



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

June 17, 2019

The Honorable Nancy Pelosi
Speaker of the House of Representatives
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam 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 Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Public Law 116-20). The President signed this Act into law on June 6, 2019.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Vought", with a stylized flourish at the end.

Russell T. Vought
Acting Director

Enclosure

Identical Letter Sent to The Honorable Michael R. Pence

Table 1.
CBO Estimates Compared to OMB Estimates for Public Law 116-20
Additional Supplemental Appropriations for Disaster Relief Act, 2019
(in millions of dollars)

	Enacted Budget Authority	
	2019	2020
<u>DEFENSE CATEGORY DISCRETIONARY APPROPRIATIONS</u>		
<i>Defense Category - Emergency Requirement Supplemental Appropriations</i>		
CBO ESTIMATE, DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS ¹	2,693	---
NO BUDGET AUTHORITY DIFFERENCES		
OMB ESTIMATE, DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS	2,693	---
<u>NON-DEFENSE CATEGORY DISCRETIONARY APPROPRIATIONS</u>		
<i>Non-Defense Category - Emergency Requirement Supplemental Appropriations</i>		
CBO ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS ¹	15,682	---
<u>Scorekeeping Differences:</u>		
Title I - Department of Agriculture:		
Food and Nutrition Service:		
Supplemental Nutrition Assistance Program (SNAP).....	+5	---
<p>Since the SNAP account is mandatory under the Budget Enforcement Act of 1990, amounts provided in appropriations Acts that augment existing activities are scored by both OMB and CBO as CHIMPs. CBO considers the \$5 million appropriation in section 105 of the Act to be such an activity. OMB, however, views this as a one-time activity that is specified in appropriations language and, therefore, does not score this \$5 million as a CHIMP. This difference in interpretation results in a difference between emergency CHIMPs and regular appropriations but, on net, the non-defense category score for this account is the same for both OMB and CBO.</p>		
Title VIII:		
Department of Labor:		
Employment and Training Administration:		
Training and Employment Services (TES).....	-1	---
Departmental Management:		
Office of Inspector General (OIG).....	+1	---
OMB scores a \$1 million transfer that CBO does not score from the TES account to the OIG account.		
Department of Education:		
Departmental Management:		
Program Administration.....	-1	---
Hurricane Education Recovery (HER).....	+1	---
CBO scores a +\$1 million transfer to the Program Administration account from the HER account. OMB does not score this transfer because the legislative language does not specify a non-expenditure transfer for program administration.		

Table 1.
CBO Estimates Compared to OMB Estimates for Public Law 116-20
Additional Supplemental Appropriations for Disaster Relief Act, 2019
(in millions of dollars)

	Enacted Budget Authority	
	2019	2020
Title XI - Department of Housing and Urban Development:		
Community Planning and Development:		
Community Development Fund.....	-3	---
Program Office Salaries and Expenses:		
Community Planning and Development.....	+3	---
OMB scores a \$3 million transfer that CBO does not score from the Community Development Fund account to Community Planning and Development salaries and expenses.		
TOTAL DIFFERENCES.....	+5	---
OMB ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY APPROPRIATIONS	15,687	---
<i>Non-Defense Category - Emergency Requirement Changes in Mandatory Programs (CHIMPs)</i>		
CBO ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY CHIMPs ¹	746	8
<u>Scorekeeping Differences:</u>		
Title I - Department of Agriculture:		
Farm Service Agency:		
Commodity Credit Corporation (CCC).....	+35	---
Section 103 of the Act amends the trade mitigation non-emergency payments that are provided administratively through the section 5 of the CCC Charter Act (15 USD 714c). The amendments expand eligibility above the \$900,000 of adjusted gross income (AGI) limit to producers who derive at least 75 percent of their AGI from farming, ranching, and related forestry activities. Based on AGI data and production information on producers from the Department of Agriculture, OMB scores a cost of \$50 million for raising the income limits under this provision. CBO, on the other hand, believes producers already have available means to avoid such income limitations under current regulations and that raising the limits through this provision has a smaller impact. Therefore, CBO scores a lower cost of \$15 million, which leads to a difference of \$35 million overall.		
Food and Nutrition Service:		
Supplemental Nutrition Assistance Program (SNAP).....	-5	---
OMB and CBO have a conceptual difference on whether the appropriation in section 105 should be classified as a CHIMP. See explanation under SNAP in emergency requirement section above.		

