
OMB Final Sequestration Report to the President and Congress for Fiscal Year 2012



January 18, 2012

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GENERAL NOTES

1. All years referred to are fiscal years unless otherwise noted.
2. Details in the tables and text may not add to totals due to rounding.



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

THE DIRECTOR

The following is the text of a letter transmitting the *OMB Final Sequestration Report to the President and Congress for Fiscal Year 2012*.

January 18, 2012

The President
The White House
Washington, DC 20500

Dear Mr. President:

Enclosed please find the *OMB Final Sequestration Report to the President and Congress for Fiscal Year 2012*. It has been prepared pursuant to section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

As required by law, the report provides current estimates of the discretionary spending limits for each category in the Budget Control Act of 2011 (Public Law 112–25), the status of OMB scoring of the enacted 2012 discretionary appropriations bills compared to those limits, and comparisons with the estimates provided by the Director of the Congressional Budget Office in his report.

Based on the estimates in this report, enacted appropriations are within the discretionary spending limits for 2012 and a sequestration of discretionary budget authority is not required.

Sincerely,

Jacob J. Lew
Director

Enclosure

Identical Letter Sent to The Honorable Joseph R. Biden
and The Honorable John A. Boehner

I. INTRODUCTION

P.L. 112–25, the Budget Control Act of 2011 (BCA, "the Act") amended the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) by reinstating the discretionary spending limits on budget authority that had expired after 2002. Section 254 of the BBEDCA requires the Office of Management and Budget (OMB) to issue a Final Sequestration Report 15 days after Congress ends a session to determine whether sequestration of discretionary budget authority is required, based on OMB's scoring of enacted dis-

cretionary appropriations against its latest estimate of those limits. As required, OMB's scoring estimates rely on the same economic and technical assumptions as used in the President's 2012 Budget, which the President transmitted to the Congress on February 14, 2011.

This report covers appropriations legislation enacted in the first session of the 112th Congress and indicates that no sequestration of discretionary budget authority is required.

II. DISCRETIONARY SEQUESTRATION UPDATE REPORT

The Balanced Budget and Emergency Deficit Control Act of 1985, as amended, requires OMB to issue reports containing OMB's scoring of individual appropriations bills within seven days of their enactment and, three times a year, on the overall status of discretionary legislation. This report meets the requirement for OMB to issue a final report within 15 days after the end of the 1st session of the 112th Congress, including a final estimate of the adjustment for disaster funding. As the BBEDCA requires, the estimates rely on the same economic and technical assumptions as used in the President's 2012 Budget, which the President transmitted to the Congress on February 14, 2011.

Discretionary programs are funded annually through the appropriations process. The BBEDCA, as amended by the BCA, limits—or caps—budget authority available for discretionary programs each year through 2021. The Act, however, does not require that Congress appropriate the full amount available under the discretionary limits. For 2012 and 2013, Title I of the Act specifies separate “security” and “nonsecurity” categories for discretionary programs. The security category includes discretionary appropriations for budget accounts of the Department of Defense, the Department of Homeland Security, the Department of Veterans Affairs, the National Nuclear Security Administration, the intelligence community management account, and all discretionary budget accounts in budget function 150 (international affairs). The nonsecurity category includes all budget accounts that do not

fall into the security category. After 2013, Title I of the Act specifies a single category for all discretionary spending referred to as the “discretionary” category.

In addition to amending the BBEDCA and reestablishing discretionary spending limits on budget authority, Title IV of the BCA tasked a new Joint Select Committee on Deficit Reduction with producing legislation to reduce deficits by at least \$1.5 trillion over the 2012–2021 period. Title III of the BCA further provided that if a joint committee bill reducing the deficit by at least \$1.2 trillion was not signed into law by January 15, 2012, certain automatic spending reductions would take effect. Since a joint committee bill was not enacted by the January 15, 2012 deadline, unless further action is taken, these additional procedures specified in the BCA for reducing deficits are set to begin in 2013 to achieve the \$1.2 trillion deficit reduction goal. In addition, these procedures redefine the discretionary security and nonsecurity categories for 2013 through 2021 (*see the Section 251A adjustments section of the report*).

