

## InterAction FY08 Omnibus Analysis

Friends:

As many of you are already aware, the FY08 appropriations omnibus was put together over the weekend and is now available on the House Rules Committee website (along with a summary on the House Appropriations Committee website).

[http://www.rules.house.gov/110\\_fy08\\_omni.htm](http://www.rules.house.gov/110_fy08_omni.htm)

<http://appropriations.house.gov/pdf/StateFOOmnibus.pdf>

Attached is our updated spreadsheet showing the funding levels in the new bill, listed alongside the original FY08 House and Senate passed levels, and with comparisons to FY07 enacted levels. Also attaching this email as a pdf document, in case the formatting is lost in transit.

**Note that there is a provision at the end of the State Foreign Operations division of the bill (Division J) that enacts a 0.81% rescission to all accounts.** That rescission is reflected in the levels in our spreadsheet. Note also that some of the funding in some of the accounts is designated as emergency funding. That emergency funding is not subject to the 0.81% rescission.

How did our accounts do? It depends on if or how you “count” the emergency spending included for a number of our accounts. The subcommittees, in the joint explanatory statement, state that they plan to provide additional emergency spending in the FY08 Supplemental expected next year. [They also urge the administration to include enough in its request for FY09 to obviate the need for supplemental humanitarian funding.] We are thus inclined to “count” the emergency funds in our assessment.

>> **For the Core Accounts, totaling \$5.3 billion in the omnibus (including the emergency funding), the increase over regular FY07 is 9.7%.**

>> **Compared to the FY07 Core Account total including supps, the omnibus is very close, just \$40 million lower.**

It appears that the additional 1.6% cut threatened in the last week **came to pass**, at least for State/Foreign Operations, for a final cut of about 4.2%.

The following are account and country-specific notes. Please let us know if you spot any errors or inconsistencies, and if any of this is confusing, feel free to call or email with questions.

Best,  
Ken

### Account-specific Notes:

#### **Child Survival:**

The Child Survival and Health Programs Fund account and the Global HIV/AIDS account are combined in the omnibus into the Global Health Account, following

the structure in the Senate bill. For purposes of our spreadsheet, for now, we have disaggregated the account into the old accounts: CSHPF and GHAI.

The Global Health account contains \$115 million in emergency funding (which, as noted above, is not subject to the rescission). How that emergency funding is spread across subaccounts is not explained in the explanatory statement. For our spreadsheet, the rescission has been applied to all subaccounts as if they are all fully subject to it. One or more of these subaccount levels will in fact include some emergency funding, which is not subject to the rescission, which means the post-rescission total for that subaccount will in fact be higher than our spreadsheet now shows.

Even including the emergency funding in this account, the total, \$1.8 billion, is less than either the House or Senate bills, but is more than \$100 million greater than FY07, about a 6.5% increase.

>>Language nullifying the “abstinence-until-marriage” earmark stayed in, contraceptive language, and the Mexico City language repeal, came out.

#### **Development Assistance:**

Omnibus number, \$1.6 billion, is between the House and Senate numbers, although closer to the higher House number. The overall account is more than \$100 million over FY07, about a 7.6% increase.

- > Basic Education gets \$400 million of the \$519 million the House would have provided.
- > Does NOT include establishment of the GROWTH Fund, but provides \$245 M for micro-finance and micro-enterprise programs focusing on women.

#### **International Disaster Assistance:**

The total is a 19% increase over regular FY07 levels, but falls short of the total FY07 level including supps, \$526 million .

- > Includes language endorsing a study on the effectiveness of local procurement.

The level for IDA (formerly IDFA), about \$430 million, is above the House and Senate levels because of the \$110 million in emergency funding included for displaced Iraqis and other new emergencies. The early injection of emergency funds will allow better planning than in previous years when supplemental funding came through in the spring, although the account will likely still require additional funding. The explanatory statement does not mention the IDFA account’s need for additional funds in an FY08 Supplemental as it does for MRA and CIPA. Last year, \$526 million, including supps, was appropriated.

#### **Transition Initiatives:**

The omnibus basically splits the difference between the House and Senate levels, coming in at almost \$45 million, about \$5 million over FY07, a 13% increase.

### **Migration and Refugee Assistance:**

The omnibus basically takes the lower House level and adds \$200 million in emergency funding to reach just over \$1 billion. The is about \$190 million more than the regular FY07 level, a 23% increase, and also about a 6% increase over the FY07 total including supps, which was \$963 million.

