact Initiative and the State Department’s budget request to implement it.

**Table 4. Impact Initiative Focus Areas and Keystone Projects**

<b>Modernizing IT and HR Operations</b>	<b>Modernizing Global Presence, and Creating and Implementing Policy</b>	<b>Improving Operational Efficiencies</b>
Workforce Readiness	Improve U.S. Government Global Presence Governance	Assess Human Resources Service Delivery
Improve Performance Management	Develop and Implement a National Interest Global Presence Model	Real Property—Moving to One Real Property Function and Implementing Internal and External Process Improvements
Real-Time Collaboration and Work Anytime, Anywhere	Expand Post Archetype Options	Acquisition—Assessing Service Delivery and Expanding Strategic Sourcing Opportunities
Information Technology	Improve Efficiency and Results of State and USAID Internal Policy and Decision-Making Processes and Interagency Engagement	
Improve Enterprise-wide Data Availability	Define and Improve Budget Processes for Foreign Assistance	
Build Capacity and Data Literacy		

(...continued)

13959, <https://www.federalregister.gov/documents/2017/03/16/2017-05399/comprehensive-plan-for-reorganizing-the-executive-branch>; Office of Management and Budget, “M-17-22, Comprehensive Plan for Reforming the Federal Government and Reducing the Federal Civilian Workforce,” April 12, 2017, <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/memoranda/2017/M-17-22.pdf>.

<sup>48</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 7.

<sup>49</sup> Secretary of State-designate Pompeo’s priorities include setting the mission and empowering the diplomatic corps, and strengthening workforce culture and communication. For more information, see U.S. Congress, Senate Committee on Foreign Relations, *Nomination*, 115<sup>th</sup> Cong., 2<sup>nd</sup> sess., April 12, 2018, <https://plus.cq.com/doc/congressionaltranscripts-5297768?3>.

Modernizing IT and HR Operations	Modernizing Global Presence, and Creating and Implementing Policy	Improving Operational Efficiencies
Broaden and Enhance Access to Data and Analytics		
Increase Global Awareness of Data Assets		

**Source:** U.S. Department of State, Bureau of Budget and Planning, Congressional Budget Justification: Department of State, Foreign Operations, and Related Programs, Fiscal Year 2019, pp. 7-16.

Of the \$246.2 million requested, \$150.0 million is requested from the IT Central Fund (which is funded through funds appropriated by Congress to the Capital Investment Fund account and, separately, expedited passport fees) and \$96.2 million from the D&CP account to implement modernization projects. Proceeds from the IT Central Fund are intended to implement projects focused on IT, including modernizing existing IT infrastructure, systems, and applications based on a roadmap to be created in FY2018 and centralizing management of all WiFi networks. Funds from the D&CP account are intended to implement modernization projects focusing on Human Resources issues, including leadership development, management services consolidation, data analytics, and workforce readiness initiatives. Given the multiyear timeframe of some of the Impact Initiative modernization projects, the Administration is likely to request additional funds for implementation in forthcoming fiscal years.

## Foreign Assistance<sup>50</sup>

### Overview

Foreign operations accounts, together with food aid appropriated through the Agriculture appropriations bill, constitute the foreign aid component of the international affairs budget. These accounts fund bilateral economic aid, humanitarian assistance, security assistance, multilateral aid, and export promotion programs. For FY2019, the Administration is requesting \$28.60 billion for foreign aid programs within the international affairs (function 150) budget, about 28% less than the FY2018 funding level. None of the requested funds are designated as OCO. **Table 5** shows foreign aid funding by type for FY2017, FY2018 enacted, and the FY2019 request.

**Table 5. Foreign Aid by Appropriations Type, FY2017, FY2018 Enacted, and FY2019 Request**

(in billions of current U.S. dollars)

	FY2017 actual	FY2018 enacted	FY2019 request	% change, FY18 to FY19 request
USAID Administration	1.63	1.62	1.38	-15%
Bilateral Economic Assistance (includes Treasury technical assistance, McGovern-Dole, excludes independent agencies)	18.01	16.99	11.88	-30%

<sup>50</sup> This section prepared by Marian Lawson, Specialist in Foreign Assistance.

	FY2017 actual	FY2018 enacted	FY2019 request	% change, FY18 to FY19 request
Humanitarian Assistance (includes P.L. 480 food aid)	9.44	9.36	6.36	-32%
Independent Agencies	1.37	1.38	1.20	-13%
Security Assistance	9.31	9.03	7.30	-19%
Multilateral Assistance	2.08	1.86	1.42	-24%
Export Promotion	-0.17	-0.31	-0.95	206%
<b>Foreign Aid Total, Function 150</b>	<b>41.66</b>	<b>39.91</b>	<b>28.60</b>	<b>-28%</b>

**Source:** FY2018 and FY2019 Department of State, Foreign Operations and Related Programs Congressional Budget Justification and FY2019 Addendum; P.L. 115-141; CRS calculations. Note that P.L. 480 and McGovern-Dole are part of the 150 function, but are not within SFOPS appropriations.