Discretionary appropriations that OMB estimates to exceed the budget authority limits would trigger an across-the-board reduction (or sequestration) to eliminate the excess spending. Table 1 summarizes the caps enacted in the BCA and reported in the *OMB Sequestration Update Report to the President and Congress for Fiscal Year 2012*, which was released on August 19, 2011.

Table 1. SUMMARY OF DISCRETIONARY LIMITS ENACTED IN TITLE I OF THE BCA AND INCLUDED IN THE OMB SEQUESTRATION UPDATE REPORT
(Discretionary budget authority in billions of dollars)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
SECURITY CATEGORY:										
Budget Authority.....	684	686	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NONSECURITY CATEGORY:										
Budget Authority.....	359	361	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DISCRETIONARY CATEGORY:										
Budget Authority.....	N/A	N/A	1,066	1,086	1,107	1,131	1,156	1,182	1,208	1,234

N/A = Not Applicable

Section 251(b)(2) Adjustments to Discretionary Limits

Table 2 shows how adjustments pursuant to section 251(b) of the BBEDCA affect the discretionary limits for 2012. Section 251(b)(1) allows adjustments for concepts and definitions in the Preview Report, which is transmitted with the President’s Budget, and section 251(b)(2) authorizes certain adjustments after the enactment of appropriations. With final appropriations for 2012 enacted, the following adjustments are now made to the 2012 security and nonsecurity caps in Table 2:

Emergency Appropriations and Overseas Contingency Operations/Global War on Terrorism (OCO/GWOT).—These adjustments are authorized in section 251(b)(2)(A) of the BBEDCA and include funding for amounts that Congress designates in law as being either an emergency requirement or for OCO/GWOT activities on an account-

by-account basis and that the President subsequently so designates. The 2012 appropriations acts contained no funding amounts that were designated as emergency requirements pursuant to the BBEDCA. To date, a total of \$126,543 million have been appropriated for OCO/GWOT purposes for 2012; these amounts were appropriated in the 2012 Department of Defense Appropriations Act; the 2012 Homeland Security Appropriations Act; and the 2012 Department of State, Foreign Operations and Related Programs Appropriations Act (Divisions A, D, and H of P.L. 112–74). The Congress in P.L. 112–74 designated these amounts for OCO/GWOT activities, and the President transmitted to the Congress on December 23, 2011, his designation of all of these amounts (the designation is on OMB’s website: <http://www.whitehouse.gov/omb/budget/amendments>). This adjustment is allocated entirely to the security category.

OMB FINAL SEQUESTRATION REPORT

Table 2. DISCRETIONARY SPENDING LIMITS
(Discretionary budget authority in millions of dollars)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>SECURITY CATEGORY</u>										
Enacted Budget Control Act Spending Limit.....	684,000	686,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments for the Update Report:										
No Adjustments.....			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Update Report Spending Limit.....	684,000	686,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Final Sequestration Report Security Adjustments:										
Funds designated pursuant to Section 251(b)(2)(A) of BBEDCA for OCO/GWOT.....	+126,543		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Funds designated pursuant to Section 251(b)(2)(D) of BBEDCA for Disaster Relief.....	+6,400		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments pursuant to Section 251A of BBEDCA for Enforcement of Budget Goal.....	N/A	-686,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subtotal, Final Sequestration Report Security Adjustments.....	+132,943	-686,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Final Sequestration Report Spending Limit.....	816,943	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>NONSECURITY CATEGORY</u>										
Enacted Budget Control Act Spending Limit.....	359,000	361,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments for the Update Report:										
No Adjustments.....			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Update Report Spending Limit.....	359,000	361,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Final Sequestration Report Nonsecurity Adjustments:										
Funds designated pursuant to Section 251(b)(2)(B) of BBEDCA for Program Integrity.....	+483		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Funds designated pursuant to Section 251(b)(2)(D) of BBEDCA for Disaster Relief.....	+4,053		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments pursuant to Section 251A of BBEDCA for Enforcement of Budget Goal.....	N/A	-361,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subtotal, Final Sequestration Report Nonsecurity Adjustments.....	+4,536	-361,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Final Sequestration Report Spending Limit.....	363,536	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>DISCRETIONARY CATEGORY</u>										
Enacted Budget Control Act Spending Limit.....	N/A	N/A	1,066,000	1,086,000	1,107,000	1,131,000	1,156,000	1,182,000	1,208,000	1,234,000
Adjustments for the Update Report:										
No Adjustments.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Update Report Spending Limit.....	N/A	N/A	1,066,000	1,086,000	1,107,000	1,131,000	1,156,000	1,182,000	1,208,000	1,234,000
Final Sequestration Report Discretionary Adjustments:										
Adjustments pursuant to Section 251A of BBEDCA for Enforcement of Budget Goal.....	N/A	N/A	-1,066,000	-1,086,000	-1,107,000	-1,131,000	-1,156,000	-1,182,000	-1,208,000	-1,234,000
Final Sequestration Report Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>REVISED SECURITY CATEGORY</u>										
Enacted Budget Control Act Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments for the Update Report:										
No Adjustments.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Update Report Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Final Sequestration Report Security Adjustments:										
Adjustments pursuant to Section 251A of BBEDCA for Enforcement of Budget Goal.....	N/A	+546,000	+556,000	+566,000	+577,000	+590,000	+603,000	+616,000	+630,000	+644,000
Final Sequestration Report Spending Limit.....	N/A	546,000	556,000	566,000	577,000	590,000	603,000	616,000	630,000	644,000

