



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

THE DIRECTOR

February 21, 2018

The Honorable Paul D. Ryan  
Speaker of the House of Representatives  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Mr. Speaker:

Section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 requires that the Office of Management and Budget (OMB) submit a report to the Congress on discretionary appropriations legislation within seven calendar days of enactment (excluding Saturdays, Sundays, and legal holidays). The "Seven-Day-After" report must contain the OMB and Congressional Budget Office estimates of discretionary new budget authority provided by the legislation and an explanation of any differences between the two estimates.

Enclosed is the Seven-Day-After report for the Further Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2018 (subdivision 1 of division B of Public Law 115-123). The President signed the Act into law on February 9, 2018. The remaining divisions or subdivisions of the Act either contain continuing appropriations or are not counted toward the discretionary spending limits.

Sincerely,

Mick Mulvaney  
Director

Enclosure

Identical Letter Sent to The Honorable Michael R. Pence

**Table 1.**  
**CBO Estimates Compared to OMB Estimates for Subdivision 1 of**  
**Division B of Public Law 115-123, Further Additional Supplemental Appropriations**  
**for Disaster Relief Requirements Act, 2018**  
(in millions of dollars)

	<b>2018 Enacted</b>
	<b>Budget Authority</b>

**DEFENSE CATEGORY DISCRETIONARY APPROPRIATIONS**

*Defense Category - Emergency Requirement Supplemental Appropriations*

<b>CBO ESTIMATE, DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS <sup>1</sup>.....</b>	<b>1,170</b>
<b>Scorekeeping Differences:</b>	
<b>Department of Justice:</b>	
Federal Bureau of Investigation (Title II of the Act):	
Salaries and Expenses.....	-1
<p>OMB and CBO have a \$1 million budget authority difference due to rounding. Before applying the formula split for defense and non-defense activities within this account, OMB rounds the appropriation to \$21 million (from \$21.2 million) and determines an 050 allocation of \$12 million while CBO applies the formula split to the appropriation before rounding to the nearest whole million. This difference in approach leads to CBO scoring the overall account at \$22 million (including both defense and non-defense activities) while OMB scores the account at \$21 million.</p>	
<b>OMB ESTIMATE, DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS .....</b>	<b>1,169</b>

**NON-DEFENSE CATEGORY DISCRETIONARY APPROPRIATIONS**

*Non-Defense Category - Emergency Requirement Supplemental Appropriations*

<b>CBO ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS <sup>1</sup>.....</b>	<b>83,130</b>
<b>Scorekeeping Differences:</b>	
<b>Department of Education:</b>	
Office of Postsecondary Education (Section Title VIII of the Act):	
College Housing and Academic Facilities Loans Program Account.....	+71
<p>Section 20804 in Title VIII of the Act authorizes the Secretary of Education to forgive any outstanding balances owed to the Department under the HBCU Hurricane Supplemental Loan program and appropriates such sums as may be necessary to carry out the subsection. OMB estimates the cost of loan forgiveness to be \$71 million in 2018 based on its 2018 Budget economic and technical assumptions while CBO's estimate is \$90 million - a budget authority difference of \$19 million. Further, CBO considers this provision to be a CHIMP since it represents a loss of receipts to the financing account. OMB, however, does not classify this cost as a CHIMP since the underlying program was created in a discretionary appropriations bill (Public Law 109-234) and the language provides a discretionary appropriation to cover the cost of the loan forgiveness.</p>	

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(in millions of dollars)

	<b>2018 Enacted Budget Authority</b>
<b>Department of Health and Human Services:</b>	
Centers for Disease Control and Prevention (CDC; Title VIII of the Act):	
CDC-wide Activities and Program Support.....	-6
Buildings and Facilities.....	+6
OMB scores a \$6 million mandated transfer that CBO does not score from the CDC-wide Activities account to the Buildings and Facilities account.	
<b>Department of Housing and Urban Development:</b>	
Community Planning and Development (Title XI of the Act):	
Community Development Fund.....	-10
Office of Inspector General.....	+10
OMB scores a \$10 million mandated transfer that CBO does not score from the Community Development Fund account to the Office of Inspector General account.	
<b>TOTAL DIFFERENCES.....</b>	<b>+71</b>
<b>OMB ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS .....</b>	<b>83,201</b>
<i>Non-Defense Category - Emergency Requirement Changes in Mandatory Programs (CHIMPs)</i>	
<b>CBO ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY CHIMPs<sup>1</sup> .....</b>	<b>136</b>
<b>Scorekeeping Differences:</b>	
<b>Department of Agriculture:</b>	
Commodity Credit Corporation (Section 20101 of Title I).....	+48
Section 20101 directs several modifications to the Agricultural Act of 2014 that allows greater disaster assistance provided by programs in the Commodity Credit Corporation. OMB scores a \$90 million cost in 2018 for these changes while CBO scores a \$42 million cost - a difference of +\$48 million in budget authority effects. There are two main factors driving this difference. First, OMB estimates a higher cost (+\$80 million) than CBO (\$30 million) for subparagraph (b), which removes the \$20 million cap for assistance under the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish program (ELAP). Second, OMB estimates a lower cost (\$5 million) than CBO (\$7 million) for subparagraph (c), which modifies the acreage covered under the Tree Assistance Program from 500 acres to 1,000 acres. These estimating differences are the result of OMB and CBO having different baseline assumptions for these two programs.	