**Note:** Numbers may not add due to rounding.

**Account Mergers and Eliminations.** The Administration aims to simplify the foreign operations budget in part by channeling funds through fewer accounts and eliminating certain programs. These account mergers and eliminations were also proposed in the FY2018 budget request:

- Under bilateral economic assistance, the Development Assistance (DA), Economic Support Fund (ESF), Assistance to Europe, Eurasia and Central Asia (AEECA) and Democracy Fund (DF) accounts are zero funded in the FY2019 request. Programs currently funded through these accounts would be funded through a new Economic Support and Development Fund (ESDF) account. The proposed funding level for ESDF, \$5.063 billion, is more than 36% below the FY2018 funding for the accounts it would replace. Fifteen countries that received DA, ESF, or AEECA in FY2017 would no longer receive funding from these accounts or from ESDF under the FY2019 request.
- Within multilateral assistance, the International Organizations & Programs (IO&P) account, which funds U.S. voluntary contributions to many U.N. entities, including UNICEF, U.N. Development Program, and UN Women, would also be zeroed out. Budget documents suggest that some unspecified activities currently funded through IO&P could receive funding through the ESDF or other accounts.
- Related to humanitarian assistance, the P.L. 480 Title II food aid account in the Agriculture appropriation would be zero-funded and all food assistance would be funded through the International Disaster Assistance (IDA) account, which would nevertheless decline by about 17% from FY2018-enacted funding (see “Humanitarian Assistance” section below). The Emergency Refugee and Migration Assistance (ERMA) account would be subsumed into the Migration and Refugee Assistance (MRA) account.

**Closeout of Inter-American Foundation and U.S.-Africa Development Foundation.** The FY2019 request proposes to terminate the Inter-American Foundation (IAF) and the U.S.-Africa Development Foundation (ADF), independent entities that implement small U.S. assistance grants, often in remote communities. The Administration proposes to consolidate all small grant programs aimed at reaching the poor under USAID, as a means of improving their integration with larger development programs and U.S. foreign policy objectives, as well as improving efficiency. Funds are requested for IAF and ADF only for the purposes of an orderly closeout.



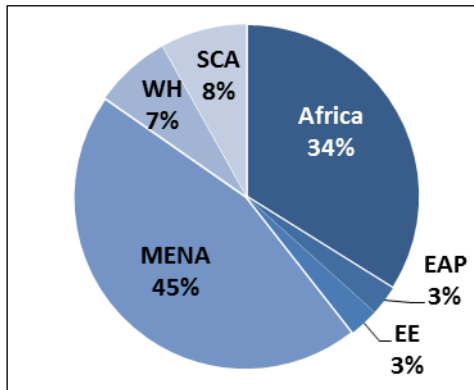
**Development Finance Institution.** The Administration is requesting, for the first time in FY2019, the consolidation of the Overseas Private Investment Corporation (OPIC) and USAID’s Development Credit Authority (DCA) into a new standalone Development Finance Institution (DFI). The request calls for \$96 million for administrative expenses and \$38 million for credit subsidies for DFI, but assumes that these expenses will be more than offset by collections, resulting in a net income of \$460 million (based on OPIC’s projected offsetting collections). In addition, \$56 million in ESDF funds would be used to support DFI activities. The Administration seeks congressional authority for the new standalone entity, which it describes as a means of incentivizing private sector investment in development and improving the efficiency of U.S. development finance programs.

**Top Foreign Assistance Recipients**

**Top Country Recipients.** Under the FY2019 request, top foreign assistance recipients would not change significantly, continuing to include strategic allies in the Middle East (Israel, Egypt, Jordan) and major global health and development partners in Africa (see **Table 6**). Israel would see an increase of \$200 million from FY2017, reflecting a new 10-year security assistance Memorandum of Understanding. Zambia and Uganda would both see an 11% increase. All other top recipients would see reduced aid in FY2019 compared with FY2017 (comprehensive FY2018 country allocations are not yet available), though currently unallocated global health and humanitarian funds (added to the request after passage of the Bipartisan Budget Act of 2018) may change these totals.