Table 2. DISCRETIONARY SPENDING LIMITS—Continued
(Discretionary budget authority in millions of dollars)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
REVISED NONSECURITY CATEGORY										
Enacted Budget Control Act Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Adjustments for the Update Report:										
No Adjustments.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Update Report Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Final Sequestration Report Nonsecurity Adjustments:										
Adjustments pursuant to Section 251A of BBEDCA										
for Enforcement of Budget Goal.....	N/A	+501,000	+510,000	+520,000	+530,000	+541,000	+553,000	+566,000	+578,000	+590,000
Final Sequestration Report Spending Limit.....	N/A	501,000	510,000	520,000	530,000	541,000	553,000	566,000	578,000	590,000
TOTAL DISCRETIONARY SPENDING										
Enacted Budget Control Act,										
Total Discretionary Spending.....	1,043,000	1,047,000	1,066,000	1,086,000	1,107,000	1,131,000	1,156,000	1,182,000	1,208,000	1,234,000
Update Report,										
Total Discretionary Spending.....	1,043,000	1,047,000	1,066,000	1,086,000	1,107,000	1,131,000	1,156,000	1,182,000	1,208,000	1,234,000
Final Sequestration Report,										
Total Discretionary Spending.....	1,180,479	1,047,000	1,066,000	1,086,000	1,107,000	1,131,000	1,156,000	1,182,000	1,208,000	1,234,000

N/A = Not Applicable

Continuing Disability Reviews (CDRs) and Redeterminations.—Section 251(b)(2)(B) of the BBEDCA authorizes adjustment of the caps by the amounts appropriated for CDRs and redeterminations. CDRs are periodic reevaluations conducted to determine if recipients of Social Security disability insurance benefits and Supplemental Security Income (SSI) for persons with disabilities are still disabled. Redeterminations are periodic reviews of non-medical factors of eligibility, such as income and resources, for the means-tested SSI program and generally result in a revision of the individual’s benefit level. The maximum cap adjustment in each year is limited to the levels of budget authority specified in the BBEDCA, provided that a base level of \$273 million is provided for these purposes in the underlying

appropriations bill. The 2012 Departments of Labor, Health and Human Services (HHS), Education, and Related Agencies Appropriations Act (Division E of P.L. 112–74) provided a base level of \$273 million (after accounting for the 0.189 across-the-board reduction in section 527 of that Division). The Disaster Relief Appropriations Act (P.L. 112–77) provided the \$483 million as a cap adjustment for these purposes—\$140 million below the maximum allowable adjustment of \$623 million specified for 2012 in the BBEDCA but nearly the same as the 2011 enacted level included in the 2011 Department of Defense and Full-Year Continuing Appropriations Act (P.L. 112–10). This adjustment is allocated entirely to the nonsecurity category.