**Table 1.**  
**CBO Estimates Compared to OMB Estimates for Subdivision 1 of**  
**Division B of Public Law 115-123, Further Additional Supplemental Appropriations**  
**for Disaster Relief Requirements Act, 2018**  
(in millions of dollars)

	<b>2018 Enacted Budget Authority</b>
<b>Department of Education:</b>	
Office of Postsecondary Education (Section Title VIII of the Act):	
College Housing and Academic Facilities Loans Program Account.....	-90
OMB and CBO have different scores for section 20402 due to technical factors but OMB does not consider this provision to be CHIMP. <i>See detailed explanation under this heading in the Non-CHIMP section above.</i>	
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<b>TOTAL DIFFERENCES.....</b>	<b>-42</b>
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<b>OMB ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY CHIMPs .....</b>	<b>94</b>
<b><u>SUMMARY</u></b>	
<b>CBO ESTIMATE, EMERGENCY SUPPLEMENTAL APPROPRIATIONS <sup>1</sup> .....</b>	<b>84,436</b>
<i>CBO Defense Category Subtotal.....</i>	<i>1,170</i>
<i>CBO Non-Defense Category Subtotal (including CHIMPs).....</i>	<i>83,266</i>
<b>TOTAL DIFFERENCES.....</b>	<b>+28</b>
<i>Defense Category Differences.....</i>	<i>-1</i>
<i>Non-Defense Category Differences.....</i>	<i>+29</i>
<b>OMB ESTIMATE, EMERGENCY SUPPLEMENTAL APPROPRIATIONS.....</b>	<b>84,464</b>
<i>OMB Defense Category Subtotal.....</i>	<i>1,169</i>
<i>OMB Non-Defense Category Subtotal (including CHIMPs).....</i>	<i>83,295</i>

<sup>1</sup> CBO data received by OMB on February 8, 2018.

**Table 2.**  
**Enacted Appropriations as of February 20, 2018**  
(in millions of dollars)

	<b>2018 Enacted Budget Authority</b>
<b>DEFENSE CATEGORY</b>	
Discretionary Spending Limit <sup>1</sup> .....	549,057
Appropriations previously enacted <sup>2</sup> .....	---
Newly Enacted Base Defense Appropriations:	
None	-----
Total, All Previously Enacted and New Base Defense Appropriations.....	---
Defense Appropriations Over (+)/Under (-) spending limit.....	-549,057
<b>NON-DEFENSE CATEGORY</b>	
Discretionary Spending Limit <sup>1</sup> .....	515,749
Appropriations previously enacted <sup>2</sup> .....	---
Newly Enacted Base Non-Defense Appropriations:	
None	-----
Total, All Previously Enacted and New Base Non-Defense Appropriations.....	---
Non-Defense Appropriations Over (+)/Under (-) spending limit .....	-515,749
<b>TOTAL DISCRETIONARY APPROPRIATIONS</b>	
Discretionary Spending Limit <sup>1</sup> .....	1,064,806
Appropriations previously enacted <sup>2</sup> .....	---
Newly Enacted Base Appropriations:	
None	-----
Total, All Previously Enacted and New Base Discretionary Appropriations.....	---
Discretionary Appropriations Over (+)/Under (-) spending limits.....	-1,064,806

**Table 2.**  
**Enacted Appropriations as of February 20, 2018**  
(in millions of dollars)

	<b>2018 Enacted Budget Authority</b>
<b>New Defense Appropriations designated by the Congress and the President as Emergency Requirements <sup>3</sup></b>	
Appropriations previously enacted <sup>2</sup> .....	4,687
<i>Emergency amounts provided in Subdivision 1 of Division B of Public Law 115-123, the Further Additional Supplemental Appropriations for Disaster Relief Requirements, 2018.....</i>	1,169
<b>New Non-Defense Appropriations designated by the Congress and the President as Emergency Requirements <sup>3</sup></b>	
Appropriations previously enacted <sup>2</sup> .....	20,517
<i>Emergency amounts provided in Subdivision 1 of Division B of Public Law 115-123, the Further Additional Supplemental Appropriations for Disaster Relief Requirements, 2018.....</i>	83,295

**Notes:**

1 The FY 2018 spending limits for the defense (or "revised security") and non-defense (or "revised nonsecurity") categories are equal to the amounts published in the *OMB Sequestration Preview Report to the President and Congress for Fiscal Year 2019* (see OMB's website: <https://www.whitehouse.gov/omb/legislative/sequestration-reports-orders/>). These caps do not reflect the new levels enacted in the Bipartisan Budget Act of 2018 (division C of Public Law 115-123) but the caps will be revised in OMB's final sequestration report for 2018 that will be issued after final 2018 appropriations are complete.

2 Appropriations previously enacted for 2018 reflect OMB scoring of emergency supplemental amounts provided in Public Law 115-72, the Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2017 and in Public Law 115-96, the Department of Defense Missile Defeat and Defense Enhancements Appropriations Act, 2018.

3 Section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) authorizes an adjustment to the caps for appropriations that are designated by the Congress, and subsequently designated by the President, as emergency requirements or for Overseas Contingency Operations/Global War on Terrorism. Subdivision 1 of Division B of Public Law 115-123 includes supplemental funding for these activities with the appropriate designations as emergency requirements and the President transmitted to the Congress on February 9, 2018 his subsequent designations of all of these amounts. These amounts are summarized here and are not included in the totals displayed above that are counted against the caps. The adjustments to the discretionary limits to reflect this spending are not included in this report but will be included in OMB's Final Sequestration Report for 2018.