**Figure 1** and **Table 6** show the proposed FY2019 foreign operations budget allocations by region and country.

**Figure 1. FY2019 Foreign Operations Request, by Region**



**Table 6. Top 15 Recipients of U.S. Foreign Assistance, FY2019 Request**

(in millions of current U.S. dollars)

1. Israel	3,300	9. Nigeria	352
2. Egypt	1,381	10. Pakistan	336
3. Jordan	1,275	11. Colombia	265
4. Afghanistan	633	12. Mozambique	252
5. Kenya	624	13. West Bank/Gaza	251
6. Tanzania	553	14. Ethiopia	227
7. Uganda	461	15. South Africa	226
8. Zambia	440		

**Source:** Data for both figures is from FY2019 budget roll-out documents provided by the State Department. Does not include administrative funds, Millennium Challenge Corporation, humanitarian assistance, or food aid.

**Notes:** WH = Western Hemisphere; SCA = South Central Asia; EE = Europe and Eurasia; EAP = East Asia and Pacific; SS Africa = Sub-Saharan Africa; MENA = Middle East and North Africa.

Under the FY2019 request, the proportional allocation of foreign assistance funds (**Figure 2**) would appear to decline from FY2017 (most recent data available) in every region by 1% to 3% except for the MENA region, whose portion of aid funds would increase from 36% to 45%. Foreign assistance funding levels would decline in every region, with proposed cuts ranging from 63% in Europe and Eurasia to 18% in the MENA. Sub-Saharan Africa, which was slightly

surpassed by MENA in FY2017 as the top regional recipient of foreign assistance, would decline by 37%. Aid to East Asia and Pacific regions would be cut nearly in half (47%) from FY2017 estimates, while South and Central Asia would be cut by about 38% and Western Hemisphere by 35%.

## **Budget Highlights**

The budget submission does not identify any new foreign assistance initiatives. The FY2019 request, while calling for decreases in foreign aid funding generally, continues to prioritize the aid sectors that have long made up the bulk of U.S. foreign assistance: global health, humanitarian, and security assistance.

### ***Global Health***

The Administration has requested \$6.70 billion for global health programs in FY2019.<sup>51</sup> This is a 23% reduction from the FY2018 funding level, yet global health programs would increase slightly as a proportion of the foreign aid budget, from 22% of total aid in FY2018 to 23% in the FY2019 request, due to deeper proposed cuts elsewhere. HIV/AIDS programs, for which funding would be cut about 27% from FY2018-enacted levels, would continue to make up the bulk (69%) of global health funding, as it has since the creation of the President's Emergency Plan for AIDS Relief (PEPFAR) in 2004. Family planning and reproductive health services (for which the Administration proposed no funding for FY2018) would receive \$302 million, a 42% reduction from FY2018 funding. Assistance levels would be reduced for every health sector compared to FY2018, including maternal and child health (-25%), tuberculosis (-31%), malaria (-11%), neglected tropical diseases (-25%), global health security (-0.1%, funded through a proposed repurposing of FY2015 Ebola emergency funds), and nutrition (-37%).

### ***Humanitarian Assistance***

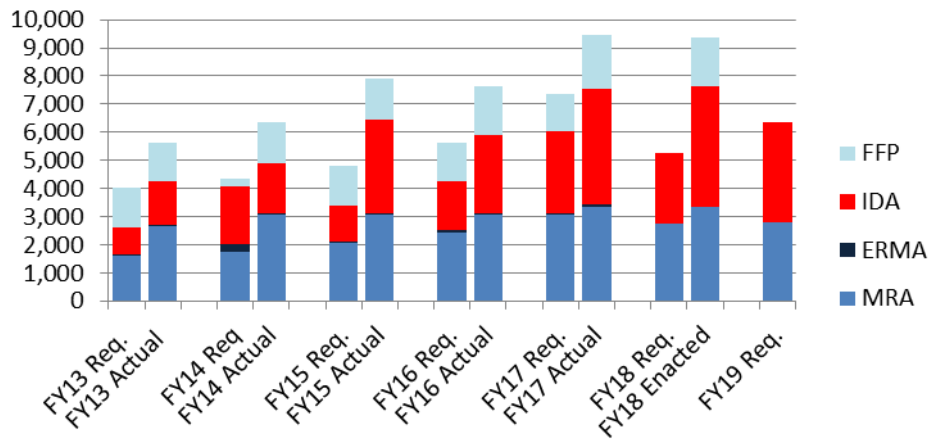
The Trump Administration's FY2019 budget request for humanitarian assistance totals \$6.358 billion, which is roughly 32% less than FY2018-enacted funding (\$9.361 billion) and about 22% of the total FY2019 foreign aid request. The request includes \$2,800.4 million for the Migration and Refugee Assistance (MRA) account (-17% from FY2018) and \$3,557.4 million for the International Disaster Assistance (IDA) account (-17%) (**Figure 2**).<sup>52</sup> As in its FY2018 request, the Administration proposes in FY2019 to eliminate the Food for Peace (P.L. 480, Title II) and Emergency Refugee and Migration Assistance (ERMA) accounts, asserting that the activities supported through these accounts can be more efficiently and effectively funded through the IDA and MRA accounts, respectively. (Congress did not adopt the proposed changes to P.L. 480 Title II for FY2018, appropriating \$1.716 billion, but did appropriate only \$1 million for ERMA, a 98% reduction from FY2017 funding.) The Administration also seeks authority to transfer and merge IDA and MRA base funds (current authority only applies to OCO-designated funds).

