



# **USAID Under the Trump Administration**

## February 3, 2025

On Monday, February 3, 2025, Secretary of State Marco Rubio announced that he would serve as the Acting Administrator of the U.S. Agency of International Development (USAID). Also on February 3, USAID staff were directed not to report to the agency's Washington, DC, headquarters. Later that day, some Members of Congress seeking to enter the same offices were reportedly denied access.

These actions come on the heels of a January 20 executive order "pausing" nearly all foreign assistance for 90 days, reports about the dismissal of senior Civil- and Foreign-Service USAID leaders, and confusion among USAID contractors and implementing partners about what programs, if any, might continue. By the end of the day on February 1, USAID's website was no longer operational, while a new page on the Department of State's website launched, providing information on a portion of USAID's work.

These developments raise numerous questions for Congress, which authorizes, funds, and oversees USAID and its programs. These include whether the President is authorized to abolish the agency, whether the President can restructure the agency, and what happens to USAID's resources if such actions are implemented.

#### Can the President Abolish, Move, or Consolidate USAID?

Because Congress established USAID as an independent establishment (defined in 5 U.S.C. 104) within the executive branch, the President does not have the authority to abolish it; congressional authorization would be required to abolish, move, or consolidate USAID.

The Secretary of State established USAID as directed by Executive Order 10973, signed on November 3, 1961. The agency was meant to implement components of the Foreign Assistance Act of 1961 (FAA, P.L. 87-195), enacted on September 4, 1961.

Section 1413 of the Foreign Affairs Reform and Restructuring Act of 1998, Division G of P.L. 105-277, established USAID as an "independent establishment" outside of the State Department (22 U.S.C. 6563). In that act, Congress provided the President with temporary authority to reorganize the agency (22 U.S.C. 6601). President Clinton retained the status of USAID as an independent entity, and the authority to reorganize expired in 1999. Congress has not granted the President further authority to abolish, move, or consolidate USAID since.

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Section 1522 of that law stated that "the Administrator of the Agency for International Development, appointed pursuant to section 624(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2384(a)), shall report to and be under the direct authority and foreign policy guidance of the Secretary of State."

#### Can the President Shift USAID Bureaus or Offices to the State Department?

Pursuant to congressional notification procedures noted below, the Administration can propose and execute structural changes related to USAID and State, including shifting certain functions from USAID to State.

As USAID's internal organization is not set in statute, Administrations have sometimes changed USAID's internal structure, often reflecting a President's foreign policy priorities and foreign assistance initiatives. In these cases, the Administration is to notify and consult with "appropriate congressional committees" in advance of such changes pursuant to procedures included in annual Department of State, Foreign Operations, and Related Programs (SFOPS) appropriations bills (for FY2024 SFOPS, see Section 7063 of P.L. 118-47).

In the past, Administrations have implemented such changes only after this notification—including any resulting consultation and the lifting of Member holds, if applicable. For example, the first Trump Administration undertook the *USAID Transformation* initiative, which included an organizational restructuring outlined to Congress in nine notifications. Following congressional consultation, USAID implemented described changes, including an elevation of humanitarian assistance into the Bureau for Humanitarian Assistance, a consolidation of the agency's cross-cutting and sector-specific expertise into the Bureau of Democracy, Development and Innovation, and an adjustment to the chain of command to include two new Administration-appointed Associate Administrators. The Biden Administration kept much of the organizational structure that came out of the *Transformation* initiative but proposed to Congress and then executed a few additional changes, including establishing Bureaus for Resilience, Environment, and Food Security; Democracy, Human Rights, and Governance; and Inclusive Growth, Partnerships, and Innovation.

#### **USAID Resources**

Congress appropriates funds for USAID programs and operations in annual SFOPS appropriations; nearly all USAID programs are authorized through the FAA, as amended. If an Administration seeks to use appropriated funds for purposes not articulated, or in different amounts from what was previously justified for that fiscal year, including the transfer of funds between agencies, the Administration is required to notify Congress prior to taking the proposed action pursuant to provisions in the SFOPS appropriation (Division F of P.L. 118-47) and FAA.

Some Members have raised concerns regarding President Trump's executive order pausing foreign assistance and actions taken to halt programs and dismiss agency leaders. The Administration's actions to subsume USAID into the State Department may deepen such concerns and raise new questions among Members about the Administration's compliance with congressional reporting and consultation requirements and the Administration's use of funds appropriated to USAID and its programs. To the extent that such questions arise, Members on the House and Senate Appropriations Committees and House Foreign Affairs and Senate Foreign Relations Committees, in particular, might elect to seek more information about these actions from the Administration through congressional hearings, letters, and informal communications. Such oversight activities may shape how both the appropriators and authorizers approach USAID, State, and relevant programs in annual appropriations bills and consideration of potential legislation providing authorizations or restrictions.

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