



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

July 8, 2009
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 3081 – Department of State, Foreign Operations, and Related Programs Appropriations Act, 2010

(Rep. Obey, D-Wisconsin)

The Administration strongly supports House passage of H.R. 3081, making appropriations for the Department of State, foreign operations, and related programs for the fiscal year ending September 30, 2010.

The bill, as approved by the House Appropriations Committee, is essential to the security of the United States. With resources dedicated to diplomatic and development efforts, this legislation is a core piece of America's security strategy. While U.S. military power provides a critical and effective tool for protecting the Nation, the investments in stability, security, and development in this legislation will enhance our ability to effectively address the range of threats that the country faces today.

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

Administration Priorities

The Administration appreciates the Committee's support for the President's international affairs priorities that advance U.S. national security including expanding the Foreign Service, promoting the President's Global Health Initiative, and providing assistance to partners, such as Afghanistan, Pakistan, Iraq, and the West Bank/Gaza. The Administration also thanks the Committee for its support for the Millennium Challenge Corporation.

Global Health

The Administration appreciates the Committee's strong support for the President's Global Health Initiative and looks forward to working with the Congress on its planning and implementation. The Administration appreciates funding for the bilateral Global HIV/AIDS and malaria programs at the President's requested levels, but urges the Congress to fully fund the request for the Neglected Tropical Disease program that works toward the elimination of several preventable and treatable diseases.

International Monetary Fund

The Administration strongly opposes provisions that affect U.S. participation in the International Monetary Fund and that would limit future efforts to respond to urgent and unanticipated financial crises.

Diplomatic Operations in Iraq

The Administration appreciates funding provided for Diplomatic and Consular Programs. The Administration is concerned, however, about the reduction of over \$200 million for Department of State operations in Iraq. This reduction could hinder needed operational support and security programs during a key transition period for the U.S. presence in Iraq.

Multilateral Development Banks

While the Administration welcomes the funding provided for multilateral development banks, the Congress is urged to restore the requested funding of \$85 million for arrears to the International Development Association (IDA). These IDA arrears support grants to the very poorest countries, most of which are in Africa, and are also needed to prevent the United States from falling farther behind in meeting its commitment to the Multilateral Debt Relief Initiative.

International Climate Assistance

The increase in international climate assistance proposed by the President is an important step to reestablish U.S. leadership in addressing global climate change. The Administration appreciates the Committee's support for this activity, but the bill is still \$351 million below the request, including a \$300 million reduction to the request for Department of Treasury climate programs. The Administration urges the Congress to fully fund the President's request for climate assistance and to remove restrictions that limit the ability of the Clean Technology Fund to catalyze private-sector investment in cleaner, low-carbon technologies.

Civilian Stabilization Initiative

The Administration is concerned about the \$168 million net reduction to the request for the Civilian Stabilization Initiative, which is a critical component of building civilian capacity to respond to pressing national security concerns.

Global Food Security

The President has announced his intention to double U.S. financial support for agricultural development in developing countries to "give people the tools they need to lift themselves out of poverty." The Administration requested \$1.36 billion for agricultural development. Of the total, Afghanistan and Pakistan make up roughly \$350 million. The Administration appreciates the Committee's support for this activity, but given the decreases in funding to key accounts that fund agricultural development, as well as the increases in funding levels for other crosscutting requirements, we are concerned that there will not be sufficient funding available in this Act to meet the President's goals. The Congress is urged to provide sufficient flexibility so that the President can advance the U.S. Government's commitment to agricultural development.

Constitutional Concerns

Consistent with the President's statement in signing the Omnibus Appropriations Act, 2009, the Administration is concerned about section 7050 of the bill, which could constrain the President's authority as Commander-In-Chief. Similarly, consistent with longstanding Executive Branch concerns about similar provisions, reflected recently in the President's statement in signing the Supplemental Appropriations Act, 2009, and the Omnibus Appropriations Act, 2009, language within sections 7026, 7030, 7054, 7069, 7070, 7071, 7081, and the International Monetary Fund amendment, could constrain the President's authority to conduct foreign affairs by directing Executive officials to adopt certain positions or objectives in negotiations and other diplomatic interactions. The Administration looks forward to working with Congress to address the constitutional concerns with respect to these provisions.

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