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<sup>51</sup> This includes \$400 million noted in the addendum of the budget following enactment of the Bipartisan Budget Act of 2018 but not reflected in all of the budget materials.

<sup>52</sup> This IDA total includes \$1.0 billion noted in the addendum to the budget request, reflecting additional budget authority made available by enactment of the Bipartisan Budget Act of 2018.

**Figure 2. Humanitarian Assistance, FY2013-FY2019 Request**  
(in millions of current U.S. dollars)



**Source:** Annual international affairs Congressional Budget Justifications.

**Notes:** FFP = P.L. 480, Title II; IDA = International Disaster Assistance; ERMA = Emergency Refugee and Migration Assistance; MRA = Migration and Refugee Assistance.

The Administration describes its IDA request as focused “on crises at the forefront of U.S. security interests, such as Syria, Iraq, Yemen, Nigeria, Somalia, and South Sudan.”<sup>53</sup> The MRA request focuses on “conflict displacement in Afghanistan, Burma, Iraq, Somalia, South Sudan, Syria and Yemen,” as well as strengthening bilateral relationships with “key refugee hosting countries such as Kenya, Turkey, Jordan, Ethiopia and Bangladesh.”<sup>54</sup> Consistent with last year, the request suggests that the proposed funding reduction assumes that other donors will shoulder an increased share of the overall humanitarian assistance burden worldwide.

### Security Assistance

The FY2019 security assistance request within foreign operations accounts totals \$7.304 billion, a 19% reduction from the FY2018-enacted funding level and about 26% of the total foreign aid request. Consistent with recent years, 63% of the entire security assistance request is for FMF aid to Israel and Egypt. However, six countries are identified in the request as joint Department of Defense (DOD) and State Department security sector assistance priorities: Philippines, Vietnam, Ukraine, Lebanon, Tunisia, and Colombia.

The International Narcotics Control and Law Enforcement (INCLE) account would be reduced by about 36% from FY2018-enacted levels, Non-proliferation, Antiterrorism, Demining and Related (NADR) by 21%, and International Military Education and Training (IMET) by about 14%. In each of these cases, the Administration describes the proposed reductions as concentrating resources where they offer the most value and U.S. national security impact. As in the FY2018 request, the Peacekeeping Operations (PKO) account, which supports most non-U.N. multilateral peacekeeping and regional stability operations, including U.S. training and equipment for African militaries and funding for the U.N. Support Office in Somalia (UNSOS), would see the biggest reduction (-46%) under the FY2019 request. This is because Administrations generally request

<sup>53</sup> Congressional Budget Justification: Department of State, Foreign Operations and Related Programs, FY2019, p. 87.

<sup>54</sup> Ibid., p.99.

UNSOS funds through the CIPA account, while Congress usually funds the office through the PKO account.

The Foreign Military Financing (FMF) account would be reduced by 13% compared to FY2018, with specific allocations for 11 countries and a proposed \$75 million Global Fund to be allocated flexibly. This is a notable change from the FY2018 FMF request, in which funds were allocated to four countries and a larger global fund, and from FY2018-enacted funding, for which allocations were specified for more than 20 countries.

### *Economic Development Assistance*

Bilateral economic development assistance is the broad category that includes programs focused on education, agricultural development and food security, good governance and democracy promotion, microfinance, environmental management, and other sectors. While the majority of this aid is implemented by USAID, it also includes the programs carried out by the independent Millennium Challenge Corporation (MCC), Peace Corps, Inter-American Foundation and the U.S.-Africa Development Foundation. Excluding global health assistance, bilateral economic development assistance in the Administration's FY2019 request totals \$6.354 billion, a 33% reduction from FY2018 funding levels. Proposed FY2019 allocations for key sectors, compared with FY2018 levels prescribed in legislation, include the following:

- food security, \$518 million (-48% from FY2018);
- democracy promotion programs, \$1,235 million (-47% from FY2018); and
- education, \$512 million (-51% from FY2018).

The Administration requests \$800 million for MCC and \$396 million for Peace Corps, representing cuts of 12% and 3%, respectively. As discussed above, the budget request proposes to merge I-AF and USADF into USAID, and requests only small amounts of funding to close out their independent activities.

