



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

April 23, 2018

THE DIRECTOR

The Honorable Patrick Leahy  
Vice Chairman  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Mr. Vice Chairman:

Enclosed please find the *OMB Report on Disaster Relief Funding to the Committees on Appropriations and the Budget of the U.S. House of Representatives and the Senate, 2018*. It has been prepared pursuant to section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (BBEDCA).

As you know, when the Congress passed the Consolidated Appropriations Act, 2018, it included revisions to the method for calculating the maximum adjustment to discretionary spending limits for appropriations that the Congress designates in statute as provided for disaster relief.

Beginning in fiscal year 2019, the calculation of the maximum adjustment will include five percent of the total appropriations provided after fiscal year 2011 or in the previous 10 years, whichever is less, net of any rescissions of budget authority enacted in the same period, with respect to amounts provided for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and designated by the Congress and the President as an emergency requirement.

The total amount of emergency appropriations that meet these criteria is \$125.922 billion, of which five percent—or \$6.296 billion—will be included in the calculation for the maximum adjustment for fiscal year 2019 when OMB issues its *OMB Sequestration Update Report to the President and Congress for Fiscal Year 2019* in August. This amount would change if legislation were enacted for fiscal year 2018 that appropriates or rescinds money that meet these criteria.

Sincerely,

Mick Mulvaney  
Director

Enclosure

Identical Letter Sent to:

The Honorable Rodney P. Frelinghuysen

The Honorable Nita M. Lowey

The Honorable Richard Shelby

The Honorable Patrick Leahy

The Honorable Steve Womack

The Honorable John Yarmuth

The Honorable Mike Enzi

The Honorable Bernie Sanders

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**OMB Report on Disaster Relief  
Funding to the Committees on  
Appropriations and the Budget of  
the U.S. House of Representatives  
and the Senate, 2018**

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## I. INTRODUCTION

Division O of the Consolidated Appropriations Act, 2018 (Public Law 115-141), the Wildfire Suppression Funding and Forest Management Activities Act, amended the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) to redefine the calculation to determine the maximum annual amount (or "preview estimate") of the adjustment to discretionary spending limits for discretionary appropriations that the Congress designates as being for disaster relief in statute.

Prior to these amendments, the maximum amount was equal to the sum of the average funding provided for disaster relief over the previous ten years (excluding the highest and lowest years) and any unused amount for the previous fiscal year of the average calculated for that year. Under the new calculation, which takes effect beginning in fiscal year 2019, the maximum annual amount is the sum of three pieces: the same ten-year average as before, a change to the way unused amounts are incorporated in the calculation, and a portion of amounts designated as emergency requirements and provided for major disasters.

Specifically, the new calculation requires the addition of "five percent of the total appropriations provided after fiscal year 2011 or in the previous 10 years, whichever is less, net of any rescissions of budget authority enacted in the same period, with respect to amounts provided for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and designated by the Congress and the President as an emergency pursuant to subparagraph (A)(i) of this paragraph."

This report has been prepared pursuant to the requirement in section 251(b)(2)(D)(ii) of BBEDCA that the Office of Management and Budget (OMB) provide information to the Committees on Appropriations and Budget in each House on this new portion of the calculation.

## II. CRITERIA

Section 251(b)(2)(D)(i)(II) of BBEDCA sets out the following conditions to determine if an appropriation should be included in the calculation under this section:

1. The appropriation must have been provided after fiscal year 2011 or in the previous 10 years, whichever is less.
2. The total should exclude any rescissions in that period.
3. The amount must be provided for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
4. The amount must be designated by the Congress and the President as an emergency requirement pursuant to section 251(b)(2)(A)(i) of BBEDCA.

Certain decisions made when evaluating which appropriations met these criteria are worth mentioning explicitly. First, consistent with the treatment in the Appendix volume of the president's budget and with definitions in OMB Circular A-11, "rescissions" include reductions of budget authority enacted as a cancellation of funds, including cancellations pursuant to a

sequestration order. Second, because these criteria apply on a prospective basis as well as on a retrospective basis, and for the purposes of clarity and strict adherence to the requirements, only amounts for which the appropriations language explicitly specifies that they are provided for major disasters declared pursuant to the Stafford Act, and which the appropriations language designates as an emergency requirement pursuant to section 251(b)(2)(A)(i) of BBEDCA are included. Finally all budget authority is displayed on a pre-transfer basis. This is noteworthy for accounts like the Federal Emergency Management Agency’s Disaster Relief Fund, which reimburses many agencies for their respective disaster-related activities through mission assignments.

