



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

March 27, 2013

The President
The White House
Washington, DC 20500

Dear Mr. President:

Pursuant to section 901(b) of the American Taxpayer Relief Act of 2012 (P.L. 112-240), the Office of Management and Budget (OMB) has evaluated whether spending reductions (known as "sequestration") pursuant to section 251(a)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended, are required for fiscal year 2013. OMB has determined that no such reductions are required.

This concerns a sequestration that is distinct from the Joint Committee sequestration pursuant to Section 251A of BBEDCA, as amended. Section 251(a)(1) of BBEDCA, as amended, requires a sequestration if new budget authority for a category exceeds the discretionary spending limits for that category set forth in section 251(c)(2). The Consolidated and Further Continuing Appropriations Act, 2013 (the "Act") was enacted on March 26, 2013. This legislation provides funding through the end of fiscal year 2013 for projects and activities of the Federal Government that previously had been funded by the Continuing Appropriations Resolution, 2013 (P.L. 112-175). Section 3004 of the Act requires OMB to calculate a rescission to eliminate the amount by which the new budget authority provided in appropriations Acts for fiscal year 2013 exceeds the security and nonsecurity discretionary spending limits due to estimating differences between the Congressional Budget Office and OMB. This provision ensures that budget authority within either category will not exceed the discretionary spending limit for that category. Therefore, a sequestration of discretionary budget authority pursuant to section 251(a)(1) of BBEDCA is not required.

In accordance with section 251(a)(7) of BBEDCA, as amended, OMB's scoring estimates of the Act will be released no later than April 4, 2013, which is seven calendar days (excluding Saturdays, Sundays, and legal holidays) after the enactment date of the Act. The *OMB Final Sequestration Report to the President and Congress for Fiscal Year 2013* will be released shortly thereafter.

Sincerely,

Jeffrey D. Zients
Acting Director

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