## Appendix A. State Department, Foreign Operations, and Related Agencies Appropriations, FY2017 Actual, FY2018 Enacted, and FY2019 Request

**Table A-1. State Department, Foreign Operations, and Related Agencies Appropriations, FY2017 Actual, FY2018 Enacted, and FY2019 Request**  
(in millions of current U.S. dollars)

	FY2017 Actual	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Total	Enduring	OCO	Total		
Title I. State, Broadcasting & Related Agencies, TOTAL	18,166.57	12,039.85	4,179.55	16,219.40	13,262.41	-18.23%
Administration of Foreign Affairs, Subtotal	13,730.07	9,054.01	3,115.85	12,169.86	10,092.28	-17.07%
Diplomatic & Consular Program	9,688.04	5,744.44	2,975.97	8,720.41	7,812.74	-10.41%
(of which Worldwide Security Protection)	[4,641.88]	[1,380.75]	[2,376.12]	[3,756.87]	[3,698.12]	[-1.56%]
Capital Investment Fund	12.60	103.40	—	103.40	92.77	-10.28%
Embassy Security, Construction & Maintenance	3,011.07	2,242.69	71.78	2,314.47	1,657.54	-28.38%
(of which Worldwide Security Upgrades)	[2,221.42]	[1,477.24]	—	[1,477.24]	[919.54]	-37.08%
Ed. & Cultural Exchanges	634.14	646.14	—	646.14	159.00	-76.94%
Office of Inspector General	144.47	77.63	68.1	145.73	142.20	-2.42%
Representation Expenses	8.03	8.03	—	8.03	7.00	-12.83%
Protection of Foreign Missions & Officials	30.34	30.89	—	30.89	25.89	-16.19%
Emergency-Diplomatic & Consular Services	7.90	7.89	—	7.89	7.89	0.00%
Repatriation Loans	1.30	1.30	—	1.30	1.30	0.00%

	FY2017	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Actual	Enduring	OCO	Total		
Payment American Institute Taiwan	31.96	31.96	—	31.96	26.31	-17.11%
International Chancery Center	1.32	0.74	—	0.74	.74	0.00%
Foreign Service Retirement (mandatory) <sup>a</sup>	158.90	158.90	—	158.90	158.90	0.00%
International Orgs, Subtotal	3,266.67	1,785.79	1,063.70	2,849.49	2,291.16	-19.60%
Contributions to Int'l Orgs	1,359.21	1,371.17	96.24	1,467.41	1,095.05	-25.38%
Contributions, International Peacekeeping	1,907.46	414.62	967.46	1,382.08	1,196.11	-13.46%
International Commission subtotal (Function 300)	127.29	137.15	—	137.15	117.30	-14.47%
Int'l Boundary/U.S.- Mexico	77.53	77.53	—	77.53	71.21	-8.15
American Sections	12.26	13.26	—	13.26	12.18	-8.14%
International Fisheries	37.50	46.36	—	46.36	33.91	-26.86%
International Broadcast, Subtotal	786.61	807.69	—	807.69	661.13	-18.15%
Broadcasting Operations	776.91	797.99	—	797.99	656.34	-17.75%
Capital Improvements	9.70	9.70	—	9.70	4.79	-50.62%
Related Approps, Subtotal	243.46	241.95	—	241.95	87.28	-63.93%
Asia Foundation	17.00	17.00	—	17.00	—	-100.00%
U.S. Institute of Peace	39.38	37.88	—	37.88	20.00	-47.20
Center for Middle East-West Dialogue-Trust & Program	0.16	0.14	—	0.14	0.19	+35.71%
Eisenhower Exchange Programs	0.16	0.16	—	0.16	0.19	+18.75%

