Proposed Department of State Reorganization Undermines U.S. Diplomacy and Development Abroad

The Department of State's April 22, 2025 reorganization plan and the FY26 President's budget request undermine U.S. foreign policy, national security, and global leadership. The plan and funding levels are not fit-for-purpose to implement critical development, health, and humanitarian programming. Furthermore, the proposed approach and funding streams will weaken and dilute crucial diplomatic efforts—inviting mission creep and placing an undue burden on our understaffed diplomatic corps. Ultimately, Americans at home and abroad will be far less safe and suffer the consequences of this haphazard approach — both today and well into the future.

Secretary Rubio's proposed reorganization reflects no plan to meaningfully merge diplomacy and development. The Department of State reorganization should have included meaningful reform and restructuring of USAID and its functions within State, if the Department intended to take on that work. Instead, this proposal drastically cuts foreign assistance expertise and functions.

- ➔ **Congress must guard against a haphazard approach designed quickly and in a vacuum by establishing a meaningful plan to preserve diplomatic, development, global health, and humanitarian investments.**
- ➔ **Congress should insist that no reorganization plans move forward without their input, discussion, and dialogue. It is essential that Congress provide its perspective on alternatives that will better serve U.S. foreign policy imperatives.**

An overly centralized structure harms U.S. global presence and program effectiveness. Proposing to manage all foreign assistance programming only from Washington, DC — while keeping minimal development staff in Embassies worldwide — is inefficient, costly, and risky. This approach will lead to ineffective programs, as experts steeped in the context and needs are not in a position to design meaningful programs that will keep America safer, stronger, and more prosperous. Furthermore, this structure will tie foreign assistance to short-term transactional approaches, reducing ties to governments that don't have a deal they can make — but are crucial to U.S. interests.

- Reducing the number of Embassy staff with development, health, and humanitarian expertise will make it even more difficult to:
    - Encourage domestic resource mobilization and country ownership efforts in partner countries, historically an urgent priority for Congress, especially for large programs such as PEPFAR, which drives burden-sharing approaches;
    - Enhance market development and incentivize private sector engagement; and
    - Identify local and regional partners that can contribute to strengthening economic opportunities for American businesses.

➔ **Congress must consider the cost-benefit of centralizing foreign assistance functions to assess to what degree such a structure can effectively serve U.S. foreign policy imperatives, and propose meaningful alternatives.**

Dispersing development expertise and functions across multiple bureaus and offices is duplicative and threatens accountability, oversight, transparency, and legal compliance. The plan is inefficient, with development functions spread across six regional Bureaus, three Bureaus sitting under two Under Secretaries, and two Assistant Secretaries sitting in one Office. Such parallel structures fragment Foreign Assistance and challenge effective fiscal oversight, ultimately reducing transparency. Instead of delegating individual offices to provide centralized oversight of sector programming and implement statutes governing foreign assistance, the plan proposes to establish offices of foreign assistance in regional bureaus. It also reduces monitoring capabilities, opening programming up to waste, fraud, abuse, and mission creep.

- Contracting and Agreement Officer's Representatives — designated technical experts responsible for managing programs, and monitoring budgets, compliance, and performance — must be retained. These individuals fuse rigorous oversight with program quality, making the most of taxpayer dollars.
- Hiring fewer than 800 development and contracting experts is insufficient staffing to effectively design, manage, and monitor complex foreign assistance programs. USAID had 13,600 staff; this would be a 94% reduction in expertise.

➔ **The Reauthorization must ensure thoughtful and sufficient operational and technical expertise for development, and safeguard against the arbitrary shrinking of the U.S. global footprint. Congress should insist a more realistic global staff footprint be retained to lead America's foreign assistance efforts.**

Drastic cuts to key development priorities and elevating loosely defined "opportunity" funds is highly risky. Foundational programs — including those required by law that have long enjoyed bipartisan support — and staff expertise in humanitarian assistance, health, education, democracy and governance, water, and agriculture are missing or drastically reduced. This will seriously limit the efficacy of proposed development programming. Such clearly defined priorities safeguard against ad hoc programming that may reflect Executive priorities in the moment, but fail to secure long-term foreign policy priorities.

- More than 20 laws currently reflect Congressional priorities and guide USAID and State toward evidence-based approaches. The President's FY26 budget request, combined with Secretary Rubio's proposed staff reductions at State and the near total elimination of USAID staff, will result in multiple violations of the law, lives lost, and an inability to respond when an ally faces a crisis or threat.

➔ **Congress should not accept rescissions to USAID or the Department of State. Instead, Congress should take a considered approach through the regular appropriations process to ensure that USAID programs remain funded and accountable. Congress must prevent the Executive Branch from giving itself a free pass on the use of U.S. tax dollars through proposed accounts that lack a clear foreign policy purpose.**

➔ **Congress should assess minimum statutory requirements to continue foreign aid programs that are required by law, as well as those that contribute to American national security, public health, and other bipartisan priorities. This should include staff capacity and expertise, and structures that maximize both efficiency and oversight around the world, and should be required in any legislative vehicle that will govern USAID and the Department of State moving forward.**

The proposed reorganization is overly costly and weakens institutional knowledge and experience. Dissolving existing teams, including all USAID development experts, foreign service officers, and the foreign service national ground-game, would chase out career professionals with decades of strategic insight, relationships, and critical knowledge.

- RIFs, re-recruitment, and project closedown and start-up are all much more costly than simply maintaining staff and allowing projects to run their due course with work plan adjustments to accommodate policy shifts.

➔ **Congress should demand that the Administration halt personnel actions and reorganization — including the shuttering of USAID, MCC, and other agencies that implement US foreign policy — and ensure that a thoughtful, negotiated plan is in place to safeguard existing expertise and that this is required in relevant authorizing and appropriations laws, such as State and BUILD Act reauthorizations.**

Global rivals gain ground while we reorganize. **While the Department of State updates memos and reshuffles boxes on an organizational chart, China and Russia are on the move, cutting deals on critical minerals, expanding influence by taking over U.S. development programs, targeting U.S. allies and interests, and trying to recruit former USAID personnel.** There is neither public demand nor an operational crisis that calls for a sweeping reorganization. Consistent with decades of public opinion, recent polling shows that **62% of Americans oppose foreign aid cuts**. USAID's proposed reorganization into State lacks clear goals, measurable outcomes, and tangible benefits. Instead it is overly costly and burdensome, and contributes to America's retreat on the global stage.

- **Congress must reassert its role in appropriations and oversight of the executive branch, consistent with multiple court rulings. Congress must insist that any State reorganization retains critical funding and expertise to ensure we save America's influence globally.**

All comments are based on the DOS-Reorg-4.21.2025 (released April 21, 2025) and FAQs (released on April 22, 2025). This document was most recently updated on April 29, 2025. For more information please contact congressaidletters@gmail.com