Health Care Fraud and Abuse Control (HCFAC).—Section 251(b)(2)(C) of the BBEDCA authorizes adjustment of the caps by amounts appropriated for HCFAC activities, which include efforts to reduce the Medicare improper payment rate by 50 percent, expand the Health Care Fraud Prevention & Enforcement Action Team (HEAT) initiative, and provide resources to implement a set of legislative program integrity proposals. The maximum HCFAC cap adjustment in each year is limited to the levels of budget authority specified in the BBEDCA, provided that a base level of \$311 million for these purposes is provided in the underlying appropriations bill. However, the 2012 Departments of Labor, Health and Human Services (HHS), Education, and Related Agencies Appropriations Act (Division E of P.L. 112–74) provided a base level of only \$310 million (after accounting for the 0.189 across-the-board reduction in section 527 of that Division) and no funding subject to the cap adjustment despite the fact that the BBEDCA provided for a maximum allowable adjustment of \$270 million. Like CDR’s and redeterminations, the 2012 enacted level is nearly the same as 2011 enacted level included in the 2011 Department of Defense and Full-Year Continuing Appropriations Act (P.L. 112–10). Since the base was not fully funded and no additional funding was provided pursuant to section 251(b)(2)(C), no cap adjustment for HCFAC funding is reflected.

Adjustments for Disaster Funding.—Section 251(b)(2)(D) of the BBEDCA authorizes an adjustment to the caps for appropriations that are designated by the Congress as being

for disaster relief. The BBEDCA sets a limit for the adjustment equal to the total of the average funding provided for disaster relief over the previous 10 years (excluding the highest and lowest years) plus any portion of the allowable adjustment (funding ceiling) for the previous year that was not appropriated. “Disaster relief” is defined as activities carried out pursuant to a determination under section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) (42 U.S.C. 5122(2)).

Section 103(2) of the BCA requires OMB to include in its Update Report a preview estimate of the adjustment for disaster funding for the upcoming fiscal year. At the time the Update Report was prepared, OMB was working to meet its obligation to submit, within 30 days after the date of enactment of the BCA, the report to the Committees on Appropriations and Budget on the 10-year average calculation (as required by section 251(b)(2)(D)(ii) of BBEDCA, as amended by the BCA). OMB transmitted that report to the Congress on September 1, 2011. In determining the average amount of annual funding provided for disaster relief over the previous 10 years (excluding the highest and lowest years), OMB included in its calculations only those amounts that the Congress, in an appropriations or authorization act in which the Stafford Act was specifically referenced, provided expressly for activities relating to a Presidential declaration of a “major disaster” under the Stafford Act (for a full account of OMB’s complete analysis and methodology, see “*OMB Report on Disaster Relief Funding*” on OMB’s website: <http://www.whitehouse.gov/omb/legisl>

[ative reports](#)). These calculations yielded a preview estimate of \$11,252 million for the disaster funding adjustment for 2012.

The Congress provided \$2,329 million in nonsecurity appropriations designated for disaster relief in the 2012 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act; the 2012 Commerce, Justice, Science and Related Agencies Appropriations Act; and the 2012 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act (Divisions A, B, and C of P.L. 112–55). In the 2012 Disaster Relief Appropriations Act (P.L. 112–77), the Congress provided an additional \$8,124 million in appropriations designated for disaster relief, with \$6,400 million classified as security and \$1,724 million classified as nonsecurity. Accordingly, Table 2 reflects 2012 disaster relief cap adjustments of \$6,400 million for the security category and \$4,053 million for the nonsecurity category. In total, \$10,453 million has been enacted as appropriations designated for disaster relief in 2012, which is \$799 million below the preview estimate adjustment of \$11,252 million. If no further appropriations are enacted in 2012 that are designated for disaster relief, OMB will add the \$799 million underage to OMB’s preview estimate of the 2013 adjustment in its August 2012 Sequestration Update Report for Fiscal Year 2013.

Section 251A Adjustments to Discretionary Limits

The BCA specified a deadline of January 15, 2012, for the enactment of

a bill from the Joint Select Committee on Deficit Reduction to reduce the deficit by \$1.2 trillion or alternative deficit reduction procedures would be triggered. Since a joint committee bill was not enacted by the deadline, the statutory changes to the caps specified in section 251A of the BBEDCA (on “Enforcement of Budget Goal”) are now reflected in Table 2. This adjustment essentially creates new “revised security” and “revised nonsecurity” categories that are based on budget function 050 and non-050 (defense and non-defense), respectively, for 2013 and this definition is now carried through 2021, while the single discretionary category originally established after 2013 is eliminated.