	FY2017	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Actual	Enduring	OCO	Total		
Israeli Arab Scholarship Program	0.06	0.07	—	0.07	0.07	—
East-West Center	16.70	16.70	—	16.70	—	-100.00%
National Endowment for Democracy	170.00	170.00	—	170.00	67.28	-60.42%
Other Commissions, Subtotal	12.47	13.26	—	13.26	13.26	0.00%
Preservation of America's Heritage Abroad	0.89	0.68	—	0.68	.68	0.00%
International Religious Freedom	3.50	4.50	—	4.50	4.50	0.00%
Security & Cooperation in Europe	2.58	2.58	—	2.58	2.58	0.00%
Congressional- Exec Commission on People's Republic of China	2.00	2.00	—	2.00	2.00	0.00%
U.S.-China Economic and Security Review	3.50	3.50	—	3.50	3.50	0.00%
<b>FOREIGN OPERATION, TOTAL</b>	<b>39,561.74</b>	<b>30,152.82</b>	<b>7,838.45</b>	<b>37,991.27</b>	<b>28,595.67</b>	<b>-24.73%</b>
Title II. Admin of Foreign Assistance	1,633.27	1,459.51	160.57	1,620.08	1,377.32	-14.98%
USAID Operating Expenses	1,363.19	1,189.61	158.07	1,347.68	1,114.92	-17.27%
USAID Capital Investment Fund	199.99	197.10	—	197.10	190.90	-3.15%
USAID Inspector General	70.10	72.80	2.50	75.30	71.50	-5.05%
Title III. Bilateral Economic Assistance	26,713.99	19,545.40	6,254.14	25,799.54	18,210.56	-29.42%
Global Health Programs (GHP), State + USAID	8,757.45	8,690.00	—	8,690.00	6,702.60	-22.87%
GHP (State Dept.)	[5,670.00]	[5,670.00]	—	[5,670.00]	[4,775.10]	[-15.78%]
GHP (USAID)	[3,087.45]	[3,020.00]	—	[3,020.00]	[1,927.50]	[-36.18%]

	FY2017	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Actual	Enduring	OCO	Total		
Development Assistance	2,995.47	3,000.00	—	3,000.00	—	-100.00%
International Disaster Assistance (IDA)	4,126.29	2,696.53	1,588.78	4,285.31	3,557.41	-16.99%
Transition Initiatives	122.83	30.00	62.04	92.04	87.04	-5.43%
Complex Crises Fund	30.00	10.00	20.00	30.00	—	-100.00%
Development Credit Authority—Admin	10.00	10.00	—	10.00	—	-100.00%
Development Credit Authority Subsidy	[50.00]	[55.00]	—	[55.00]	—	-100.00%
Economic Support Fund	4,673.06	1,816.73	2,152.12	3,968.85	—	-100.00%
Economic Support and Development Fund	—	—	—	—	5,063.13	—
Democracy Fund	210.50	215.50	—	215.50	—	-100.00%
Assistance for Europe, Eurasia and Central Asia	974.90	750.33	—	750.33	—	-100.00%
Migration & Refugee Assistance	3,366.00	927.80	2,431.20	3,359.00	2,800.38	-16.63%
Emergency Refugee and Migration	50.00	1.00	—	1.00	—	-100.00%
Independent Agencies subtotal	1,367.50	1,367.50	—	1,367.50	1,204.30	-11.93%
Inter-American Foundation	22.50	22.50	—	22.50	3.48	-84.53%
African Development Foundation	30.00	30.00	—	30.00	4.62	-84.60%
Peace Corps	410.00	410.00	—	410.00	396.20	-3.37%
Millennium Challenge Corporation	905.00	905.00	—	905.00	800.00	-11.60%
Department of Treasury, subtotal	30.00	30.00	—	30.00	30.00	0.00%



	FY2017	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Actual	Enduring	OCO	Total		
Treasury Department Technical Assistance	30.00	30.00	—	30.00	30.00	0.00%
<b>Title IV. Int'l Security Assistance</b>	<b>9,307.04</b>	<b>7,601.51</b>	<b>1,423.74</b>	<b>9,025.25</b>	<b>7,304.06</b>	<b>-19.07%</b>
International Narcotics Control & Law Enforcement	1,255.66	950.85	417.95	1,368.80	880.35	-35.68%
Nonproliferation, Anti-Terrorism, Demining	970.45	655.47	220.58	876.05	690.31	-21.20%
International Military Education & Training	110.30	110.88	—	110.88	95.00	-14.32%
Foreign Military Financing	6,311.61	5,671.61	460.00	6,131.61	5,347.00	-12.80%
Peacekeeping Operations	659.01	212.71	325.21	537.92	291.40	-45.83%
<b>Title V. Multilateral Assistance</b>	<b>2,077.08</b>	<b>1,856.70</b>	<b>—</b>	<b>1,856.70</b>	<b>1,416.43</b>	<b>-23.71%</b>
World Bank: Global Environment Facility	146.56	139.58	—	139.58	68.30	-51.07%
International Clean Technology Fund	—	—	—	—	—	—
Strategic Climate Fund	—	—	—	—	—	—
Green Climate Fund	—	—	—	—	—	—
North American Development Bank	—	—	—	—	—	—
World Bank: Int'l. Development Association	1,197.13	1,097.01	—	1,097.01	1,097.01	0.00%
Int. Bank Recon & Dev	5.96	—	—	—	—	—
Inter-Amer. Dev. Bank - capital	21.94	—	—	—	—	—
IADB: Enterprise for Americas MIF	—	—	—	—	—	—