- > Includes \$23 million for BPRM administrative expenses.
- > Includes \$40 million for Israeli migrants.

The additional \$200 million in emergency spending will go to assist Iraqi refugees and Palestinians in the Occupied Territories and Lebanon. PRM (Bureau of Population, Refugees and Migration) is nevertheless continuing to face budget uncertainties and is still planning for 50% cuts in some programs. Report language, however, does recognize the significant gap between PRM's FY07 expenditures (which are above the amount appropriated) and the administration's FY08 request and urges the administration to request sufficient funds in the FY09 request to meet the actual need.

### **Emergency Refugee and Migration Assistance:**

The omnibus takes the identical House and Senate number of \$45 million, minus the 0.81% haircut, leaving \$44.6 million.

### **International Organizations and Programs:**

The omnibus splits the difference between House and Senate, ending up at \$317 million, closer to the lower Senate number. This is about \$9 million under FY07, a 2.8% decrease.

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### **Global HIV/AIDS Initiative:**

Comes in at \$4.66 billion, more than the identical House and Senate number of \$4.45 billion, and \$1.4 billion over the FY07 level, an increase of 44% over FY07.

### **Millennium Challenge Account:**

The omnibus roughly splits the difference between House and Senate, coming in at \$1.54 billion. This is about \$208 million less than FY07, a 12% cut.

- >> Contains the standard requirement that 100% of the funds anticipated to be spent during a compact be obligated by the compact. This is the provision that the Lugar amendment would have changed to a 50% maximum up-front obligation.

### **Contributions to International Peacekeeping Activities:**

The omnibus comes in at about \$1.69 billion for this account, including \$468 million in emergency funding. Subtracting that emergency money would put the level slightly below the House level, which was lower than the Senate level. The \$1.69 billion is about \$555 million over regular FY07 levels, almost a 49% increase, and is also more than the FY07 total including supps, by \$272 million or 19%.

- > Includes \$550 million for UNAMID

### **Peacekeeping Operations:**

Even with \$35 million in emergency funds, PKO comes in at about \$261 million, less than both House and Senate bills by about \$32 million and \$12 million, respectively. It still ends up higher than the FY07 regular level by about \$38 million, about a 17% increase, but considerably less than the FY07 total including supps, which was about \$453 million.

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**Economic Support Fund:**

In the omnibus, this account gets \$2.97 billion, more than both House and Senate but only because of the inclusion of \$543 million in emergency funding. The \$2.97 billion is about \$720 million over FY07 levels, an increase of about 32%.

**Operating Expenses:**

At \$651 million, with the help of \$20.8 million in emergency funding, USAID OE comes in higher than both House and Senate levels by about \$25 and \$5 million, respectively. It is about \$27 million over FY07 levels, an increase of about 4%.

**Foreign Military Financing**

State must ensure that FMF is not being misused by the governments of Sri Lanka, Ethiopia, DRC, Bangladesh, the Philippines and Pakistan.

**Country Notes**

**Sudan**

\$1 billion, of this amount \$209 million is for humanitarian and peacekeeping programs in Darfur (\$99 million above the President's request) and approximately \$550 million supports the UN Mission in Darfur. \$71.4 million in PKO.

**Iraq**

Expresses concern for ethnic and religious minorities in Iraq, with special attention to Ninewah Province. Calls for USAID focal point in Iraq on minorities. \$10 M for rescue of Iraqi scholars. \$5 M for Marla Ruzicka Iraqi War Victims Fund.

**Uganda**

The Senate provision to include \$5 million to support a USG strategy for conflict resolution in northern Uganda, which engages the governments of DRC and Sudan to negotiate a peace agreement between GoU and the LRA, [was not included in the amended bill](#).

**Afghanistan**

\$75 million in assistance programs for women and girls.

**Chad**

\$5 million for administrative and other expenses required by a permanent USAID post to coordinate humanitarian response in eastern Chad.

**Jordan**

\$363.547 million and notes the possibility of additional funds in the future.

**Burma**

\$13 million to the Thai-Burma border in light of recent political upheaval in Burma.

**Child Soldiers**

Prohibits military assistance and sales to governments that recruit or use child soldiers directly or through government-supported armed actors. The Secretary of State may waive the provision if a country is implementing measures for demobilization of child soldiers or for reasons of national security.