In addition to redefining the caps, section 251A also specifies future reductions to discretionary and mandatory spending to achieve the necessary deficit savings. Since these reductions are not scheduled to begin to take effect until January 2, 2013, their impact on the discretionary limits is not included in this report.

Summary of Current Year (FY 2011) Discretionary Appropriations

Section 254(f)(2) requires the final sequestration report to summarize the status of enacted “current year” discretionary appropriations, relative to the discretionary caps. Since the current year for the purposes of the just-adjourned Congressional session is 2011 and BBEDCA, as amended, includes no caps for 2011, no summary is provided. Future sequestration reports, however, will provide the status of current year discretionary appropriations.

**Summary of *Budget Year (FY 2012)*
Discretionary Appropriations**

Table 3 summarizes OMB scoring of the fiscal year 2012 appropriations bills as measured against the 2012 spending limits.

OMB estimates that spending in the security and nonsecurity discretionary categories is below the budget authority limits set in the BBEDCA, as amended. As a result, OMB estimates that sequestration will not be required for either of the discretionary categories.

**Rescission of Previously Designated
Emergency Funds**

Table 3 displays a net rescission amount that is not counted in scoring appropriations against the security cap. This is a portion of the rescissions that were enacted in section 572 of the 2012 Homeland Security Appropriations Act (Division D of P.L. 112–74). Since the legislative language in section 572 does not prohibit the rescission of balances that had originally

been appropriated as emergency requirements, OMB assumes that the rescission will be taken from both available balances of base appropriations and available balances of previous congressionally-designated emergency funding. Rescissions of base appropriations are scored as discretionary offsets against the caps, but rescissions of emergency funding are not. The rescission of this emergency portion, estimated at –\$30 million, does not require an adjustment to the discretionary caps under the BBEDCA, as amended. This is because neither the original appropriation for this emergency balance, nor this rescission, was designated as an emergency requirement pursuant to section 251(b)(2) of BBEDCA, as amended. OMB will continue to review legislative language on future rescissions for prohibitions on taking rescissions from emergency balances and follow this practice to prevent the rescission of funds designated for an emergency purpose from being used as an offset for a non-emergency purpose.

Table 3. SUMMARY OF 2012 APPROPRIATIONS ACTION¹

(Discretionary budget authority in millions of dollars)

	BA	Outlays
<u>SECURITY CATEGORY</u>		
Agriculture and Rural Development.....	1,650	1,848
Commerce, Justice, Science, and Related Agencies.....	78	88
Defense.....	633,208	664,868
Energy and Water Development.....	11,000	12,093
Homeland Security.....	39,803	45,122
Labor, HHS, and Education.....	.....	-607
Legislative Branch.....	10	11
Military Construction and Veterans Affairs.....	71,512	79,560
State and Foreign Operations.....	53,210	57,526
Disaster Relief Appropriations Act.....	6,400	2,240
Total, Security Discretionary.....	816,871	862,749
Final Sequestration Report Security Category Limit.....	816,943	N/A
CONGRESSIONAL ACTION OVER(+)/UNDER(-) LIMIT.....	-72	N/A
<u>Rescission of Previously Designated Emergency Funds</u>		
Homeland Security.....	-30	-21
<u>NONSECURITY CATEGORY</u>		
Agriculture and Rural Development.....	17,709	21,511
Commerce, Justice, Science, and Related Agencies.....	52,422	60,054
Energy and Water Development.....	20,985	37,320
Financial Services and General Government.....	21,524	24,286
Interior and Environment.....	29,169	32,093
Labor, HHS, and Education.....	156,157	172,775
Legislative Branch.....	4,294	4,459
Military Construction and Veterans Affairs.....	237	303
State and Foreign Operations.....	136	198
Transportation and Housing and Urban Development.....	56,704	127,763
Disaster Relief Appropriations Act.....	2,207	1,291
Total, Nonsecurity Discretionary.....	361,544	482,053
Final Sequestration Report Nonsecurity Category Limit.....	363,536	N/A
CONGRESSIONAL ACTION OVER(+)/UNDER(-) LIMIT.....	-1,992	N/A
<u>TOTAL DISCRETIONARY SPENDING</u>		
Total, Discretionary.....	1,178,415	1,344,802
Final Sequestration Report Security and Nonsecurity Discretionary Category Limits.....	1,180,479	N/A
CONGRESSIONAL ACTION OVER(+)/UNDER(-) LIMITS.....	-2,064	N/A
<i>Total, Discretionary (including rescission of previously designated emergency funds).....</i>	<i>1,178,385</i>	<i>1,344,781</i>

¹ OMB scoring includes funds provided in each bill that have been designated as being for Overseas Contingency Operations/Global War on Terrorism, Disaster Relief, or Program Integrity.