	FY2017	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Actual	Enduring	OCO	Total		
Asian Development Fund	99.23	47.40	—	47.40	47.40	0.00%
Asian Development Bank—capital	—	—	—	—	—	—
African Development Fund	214.33	171.30	—	171.30	171.30	0.00%
African Development Bank - capital	32.42	32.42	—	32.42	32.42	0.00%
International Fund for Agricultural Development	30.00	30.00	—	30.00	—	-100.00%
Global Agriculture and Food Security Program	23.00	—	—	—	—	—
International Organizations & Programs	306.50	339.00	—	339.00	—	-100.00%
Central American and Caribbean Catastrophic Risk Insurance Facility	—	—	—	—	—	—
Global Infrastructure Facility	—	—	—	—	—	—
<b>Title VI. Export Assistance</b>	<b>(169.64)</b>	<b>(310.30)</b>	<b>—</b>	<b>(310.30)</b>	<b>(946.99)</b>	<b>—</b>
Export-Import Bank (net)	7.36	(139.00)	—	(139.00)	(633.10)	—
Development Finance Institute	—	—	—	—	(326.00)	—
Transfer of ESDF to Dev. Finance Institution (DFI)	—	—	—	—	[56.00]	—
Overseas Private Investment Corporation	(252.00)	(250.80)	—	(250.80)	—	—
Trade & Development Agency	75.00	79.50	—	79.50	12.11	-84.77%
<b>State, Foreign Ops &amp; related Programs, TOTAL</b>	<b>57,728.31</b>	<b>42,192.67,</b>	<b>12,018.00</b>	<b>54,210.67</b>	<b>41,858.08</b>	<b>-22.79%</b>

	FY2017 Actual	FY2018 Enacted—Div. K, P.L. 115-141			FY2019 Enduring Request	% change FY2019 Request vs. FY2018 Enacted
	Total	Enduring	OCO	Total		
Add Ons/ Rescissions, net <sup>b</sup>	(6.00)	(33.77)		(33.77)	—	—
State-Foreign Ops Total, Net of Rescissions	57,722.31	42,158.90	12,018.00	54,176.90	41,858.08	-22.74%

**Source:** FY2017 Actuals and the FY2019 request are from the Congressional Budget Justification, Department of State, Foreign Operations, and Related Programs, Fiscal Year 2019; FY2019 Addendum, P.L. 115-141, and CRS calculations.

**Notes:** Figures in brackets are subsumed in the larger account above and are not counted against the total. Figures in parentheses are negative numbers. “Enduring” funding is also sometimes referred to as “base” or “ongoing” funding in budget documents. Numbers may not add due to rounding. n.a.= not available.

- a. This account is mandatory spending, so State Operations and SFOPS totals in this table differ from budget totals in the International Affairs Congressional Budget Justification that include only discretionary spending.
- b. Rescissions include \$23.76 million from Development Assistance and \$10 million of unobligated balances of Export-Import carryover receipts.

## Appendix B. International Affairs Budget

The International Affairs budget, or Function 150, includes funding that is not in the Department of State, Foreign Operations, and Related Programs appropriation: foreign food aid programs (P.L. 480 Title II Food for Peace and McGovern-Dole International Food for Education and Child Nutrition programs) are in the Agriculture Appropriations, and the Foreign Claim Settlement Commission and the International Trade Commission are in the Commerce, Justice, Science appropriations. In addition, the Department of State, Foreign Operations, and Related Programs appropriation measure includes funding for certain international commissions that are not part of the International Affairs Function 150 account.

**Table B-1. International Affairs Budget FY2017 Actual, FY2018 Enacted, and FY2019 Request**

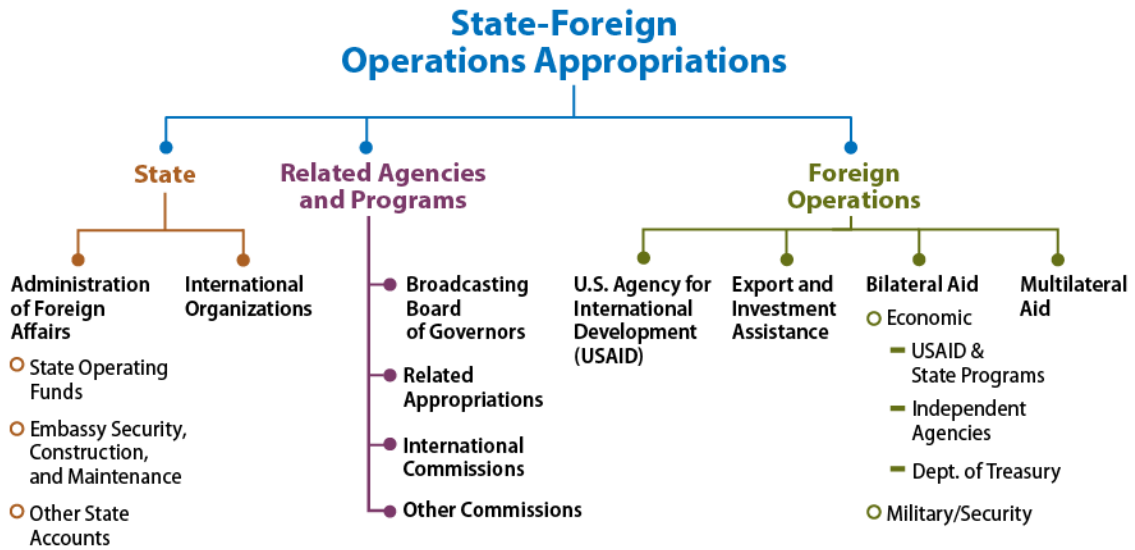
(in millions of current U.S. dollars)

