



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, DC 20503

July 27, 2021  
(House Rules)

**STATEMENT OF ADMINISTRATION POLICY**  
**H.R. 4373 — Department of State, Foreign Operations, and Related Programs**  
**Appropriations Act, 2022**  
(Rep. DeLauro, D-CT)

The Administration strongly supports House passage of H.R. 4373, making appropriations for the Department of State, Foreign Operations, and Related Programs for the fiscal year (FY) ending September 30, 2022, and for other purposes.

Over the past decade, due in large measure to overly restrictive budget caps, the Nation significantly underinvested in core priorities such as education, research, and public health that are vital to our prosperity and strength. We have seen the consequences of this broad disinvestment in our lack of preparedness to effectively respond to a global pandemic. We see it in global competitors that are catching up or even surpassing the United States in research and development. In addition, we see it in longstanding inequities that have been deepened by chronic underinvestment in programs that are drivers of opportunity, such as Head Start and K-12 education. These cuts to public investment in basic services and protections have cost us all—and the moment to begin reversing this troubling trend is now.

The Administration is eager to incorporate the best ideas to reinvest in America. What we cannot accept is a continuation of damaging and self-defeating disinvestment. Instead, we must seize this moment to invest in our future—building an economy that works for everyone, not just those at the top; tackling the generational challenge of climate change; competing with rising powers and maintaining our position as a global leader; and preparing for the full range of challenges and opportunities ahead of us.

The President's FY 2022 Budget details a robust set of discretionary proposals to help deliver that future by reinvesting in the foundations of our Nation's strength. The Administration strongly supports the House Appropriations Committee in putting forth FY 2022 bills that reflect these shared priorities.

The Administration would like to take this opportunity to share additional views regarding the House Appropriations Committee's version of the bill.

Department of State and Other International Programs

*International Climate Change.* The Administration appreciates the Committee's support for U.S. international climate funding to reestablish the United States as a global leader in climate finance and catalyze climate action worldwide. The bill provides over \$3 billion for global climate and

environmental programs, including \$1.9 billion for U.S. contributions to the Green Climate Fund and other multilateral climate initiatives.

*Central America.* The Administration appreciates that the Committee provides \$861 million for Central America, as requested in the FY 2022 Budget, a strong show of support for the first year of the President's commitment to provide \$4 billion to Central America over four years. However, the Administration is concerned that the bill limits flexibility and includes a cap on the \$861 million level and includes 75-percent withholding of assistance benefitting the central governments of El Salvador, Guatemala, and Honduras from all Title 3 and 4 accounts. The Administration is also concerned that the bill continues the prohibition on providing Foreign Military Financing (FMF) to El Salvador, Guatemala, and Honduras.

*Global Health Security and Other Critical Global Health Programs.* The Administration strongly supports the Committee's inclusion of \$1 billion for global health security programs. This funding would enable the U.S. Agency for International Development (USAID) to invest in high-impact global health security programs, including to expand Global Health Security Agenda capacity-building programs to additional countries, support organizations leading the global COVID-19 pandemic response through the Act-Accelerator platform, and to replenish the Emergency Reserve Fund. The Administration appreciates the inclusion of language in the bill permitting contributions to an international financing mechanism for pandemic preparedness, which is an Administration priority; a financing mechanism is critical to catalyze sustainable financing for global preparedness efforts. The Administration also appreciates the increases provided in the bill for Maternal and Child Health and Family Planning and Reproductive Health.

*Democracy Programs.* The Administration appreciates the Committee's inclusion of \$2.5 billion for the Department of State and USAID democracy programming, in addition to \$300 million for the National Endowment for Democracy. The Administration looks forward to working with the Congress to ensure adequate funding for Democracy programs which would allow the United States to play a larger role in strengthening democratic institutions, fighting corruption, defending against authoritarianism, and advancing human rights.

*Gender.* The Administration appreciates that the Committee provides \$200 million for the Gender Equity and Equality Action Fund, consistent with the FY 2022 Budget request. In addition, the Administration appreciates the strong support for the Women, Peace, and Security Act as well as the multiyear strategy to prevent and respond to gender-based violence in both conflict and non-conflict settings.

*Information Technology Funding.* The Administration is disappointed that the bill funds the Department of State's Capital Investment Fund (CIF) at \$275 million, \$174 million or 40 percent below the FY 2022 Budget request. The FY 2022 Budget requested a substantial increase for CIF to address the national security threat posed by increasing cyberattacks. Notably, the bill fails to include \$101 million to safeguard the Department's cybersecurity infrastructure in direct response to the SolarWinds incident. While the bill authorizes up to \$150 million in transfer authority from the Diplomatic Programs (DP) account to the CIF account, no additional funds were provided in the DP account that would allow for the effective use of this authority.

