



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

September 22, 2023
(House Rules)

STATEMENT OF ADMINISTRATION POLICY
H.R. 4665 — Department of State, Foreign Operations, and Related Programs
Appropriations Act, 2024
(Rep. Granger, R-TX)

The Administration strongly opposes House passage of H.R. 4665, making appropriations for the Department of State, Foreign Operations, and Related Programs for the fiscal year (FY) ending September 30, 2024 and for other purposes.

In May, the Administration negotiated in good faith with the Speaker on bipartisan legislation to avoid a first-ever default and protect the Nation's hard-earned and historic economic recovery. This negotiation resulted in the Fiscal Responsibility Act (FRA) of 2023, which passed with overwhelming bipartisan support and set spending levels for FYs 2024 and 2025. The agreement held spending for non-defense programs roughly flat with FY 2023 levels, a compromise that protected vital programs Americans rely on from draconian cuts House Republicans proposed. The agreement also protected historic legislative accomplishments from the past two years, including the Inflation Reduction Act of 2022 (IRA), Honoring our PACT Act of 2022, CHIPS and Science Act, and the Infrastructure Investment and Jobs Act (Bipartisan Infrastructure Law).

House Republicans had an opportunity to engage in a productive, bipartisan appropriations process, but instead, with less than two weeks before the end of the fiscal year, are wasting time with partisan bills that cut discretionary spending to levels well below the FRA agreement and endanger critical services for the American people. These levels would result in deep cuts to climate change and clean energy programs, essential nutrition services, law enforcement, consumer safety, education, and healthcare.

These bills include billions in additional rescissions from the IRA and other vital legislation that would result in unacceptable harm to clean energy and energy efficiency initiatives that lower energy costs and critical investments rural America.

The draft bills also include numerous new, partisan policy provisions with devastating consequences including harming access to reproductive healthcare, threatening the health and safety of Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex (LGBTQI+) Americans, endangering marriage equality, hindering critical climate change initiatives, and preventing the Administration from promoting diversity, equity, and inclusion.

The Administration stands ready to engage with both chambers of the Congress in a bipartisan appropriations process to enact responsible spending bills that fully fund Federal agencies in a timely manner.

If the President were presented with H.R. 4665, he would veto it.

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

Department of State and Other International Programs

Indo-Pacific Strategy. The Administration appreciates that the bill provides \$3.4 billion for the Indo-Pacific Strategy. However, the Administration remains concerned and encourages swift action from the Congress to provide the requested mandatory funding and authorities necessary for the Compacts of Free Association. These agreements are critical for America's national security. The Administration looks forward to continuing to work with the Congress on these issues.

Treasury High-Leverage Programs. The Administration strongly opposes section 7061(b) of the bill, which prohibits funding being made available to the Clean Technology Fund. The \$425 million requested for this account would support a loan of \$1.2 billion. The Administration is also disappointed that the bill does not support loan guarantees at the multilateral development banks, where \$111 million in subsidy would leverage \$3 billion in loan guarantees to finance energy security. Similarly, the Administration urges the Congress to include the requested authority to use existing resources for loans to the International Monetary Fund's Poverty Reduction and Growth Trust and Resilience and Sustainability Trust, which would leverage billions of dollars to accelerate progress in developing countries.

Global Health. The Administration appreciates that the bill includes full funding for the President's Emergency Plan for AIDS Relief (PEPFAR) and urges the Congress to reauthorize PEPFAR for another five-year period to accelerate global progress toward reaching HIV epidemic control. However, the Administration is concerned that the bill significantly reduces funding available for global health security, which would leave the world more vulnerable to infectious disease threats and pandemics.

Reproductive Health Restrictions. The Administration is deeply concerned that the bill includes new restrictions on lifesaving global family planning and reproductive health (FP/RH) services and other global health assistance; these excessive conditions would undermine U.S. efforts to combat infectious diseases and to advance gender equality globally by restricting America's ability to support health programs. Section 7058(b) of the bill imposes a ceiling on FP/RH funding levels that is far below the longstanding enacted level, leaving even more women without access to these essential health services. Further, section 7057(a) of the bill prohibits funding for the United Nations Population Fund, which provides essential work to address preventable maternal deaths and the unmet need for family planning, prevent and respond to gender-based violence, and end harmful practices around the world, including in places where the United States does not have its own programming, as well as in many humanitarian crises. In addition, section 7057(b) of the bill would require application of a harmful policy that imposes excessive conditions that would undermine U.S. foreign and development assistance. Similar prior restrictions, which were ended by the President during his first days in office, affected local partners around the world receiving global health assistance, limiting the United States' ability to work with these partners and inhibiting their efforts to confront a range of health challenges.