Comparison of OMB and CBO Discretionary Limits

Section 254(f)(4) of the BBEDCA requires that this report explain the differences between OMB and CBO estimates for discretionary spending limits. Table 4 compares OMB and CBO limits for fiscal years 2012 through 2021. CBO uses the discretionary limits from OMB's sequestration update report (which were equal to CBO's estimate of the limits) as a starting point for adjustments in its end-of-session sequestration report. For 2012, CBO's estimate of the security category is \$1 million higher than OMB's estimate, which is attributable to a rounding difference in the OCO/GWOT adjustment under section 251(b)(2)(A) of the BBEDCA. OMB and CBO have no difference for the 2012 nonsecurity limit. For 2013 through 2021, CBO also has the same levels as OMB for the revised security

and nonsecurity limits as redefined by section 251A of the BBEDCA. However, CBO includes approximate adjustments to the 2014–2021 limits to account for the automatic enforcement procedures in section 251A of the BBEDCA. OMB does not include these reductions to the revised limits because they are not required at this time.

Although OMB and CBO have virtually the same estimate of the 2012 spending limits, differences do exist in the amount of enacted 2012 discretionary budget authority that is scored against the caps. Detailed explanations of these differences are available in the separate seven-day-after reports issued subsequent to enactment of each discretionary appropriations bill (see these “Seven-Day-After Reports” on OMB's website: <http://www.whitehouse.gov/omb/legislative-reports/BEA-reports>).

OMB FINAL SEQUESTRATION REPORT

**Table 4. COMPARISON OF OMB AND CBO
DISCRETIONARY SPENDING LIMITS**
(Discretionary budget authority in millions of dollars)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>SECURITY CATEGORY</u>										
CBO Final Sequestration Report Spending Limit.....	816,944	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OMB Final Sequestration Report Spending Limit.....	816,943	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Difference +/-.....	-1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>NONSECURITY CATEGORY</u>										
CBO Final Sequestration Report Spending Limit.....	363,536	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OMB Final Sequestration Report Spending Limit.....	363,536	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Difference +/-.....	.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>DISCRETIONARY CATEGORY</u>										
CBO Final Sequestration Report Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OMB Final Sequestration Report Spending Limit.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Difference +/-.....	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<u>REVISED SECURITY CATEGORY</u>										
CBO Final Sequestration Report Spending Limit.....	N/A	546,000	501,351	511,351	522,350	535,350	548,349	561,349	575,349	589,348
OMB Final Sequestration Report Spending Limit.....	N/A	546,000	556,000	566,000	577,000	590,000	603,000	616,000	630,000	644,000
Difference +/-.....	N/A	.....	+54,649	+54,649	+54,650	+54,650	+54,651	+54,651	+54,651	+54,652
<u>REVISED NONSECURITY CATEGORY</u>										
CBO Final Sequestration Report Spending Limit.....	N/A	501,000	472,063	482,679	493,432	504,782	517,352	531,328	544,699	557,090
OMB Final Sequestration Report Spending Limit.....	N/A	501,000	510,000	520,000	530,000	541,000	553,000	566,000	578,000	590,000
Difference +/-.....	N/A	.....	+37,937	+37,321	+36,568	+36,218	+35,648	+34,672	+33,301	+32,910
<u>TOTAL, DISCRETIONARY SPENDING</u>										
CBO Final Sequestration Report Total Discretionary.....	1,180,480	1,047,000	973,414	994,030	1,015,782	1,040,132	1,065,701	1,092,677	1,120,048	1,146,438
OMB Final Sequestration Report Total Discretionary.....	1,180,479	1,047,000	1,066,000	1,086,000	1,107,000	1,131,000	1,156,000	1,182,000	1,208,000	1,234,000
Difference +/-.....	-1	.....	+92,586	+91,970	+91,218	+90,868	+90,299	+89,323	+87,952	+87,562

N/A = Not Applicable