*Unmet Commitments to International Financial Institutions.* The Administration appreciates that the bill provides a total of \$62 million for unmet commitments to the African Development Fund, the Asian Development Fund, and the Global Environment Facility. The bill provides no funding, however, for unmet commitments to the International Development Association (IDA). This funding would provide needed resources so that IDA can continue to provide high levels of financing to help the world's poorest countries respond to and recover from the impacts of the COVID-19 pandemic.

*Debt Restructuring.* The Administration strongly supports the Committee's inclusion of \$67 million for debt restructuring, consistent with the FY 2022 Budget request. Specifically, the Administration appreciates the support for the Debt Service Suspension Initiative (DSSI) and the Common Framework for Debt Treatments Beyond the DSSI. This would provide the authority and funding for official bilateral debt service suspension to low-income countries, allowing them to focus on responding to immediate health, economic, and social spending needs related to the COVID-19 pandemic, and for deeper debt treatments for eligible countries as needed under the Common Framework.

*Middle East Assistance.* The Administration appreciates the Committee's support for key partners in the Middle East, including Israel and Jordan, and economic and security assistance to other key partners.

*West Bank and Gaza.* The Administration appreciates the Committee's support for security assistance and increased economic assistance in the West Bank and Gaza and support for re-engagement with UNRWA.

*International Organizations Contributions.* The Administration appreciates the Committee's inclusion of robust funding for assessed and voluntary contributions to international organizations, which would enable the United States to advance its own interests while leveraging contributions from other donors by supporting the important work of our multilateral partners, including the United Nations (UN), the World Health Organization, the Montreal Protocol Multilateral Fund, and the UN Population Fund. However, the Administration looks forward to working with the Congress on ensuring robust U.S. leadership with the UN and UN-specialized agencies.

*International Peacekeeping Contributions.* The Administration appreciates the Committee's support for meeting U.S. commitments to international peacekeeping by providing sufficient funding to pay U.S. dues on time and in full as well as for providing the requested authority and additional funds to begin paying down accumulated cap-related UN peacekeeping arrears in order to fully fund peacekeeping arrears payments within two years.

*Humanitarian Assistance.* The Administration appreciates that the Committee shares the Administration's commitment to supporting vulnerable people worldwide by providing the resources requested in the FY 2022 Budget to fulfill the President's commitment to rebuild the Nation's badly damaged refugee admissions program, support up to 125,000 admissions in 2022, and assist vulnerable people abroad, including refugees and conflict victims.

*Support for Diplomatic and Consular Operations.* The Administration appreciates the Committee’s support for diplomatic programs including: worldwide security protection; embassy security, construction, and maintenance; and consular processing programs.

*USAID Operating Expenses.* The Administration is concerned that the bill does not fully provide the level requested in the FY 2022 Budget for USAID Operating Expenses. Operating resources at the level requested are critical to expand USAID’s workforce, support diversity, equity, and inclusion initiatives and would allow the Administration to respond more quickly and effectively in development and humanitarian assistance programming and support expanded global health security programs.

*Flexibility on Incorporation of Report Tables by Reference.* The Administration appreciates that section 7019(b) of the bill restores the Administration’s flexibility to respond to significant, exigent, or unforeseen events, or to address other exceptional circumstances directly related to U.S. national security interests.

*Egypt.* The Administration strongly opposes section 7041(a) of the bill, which would reduce the Administration’s flexibility in regards to FMF to Egypt, undermining its leverage as it operationalizes its commitment to a constructive human rights dialogue with Egypt.

*Protecting Europe’s Energy Security Act of 2019 (PEESA) Waiver Authority.* The Administration has significant concerns regarding an amendment adopted in Committee that would make unavailable for all of FY 2022 the waiver authority under section 7503(f) of PEESA, as amended. The mandate to impose sanctions—particularly without waiver authority, which the Executive Branch always seeks to preserve flexibility essential for implementing foreign policy and to calibrate imposition of sanctions—would scuttle diplomatic efforts, impinge on the President’s authority to conduct foreign policy, and damage U.S. relations with European Union member states.

### Constitutional Concerns

Certain provisions of the draft bill raise constitutional concerns, including by interfering with the President’s authority to determine the command of the armed forces, to recognize territorial sovereignty, to receive foreign diplomats, and to conduct diplomacy in general. The Administration looks forward to working with the Congress to address these and other concerns.

The Administration looks forward to working with the Congress as the FY 2022 appropriations process moves forward.

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