Diplomatic and Development Workforce. The Administration is deeply concerned that the bill would reduce funding for America's international affairs workforce and operations by nearly 20 percent, which would significantly curtail implementation of U.S. foreign policy, and would likely reduce U.S. presence overseas. This funding level, along with the large number of directives in the bill, would force the Department of State to make very difficult tradeoffs, and could result in hiring freezes, reductions in force, and contract suspensions.

United Nations (UN) and Other International Organizations. The Administration is deeply concerned that the bill does not include funding for the UN regular budget and many other international organizations. The bill includes more than \$1 billion in draconian reductions that would undermine U.S. leadership, compromise America's ability to meet its treaty obligations, and limit U.S. capacity to address shared global challenges, while inviting America's adversaries to take America's place. The bill also provides no funding for the International Organizations and Programs account, which would eliminate critical resources to organizations such as the UN High Commissioner for Human Rights and the UN Children's Fund, which provide essential life-saving services to women and children around the world.

Democracy Programs. The Administration appreciates that the bill maintains funding for democracy programs, which are critical to strengthening free and independent media, fighting corruption, bolstering democratic institutions, advancing technology to support democracy, promoting gender equality and women's civic and political participation, and supporting free and fair elections and political processes.

Foreign Military Financing (FMF). The Administration appreciates the Committee's support for FMF, including robust loan and loan guarantee authorities and support for global priorities such as Taiwan.

Humanitarian Assistance. The Administration is disappointed at the significant reduction, below the FY 2023 enacted levels, provided in the bill for life-saving humanitarian assistance during a time of record displacement and complex challenges worldwide. The bill also provides no new funding for the President's Emergency Refugee and Migration Assistance Fund, which is currently depleted and requires replenishment to enable the United States to respond to unexpected humanitarian crises.

Prohibitions. The Administration strongly opposes the inclusion of prohibitions throughout the bill, such as in sections 7064(e)(3), 7061(a), 7070, and 7059(f), that limit the Administration's flexibility in advancing key national security and foreign policy objectives. These include prohibitions related to funding for special envoys and similar positions, the Green Climate Fund, LGBTQI+ protections, and the Gender Equity and Equality Action Fund focused on advancing women's economic security, among others.

International Boundary and Water Commission (IBWC). The Administration appreciates the strong support in the bill for IBWC operations and construction funding. Robust support would help IBWC address a range of ongoing and emergent challenges to water quality along the U.S. border with Mexico. The Administration also wants to work with Congress to include the requested authority for the U.S. Section of the IBWC to receive funds from Federal and non-Federal entities, which would further enhance IBWC's ability to carry out its mission.

Afghan Special Immigrant Visas (SIVs). The Administration is disappointed that the bill fails to provide the requested increase of 20,000 visas to the Afghan SIVs cap or to extend Afghan SIV program through 2029. This program demonstrates the steadfast commitment of the United States to Afghan allies who have supported the U.S. mission in Afghanistan for over two decades.

Rescissions. The Administration is deeply concerned that the bill rescinds over \$1.5 billion across the Development Assistance, Economic Support Fund, and Peace Corps accounts. These rescissions would drastically reduce the U.S. Government's ability to support U.S. allies and partners to defend shared national security interests and to combat poverty, corruption, and food insecurity.

Environmental Protection Agency (EPA)

Clean Technology Rescission. The Administration is disappointed that the bill would rescind \$11 billion in funding provided by the Inflation Reduction Act for the Greenhouse Gas Reduction Fund program at EPA. This rescission would eliminate funds designed to mobilize private capital into clean technology projects, especially in low-income and disadvantaged communities, that would expand economic opportunities in communities, reduce harmful pollution, and protect people's health while tackling the climate crisis.

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, and to conduct diplomacy. 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 2024 appropriations process moves forward.

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