	<b>FY2017 Actual</b>	<b>FY2018 Enacted P.L. 115-141</b>	<b>FY2019 Request</b>	<b>% change FY19 vs FY18 Enacted</b>
<b>State-Foreign Operations, excluding commissions<sup>a</sup></b>	57,582.55	54,026.49	41,727.52	-22.76%
<b>Commerce-Justice-Science</b>				
Foreign Claims Settlement Commission	2.37	2.41	2.41	0.00%
Int'l Trade Commission	91.50	93.70	97.50	+4.06%
<b>Agriculture</b>				
P.L. 480	1,900.00	1,716.00	0.00	-100.00%
McGovern-Dole	201.63	207.63	0.00	-100.00%
Local/Regional Procurement	—	—	—	—
<b>Total International Affairs (150)</b>	<b>59,778.05</b>	<b>56,046.23</b>	<b>41,827.43</b>	<b>-25.37%</b>

**Source:** Congressional Budget Justification, Department of State, Foreign Operations, and Related Programs, Fiscal Years 2017, 2018, and FY2019, and the FY2019 addendum; P.L. 114-254; P.L. 115-31; H.R. 3362; H.R. 3268; S. 1780, P.L. 115-141, U.S. International Trade Commission FY2019 Budget Justification, and CRS calculations.

- a. Includes mandatory spending from the Foreign Service retirement account, and does not align with budget justification figures that only count discretionary spending. Funding for certain international commissions appropriated in the State-Foreign Operations bill are excluded here because they fall under function 300 of the budget, not function 150 (International Affairs).

## Appendix C. SFOPS Organizational Chart



**Source:** Congressional Research Service, "International Affairs Budget Request for FY2019," PowerPoint Presentation Slides, February 2018. Slide Number CRS-13.

## Appendix D. Glossary

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<b>AEECA</b>	Assistance to Europe, Eurasia and Central Asia
<b>BBA</b>	Bipartisan Budget Act of 2015, P.L. 114-74
<b>BCA</b>	Budget Control Act of 2011, P.L. 112-25
<b>CIO</b>	Contributions to International Organizations
<b>CIPA</b>	Contributions to International Peacekeeping Activities
<b>CSCS</b>	Capital Security Cost Sharing
<b>D&amp;CP</b>	Diplomatic and Consular Programs
<b>DA</b>	Development Assistance
<b>DS</b>	State Department Bureau of Diplomatic Security
<b>ERMA</b>	Emergency Refugee and Migration Assistance
<b>ESCM</b>	Embassy Security, Construction and Maintenance
<b>ESDF</b>	Economic Support and Development Fund
<b>ESF</b>	Economic Support Fund
<b>FMF</b>	Foreign Military Financing
<b>IDA</b>	International Disaster Assistance
<b>IMET</b>	International Military Education and Training
<b>INCLE</b>	International Narcotics Control and Law Enforcement
<b>IO&amp;P</b>	International Organizations and Programs
<b>MCS</b>	Maintenance Cost Sharing
<b>MRA</b>	Migration and Refugee Assistance
<b>NADR</b>	Nonproliferation, Antiterrorism, Demining and Related
<b>OBO</b>	State Department Bureau of Overseas Building Operations
<b>OCO</b>	Overseas Contingency Operations
<b>OPIC</b>	Overseas Private Investment Corporation
<b>PKO</b>	Peacekeeping Operations
<b>SFOPS</b>	State, Foreign Operations, and Related Programs appropriations
<b>TDA</b>	Trade and Development Agency
<b>USAID</b>	U.S. Agency for International Development
<b>WSP</b>	Worldwide Security Protection
<b>WSU</b>	Worldwide Security Upgrade

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