Table 1.
CBO Estimates Compared to OMB Estimates for Public Law 116-20
Additional Supplemental Appropriations for Disaster Relief Act, 2019
(in millions of dollars)

	Enacted Budget Authority	
	2019	2020
Title VIII - Department of Health and Human Services:		
Centers for Medicare and Medicaid Services:		
Grants to States for Medicaid.....	-30	---
Section 802 of the Act amends the Social Security Act to provide additional funding to support health services in the Northern Mariana Islands, Guam, and American Samoa through their Medicaid programs. OMB estimates the cost of this provision at \$45 million in 2019 based on spending assumptions for each of the affected U.S. Territories. CBO estimates a higher cost for this provision of \$75 million based on its own spending assumptions, which leads to the -\$30 million difference in budget authority.		
TOTAL DIFFERENCES.....	---	---
OMB ESTIMATE, NON-DEFENSE DISCRETIONARY EMERGENCY CHIMPs	746	8
<u>SUMMARY</u>		
CBO ESTIMATE, EMERGENCY SUPPLEMENTAL APPROPRIATIONS ¹	19,121	8
<i>CBO Defense Category Subtotal.....</i>	<i>2,693</i>	<i>---</i>
<i>CBO Non-Defense Category Subtotal (including CHIMPs).....</i>	<i>16,428</i>	<i>8</i>
TOTAL DIFFERENCES.....	+5	---
<i>Defense Category Differences.....</i>	<i>---</i>	<i>---</i>
<i>Non-Defense Category Differences.....</i>	<i>+5</i>	<i>---</i>
OMB ESTIMATE, EMERGENCY SUPPLEMENTAL APPROPRIATIONS.....	19,126	8
<i>OMB Defense Category Subtotal.....</i>	<i>2,693</i>	<i>---</i>
<i>OMB Non-Defense Category Subtotal (including CHIMPs).....</i>	<i>16,433</i>	<i>8</i>

¹ CBO data received by OMB on May 23, 2019.

Table 2.
Enacted Appropriations as of June 12, 2019 ¹
(in millions of dollars)

	Enacted Budget Authority	
	2019	2020
DEFENSE CATEGORY		
Discretionary Spending Limit ²	716,004	576,175
Appropriations previously enacted ³	716,004	---
Newly Enacted Base Defense Appropriations:		
None	---	---
Total, All Previously Enacted and New Base Defense Appropriations.....	716,004	---
Defense Appropriations Over (+)/Under (-) spending limit.....	---	-576,175
NON-DEFENSE CATEGORY		
Discretionary Spending Limit ²	620,576	543,193
Appropriations previously enacted ³	619,731	---
Newly Enacted Base Non-Defense Appropriations:		
None	---	---
Total, All Previously Enacted and New Base Non-Defense Appropriations.....	619,731	---
Non-Defense Appropriations Over (+)/Under (-) spending limit	-845	-543,193
TOTAL DISCRETIONARY APPROPRIATIONS		
Discretionary Spending Limit ²	1,336,580	1,119,368
Appropriations previously enacted ³	1,335,735	---
Newly Enacted Base Appropriations:		
None	---	---
Total, All Previously Enacted and New Base Discretionary Appropriations.....	1,335,735	---
Discretionary Appropriations Over (+)/Under (-) spending limits.....	-845	-1,119,368

Table 2.
Enacted Appropriations as of June 12, 2019.¹
(in millions of dollars)

	Enacted Budget Authority	
	2019	2020
New Defense Appropriations designated by the Congress and the President as Emergency Requirements⁴		
<i>Emergency amounts provided in Public Law 116-20, the Additional Supplemental Appropriations for Disaster Relief Act, 2019.....</i>	2,693	---
New Non-Defense Appropriations designated by the Congress and the President as Emergency Requirements⁴		
<i>Emergency amounts provided in Public Law 116-20, the Additional Supplemental Appropriations for Disaster Relief Act, 2019.....</i>	16,433	8

Notes:

1 Enacted appropriations reflect OMB scoring of emergency supplemental amounts in Public Law 116-20, the Additional Supplemental Appropriations for Disaster Relief Act, 2019.

2 The FY 2019 and FY 2020 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 2020* (see OMB's website: <https://www.whitehouse.gov/omb/legislative/sequestration-reports-orders/>).

3 Appropriations previously enacted for 2019 reflect OMB scoring of amounts provided in Public Law 115-244, the Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 2019; in Public Law 115-244, the Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (Public Law 115-245); in division I of Public Law 115-254, the Supplemental Appropriations for Disaster Relief Act, 2018; and in divisions A through G of the Consolidated Appropriations Act, 2019 (Public Law 116-6). The seven-day-after reports for each of these Acts are posted on the OMB website: <https://www.whitehouse.gov/omb/legislative/budget-enforcement-act-7-day-reports/>.

4 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. Public Law 116-20 includes supplemental funding for these activities with the appropriate designations as emergency requirements and the President transmitted to the Congress on June 6, 2019 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 Sequestration Update Report for 2020.