#### Written by <u>Michael Tennant</u> on August 23, 2019

## **Trump Scraps Plan to Cut Foreign Aid**

After a week of debating whether or not to try to cut \$4 billion in foreign aid, President Donald Trump has decided not to proceed, leaving budget hawks fuming and foreign interventionists cheering.

On August 15, <u>Politico</u> reported that Trump was planning to request a rescission of certain foreign aid that he and Congress had agreed to spend in their recent <u>deficitballooning budget deal</u>. Under the 1974 Impoundment Control Act, the president is authorized to make such a request. When he does, the funds in question are frozen for 45 days. If Congress approves the request, the funds are not spent; if it does not, the funds are released at the end of the 45 days.

Trump was considering cutting \$2.3 billion from the United States Agency for International Development (USAID) and \$2 billion from the State Department. About \$1.7 billion of those cuts would have come from funding for the United Nations, including its peacekeeping and humanitarian programs.

Trump's rescission request would have been submitted fewer than 45 days before the end of the federal government's fiscal year, effectively scuttling the spending regardless of the wishes of Congress. Whether such a move is constitutional, given exclusive authority to appropriate funds, is a matter of debate, reported <u>Politico</u>:

Mark Paoletta, general counsel for [the Office of Management and Budget], noted in a letter to the Government Accountability Office late last year that other presidents have issued similar requests that have caused funding to go unused at the end of the fiscal year.

There is "bipartisan historical precedent," Paoletta wrote, "for the President to withhold funds at any time of the fiscal year," including in instances when the freeze makes the money expire before the end of the 45-day wait.

But GAO, the federal government's nonpartisan watchdog, has refuted that justification, arguing that precedent has changed since those earlier cutbacks, since Supreme Court rulings and changes to the rescission law have since occurred. A president does not have the power to use a so-called rescission request to cut funding by freezing it through the end of the fiscal year. Such a move requires an OK from Congress, the GAO has advised.

Foreign interventionists in the administration and Congress argued strenuously against the proposed rescissions, claiming the cuts — \$4 billion out of a \$2.7-trillion budget — would harm national security.

Secretary of State Mike Pompeo was one of the loudest voices in the administration opposing the cuts, along with Treasury Secretary Steven Mnuchin. Acting budget director Russ Vought and acting chief of staff Mick Mulvaney, on the other hand, urged Trump on.







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"Foreign aid advocates were quick to characterize Pompeo as a gutsy crusader against both fiscal hawks and progressive Democrats seeking to politicize foreign assistance," wrote <u>Politico</u>.

Representative Hal Rogers (R-Ky.), ranking member of the House Subcommittee on State and Foreign Operations, and Senator Lindsey Graham (R-S.C.), a member of the Senate Foreign Relations and Appropriations committees, wrote a letter to Trump earlier this month arguing that the rescissions would undermine national security and make it harder for the administration and Congress to reach future budget agreements.

Representative Nita Lowey (D-N.Y.), chairwoman of the State and Foreign Operations Subcommittee, told *Politico* the rescissions were "wrong-headed" because "these funds are essential for U.S. global leadership and protecting the security of the American people."

Others, such as House Speaker Nancy Pelosi (D-Calif.) and Senate Minority Leader Chuck Schumer (D-N.Y.), contended that the president had no authority to make such cuts and was, in effect, reneging on the budget he had signed just weeks before.

Although Trump briefly considered a smaller rescissions package, he ultimately caved to the foreign-aid backers and scrapped the plan entirely.

Fiscal hawks in the administration, already upset over the budget deal, were none too happy with Trump's decision, though they laid most of the blame at the feet of Congress.

"The president has been clear that there is fat in our foreign assistance and we need to be wise about where U.S. money is going," a senior administration official told *Politico*. "Which is why he asked the administration to look into options to doing just that. It's clear that there are those on the Hill who aren't willing to join in curbing wasteful spending."

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