



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

THE DIRECTOR

January 10, 2017

The President
The White House
Washington, DC 20500

Dear Mr. President:

Section 184 of the Continuing Appropriations Act, 2017 (Division C of Public Law 114-223, as amended by Division A of Public Law 114-254) requires the Office of Management and Budget (OMB) to evaluate whether its estimated levels of annualized continuing or full-year appropriations for fiscal year 2017 remain within the sum of unadjusted spending limits that are specified in section 251(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA). The spending limits for fiscal year 2017 are \$551.1 billion for defense programs and \$518.5 billion for non-defense programs for a total of \$1,069.6 billion. OMB scoring of annualized continuing or full-year appropriations for fiscal year 2017 for both defense and non-defense programs totals \$1,068.1 billion, which is \$1.5 billion below the sum of the unadjusted BBEDCA caps. These estimates do not include OMB scoring of new or annualized continuing appropriations for fiscal year 2017 that result in adjustments to the spending limits pursuant to section 251(b)(2) of BBEDCA. Accordingly, pursuant to Section 184, OMB is postponing issuing its final sequestration report for fiscal year 2017 until 15 days after the date specified section 106(3) of the Continuing Appropriations Act, 2017.

Section 184 of the Continuing Appropriations Act, 2017 also requires OMB to report on whether a sequestration for either defense or non-defense programs would result if the current funding levels were left unchanged at the time OMB issues the final sequestration report for 2017. OMB estimates defense programs to be within the 2017 limit. However, non-defense programs currently exceed the 2017 limit by \$1.4 billion. If the current levels are left unchanged, OMB's final sequestration report for 2017 would include an order to eliminate this breach of the spending limit through a sequestration of non-exempt programs in the non-defense category. OMB currently estimates that the uniform percentage reduction to non-exempt non-defense programs would be approximately 0.3 percent.

Sincerely,

Shaun Donovan
Director

Enclosure

Identical Letter Sent to The Honorable Joseph Biden, Jr. and The Honorable Paul D. Ryan