



The FY2022 State, Foreign Operations, and Related Programs Budget Request

May 5, 2021

Overview

Each year, Congress typically considers 12 distinct appropriations measures to fund federal programs and activities. One of these is the Department of State, Foreign Operations, and Related Programs (SFOPS) bill, which supports a range of U.S. activities around the world.

On April 9, 2021, the Biden Administration released a summary of its proposed FY2022 budget request for discretionary programs. The request includes \$63.50 billion for "the State Department and other international programs," which the Administration asserts would be a 12% increase from the FY2021-enacted level. It is unclear whether this figure reflects all components of SFOPS funding, or how it was calculated. The requested funding is about \$7.3 billion (10%) below enacted FY2021 SFOPS discretionary funding to date, including \$10 billion in supplemental emergency funds enacted through the American Recue Plan Act (ARPA) to help combat Coronavirus Disease 2019 (COVID-19) globally. The requested funding is about 34% higher than FY2021 base funding (excluding OCO and emergency funds (see below) and higher than any SFOPS total funding level enacted in the past decade, with the exception of FY2021, in current dollars (Figure 1).

The April 9 budget summary provided only top-line funding levels and select program highlights. This Insight provides limited information and analysis based on the budget summary.

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(In billions of current U.S. \$)

Sources: Annual SFOPS CBJs; P.L. 116-94; P.L. 116-123; P.L. 116-136; P.L. 116-260; P.L. 117-2, Title X; CRS calculations. **Note**: To be more comparable with prior year actual and estimated funding, the FY2022 request total in this figure includes \$158.9 million in mandatory Foreign Service Retirement Fund money that was not specified in the FY2022 discretionary budget summary, but is a consistent component of the SFOPS budget.

The Budget Control Act and OCO

Between FY2012 and FY2021, the appropriations process was shaped by discretionary spending caps put in place by the Budget Control Act of 2011 (BCA; P.L. 112-25). Congress managed the BCA constraints in part by designating a portion of annual SFOPS appropriations as "Overseas Contingency Operations (OCO)" or "emergency" funding, both of which were excluded from BCA discretionary budget limits. The Trump Administration last requested OCO funds for SFOPS for FY2018, yet Congress has continued to provide OCO funding for SFOPS accounts every year.

The BCA caps expire after FY2021, so the FY2022 budget cycle is the first in a decade in which the caps will not be a consideration. The Biden Administration's FY2022 budget request does not include OCO-designated funding.

State Department Operations and Related Agency Highlights

Title I of the SFOPS appropriations bill provides Department of State and Related Agency appropriations. It primarily supports Department of State diplomatic programs and security activities, as well as U.S. assessed contributions (required dues) to international organizations and for international peacekeeping activities. Title I also funds the U.S. Agency for Global Media (USAGM).

The Biden Administration's stated priorities for Department of State and Related Agency accounts in FY2022 include the following:

• **Personnel**. The Administration's request calls for "reinvigorat[ing] the diplomatic and development workforce," in part through increasing the size of the Foreign Service and

Civil Service at the State Department and providing necessary technology and training programs for staff. The Administration also aims to advance "racial equity and inclusion" within the State Department and other foreign affairs agencies. No funding levels were specified for these purposes.

• Contributions to International Organizations and for International Peacekeeping Activities. The Administration seeks to provide assessed contributions, including for the payment of arrears where applicable, to international organizations such as the World Health Organization, the U.N. Population Fund, and the U.N. High Commissioner for Human Rights. The Administration is also requesting around \$500 million in additional funding for contributions for international peacekeeping activities, which would increase funding for this purpose from \$1.46 billion in FY2021 to nearly \$2 billion. This proposed increase includes \$300 million to begin paying down the approximately \$920 million in U.S. arrears to U.N. peacekeeping missions that have accumulated as a result of a cap on U.S. payments that Congress enacted in 1994 due to concerns that U.S. assessments were too high.

Foreign Operations Highlights

Titles II-VI of the SFOPS bill fund the Foreign Operations accounts. They comprise the majority of U.S. foreign assistance included in the international affairs budget; the remainder is food assistance supported through the agriculture appropriation.

The Administration's budget request summary identifies three "critical threats" and the FY2022 Foreign Operations resources intended to address those threats:

- **COVID-19 Pandemic Public Health and Economic Crises.** The Administration requests \$1 billion for global health security—an increase of \$800 million from what was provided in FY2021 base funding (some ARPA funds may be used for this purpose)—and increased engagement with other donors and multilateral institutions to "stamp out future infectious disease outbreaks before they become pandemics."
- Climate Change. The Administration seeks to "[reestablish] U.S. leadership on climate change" through increased investments in multilateral and bilateral climate-related assistance. The proposal includes a \$1.2 billion contribution to the Green Climate Fund, which would be the first U.S. contribution since 2017. The proposal also includes \$691 million for assistance to help developing countries "[adapt] to climate disruptions, [expand] clean energy production, and [reduce] landscape emissions." This level represents a \$200 million increase (41%) from the FY2021-enacted funding.
- **Countering Authoritarianism.** The budget summary proposes a multipronged approach to combating authoritarianism, including countering the influences of China and Russia, but does not offer specific funding levels for these priorities. It notes that the full request will include a "significant increase in resources to advance human rights and democratic values, fight corruption, stem the tide of democratic backsliding and defend against authoritarianism." State Department Operations and USAGM funds under Title I are likely to be dedicated for this purpose as well.

In addition to these identified priorities, notable Foreign Operations changes from the FY2021 request or enacted appropriations include the following:

• Humanitarian Assistance. The Administration proposes \$10 billion in humanitarian assistance, the highest request (in current U.S. dollars) for humanitarian accounts in the past decade.

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Aid to Central America. The Administration requests \$861 million in aid to the region, representing a \$355 million (70%) increase from the FY2021-enacted level.

The Administration has stated its intent to release a comprehensive budget for FY2022 "later this spring." CRS will prepare a report on the FY2022 SFOPS budget request when the full budget is released.

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