**SUMMARY OF BUDGET AUTHORITY PROVIDED FOR DISASTERS  
DECLARED PURSUANT TO THE STAFFORD ACT AND DESIGNATED AS  
EMERGENCY PURSUANT TO BBEDCA, 2012-2018**  
(in millions of dollars)

Fiscal Year	Budget Authority	Five Percent
2012	0	0
2013	22,301	1,115
2014	0	0
2015	0	0
2016	0	0
2017	14,800	740
2018	88,821	4,441
Total	125,922	6,296

As a result of this analysis, OMB anticipates including five percent of the total appropriations meeting these criteria, or \$6.926 billion, in the calculation for the maximum adjustment for fiscal year 2019 in the *OMB Sequestration Update Report to the President and Congress for Fiscal Year 2019*, which will be transmitted in August pursuant to section 254(e) of BBEDCA. This amount would change, however, if legislation were enacted before the update report is released that either appropriates additional funding or rescinds funding that meets these criteria.

**DETAILED TABLE OF BUDGET AUTHORITY PROVIDED FOR DISASTERS DECLARED PURSUANT TO THE STAFFORD ACT  
AND DESIGNATED AS EMERGENCY PURSUANT TO BBEDCA, 2012-2018**

(in millions of dollars)

	2012	2013	2014	2015	2016	2017	2018	2012-2018	Five Percent
<b>DEPARTMENT OF AGRICULTURE</b>									
Farm Service Agency, Emergency Conservation Activities (012-3316-0-1-453):									
Appropriation.....	---	218	---	---	---	---	---	218	11
Sequestration reduction.....	---	-11	---	---	---	---	---	-11	-1
Food and Nutrition Service, Commodity Assistance Program (012-3507-0-1-605):									
Appropriation.....	---	---	---	---	---	---	24	24	1
<b>Subtotal, Department of Agriculture.....</b>	<b>---</b>	<b>207</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>24</b>	<b>231</b>	<b>12</b>
<b>DEPARTMENT OF COMMERCE</b>									
Economic Development Administration, Economic Development Assistance Programs (013-2050-0-1-452):									
Appropriation.....	---	---	---	---	---	---	600	600	30
<b>DEPARTMENT OF EDUCATION</b>									
Hurricane Education Recovery (091-0013-0-1-500):									
Appropriation.....	---	---	---	---	---	---	2,700	2,700	135
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>									
Departmental Management, Public Health and Social Services Emergency Fund (075-0140-0-1-551):									
Appropriation.....	---	800	---	---	---	---	---	800	40
Sequestration reduction.....	---	-41	---	---	---	---	---	-41	-2
<b>Subtotal, Department of Health and Human Services..</b>	<b>---</b>	<b>759</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>759</b>	<b>38</b>
<b>DEPARTMENT OF HOMELAND SECURITY</b>									
Federal Emergency Management Agency, Disaster Relief Fund (070-0702-0-1-453):									
Appropriation.....	---	6,109	---	---	---	7,400	42,170	55,679	2,784
Sequestration reduction.....	---	-306	---	---	---	---	---	-306	-15
Federal Emergency Management Agency, Disaster Assistance Direct Loan Program Account (070-0703-0-1-453):									
Appropriation.....	---	300	---	---	---	---	---	300	15
Sequestration reduction.....	---	-15	---	---	---	---	---	-15	-1
<b>Subtotal, Department of Homeland Security.....</b>	<b>---</b>	<b>6,088</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>7,400</b>	<b>42,170</b>	<b>55,658</b>	<b>2,783</b>
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>									
Community Planning and Development, Community Development Fund (086-0162-0-1-451):									
Appropriation.....	---	16,000	---	---	---	7,400	28,000	51,400	2,570
Sequestration reduction.....	---	-800	---	---	---	---	---	-800	-40
<b>Subtotal, Department of Housing and Urban Developi</b>	<b>---</b>	<b>15,200</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>7,400</b>	<b>28,000</b>	<b>50,600</b>	<b>2,530</b>
<b>DEPARTMENT OF THE INTERIOR</b>									
United States Geological Survey, Surveys, Investigations, and Research (014-0804-0-1-306):									
Appropriation.....	---	---	---	---	---	---	42	42	2
National Park Service, Historic Preservation Fund (014-5140-0-2-303):									
Appropriation.....	---	50	---	---	---	---	50	100	5
Sequestration reduction.....	---	-3	---	---	---	---	---	-3	---
<b>Subtotal, Department of the Interior.....</b>	<b>---</b>	<b>47</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>92</b>	<b>139</b>	<b>7</b>
<b>DEPARTMENT OF LABOR</b>									
Employment and Training Administration, Training and Employment Services (016-0174-0-1-504):									
Appropriation.....	---	---	---	---	---	---	100	100	5
<b>CORPS OF ENGINEERS—CIVIL WORKS</b>									
Investigations (096-3121-0-1-301):									
Appropriation.....	---	---	---	---	---	---	135	135	7
Construction (096-3122-0-1-301):									
Appropriation.....	---	---	---	---	---	---	15,000	15,000	750
<b>Subtotal, Corps of Engineers - Civil Works.....</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>15,135</b>	<b>15,135</b>	<b>757</b>
<b>TOTAL.....</b>	<b>---</b>	<b>22,301</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>14,800</b>	<b>88,821</b>	<b>125,922</b>	<b>6,296</b>