§ 901. Enforcing discretionary spending limits

(a) Enforcement

(1) Sequestration

Within 15 calendar days after Congress adjourns to end a session there shall be a sequestration to eliminate a budget-year breach, if any, within any category.

(2) Eliminating a breach

Each non-exempt account within a category shall be reduced by a dollar amount calculated by multiplying the enacted level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to eliminate a breach within that category.

(3) Military personnel

If the President uses the authority to exempt any personnel account from sequestration under section 905 (f) of this title, each account within subfunctional category 051 (other than those military personnel accounts for which the authority provided under section 905 (f) of this title has been exercised) shall be further reduced by a dollar amount calculated by multiplying the enacted level of non-exempt budgetary resources in that account at that time by the uniform percentage necessary to offset the total dollar amount by which outlays are not reduced in military personnel accounts by reason of the use of such authority.

(4) Part-year appropriations

If, on the date specified in paragraph (1), there is in effect an Act making or continuing appropriations for part of a fiscal year for any budget account, then the dollar sequestration calculated for that account under paragraphs (2) and (3) shall be subtracted from—

(A) the annualized amount otherwise available by law in that account under that or a subsequent part-year appropriation; and

(B) when a full-year appropriation for that account is enacted, from the amount otherwise provided by the full-year appropriation for that account.

(5) Look-back

If, after June 30, an appropriation for the fiscal year in progress is enacted that causes a breach within a category for that year (after taking into account any sequestration of amounts within that category), the discretionary spending limits for that category for the next fiscal year shall be reduced by the amount or amounts of that breach.

(6) Within-session sequestration

If an appropriation for a fiscal year in progress is enacted (after Congress adjourns to end the session for that budget year and before July 1 of that fiscal year) that causes a breach within a category for that year (after taking into account any prior sequestration of amounts within that category), 15 days later there shall be a sequestration to eliminate that breach within that category following the procedures set forth in paragraphs (2) through (4).

(7) Estimates

(A) CBO estimates

As soon as practicable after Congress completes action on any discretionary appropriation, CBO, after consultation with the Committees on the Budget of the House of Representatives and the Senate, shall provide OMB with an estimate of the amount of discretionary new
budget authority and outlays for the current year, if any, and the budget year provided by that legislation.

(B) **OMB estimates and explanation of differences**

Not later than 7 calendar days (excluding Saturdays, Sundays, and legal holidays) after the date of enactment of any discretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority and outlays for the current year, if any, and the budget year provided by that legislation, and an explanation of any difference between the 2 estimates. If during the preparation of the report OMB determines that there is a significant difference between OMB and CBO, OMB shall consult with the Committees on the Budget of the House of Representatives and the Senate regarding that difference and that consultation shall include, to the extent practicable, written communication to those committees that affords such committees the opportunity to comment before the issuance of the report.

(C) **Assumptions and guidelines**

OMB estimates under this paragraph shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the Committees on the Budget of the House of Representatives and the Senate, CBO, and OMB.

(D) **Annual appropriations**

For purposes of this paragraph, amounts provided by annual appropriations shall include any discretionary appropriations for the current year, if any, and the budget year in accounts for which funding is provided in that legislation that result from previously enacted legislation.

(b) **Adjustments to discretionary spending limits**

(1) **Concepts and definitions**

When the President submits the budget under section 1105 of title 31, OMB shall calculate and the budget shall include adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear to reflect changes in concepts and definitions. Such changes shall equal the baseline levels of new budget authority and outlays using up-to-date concepts and definitions, minus those levels using the concepts and definitions in effect before such changes. Such changes may only be made after consultation with the Committees on Appropriations and the Budget of the House of Representatives and the Senate, and that consultation shall include written communication to such committees that affords such committees the opportunity to comment before official action is taken with respect to such changes.

(2) **Sequestration reports**

When OMB submits a sequestration report under section 904 (e), (f), or (g) of this title for a fiscal year, OMB shall calculate, and the sequestration report and subsequent budgets submitted by the President under section 1105 (a) of title 31 shall include adjustments to discretionary spending limits (and those limits as adjusted) for the fiscal year and each succeeding year, as follows:

(A) **Emergency appropriations; overseas contingency operations/global war on terrorism**

If, for any fiscal year, appropriations for discretionary accounts are enacted that—

(i) the Congress designates as emergency requirements in statute on an account by account basis and the President subsequently so designates, or
(ii) the Congress designates for Overseas Contingency Operations/Global War on Terrorism in statute on an account by account basis and the President subsequently so designates, the adjustment shall be the total of such appropriations in discretionay accounts designated as emergency requirements or for Overseas Contingency Operations/Global War on Terrorism, as applicable.

(B) Continuing disability reviews and redeterminations

(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for continuing disability reviews under titles II and XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.] and for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, then the adjustments for that fiscal year shall be the additional new budget authority provided in that Act for such expenses for that fiscal year, but shall not exceed—

(I) for fiscal year 2012, $623,000,000 in additional new budget authority;

(II) for fiscal year 2013, $751,000,000 in additional new budget authority;

(III) for fiscal year 2014, $924,000,000 in additional new budget authority;

(IV) for fiscal year 2015, $1,123,000,000 in additional new budget authority;

(V) for fiscal year 2016, $1,166,000,000 in additional new budget authority;

(VI) for fiscal year 2017, $1,309,000,000 in additional new budget authority;

(VII) for fiscal year 2018, $1,309,000,000 in additional new budget authority;

(VIII) for fiscal year 2019, $1,309,000,000 in additional new budget authority;

(IX) for fiscal year 2020, $1,309,000,000 in additional new budget authority; and

(X) for fiscal year 2021, $1,309,000,000 in additional new budget authority.

(ii) As used in this subparagraph—

(I) the term “continuing disability reviews” means continuing disability reviews under sections 221(i) and 1614(a)(4) of the Social Security Act [42 U.S.C. 421 (i), 1382c (a)(4)];

(II) the term “redetermination” means redetermination of eligibility under sections 1611(c)(1) and 1614(a)(3)(H) of the Social Security Act [42 U.S.C. 1382 (c)(1), 1382c (a)(3)(H)]; and

(III) the term “additional new budget authority” means the amount provided for a fiscal year, in excess of $273,000,000, in an appropriation Act and specified to pay for the costs of continuing disability reviews and redeterminations under the heading “Limitation on Administrative Expenses” for the Social Security Administration.

(C) Health care fraud and abuse control

(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for the health care fraud abuse control program at the Department of Health and Human Services (75–8393–0–7–571), then the adjustments for that fiscal year shall be the amount of additional new budget authority provided in that Act for such program for that fiscal year, but shall not exceed—

(I) for fiscal year 2012, $270,000,000 in additional new budget authority;

(II) for fiscal year 2013, $299,000,000 in additional new budget authority;

(III) for fiscal year 2014, $329,000,000 in additional new budget authority;

(IV) for fiscal year 2015, $361,000,000 in additional new budget authority;

(V) for fiscal year 2016, $395,000,000 in additional new budget authority;

(VI) for fiscal year 2017, $414,000,000 in additional new budget authority;

(VII) for fiscal year 2018, $434,000,000 in additional new budget authority;
(VIII) for fiscal year 2019, $454,000,000 in additional new budget authority;
(IX) for fiscal year 2020, $475,000,000 in additional new budget authority; and
(X) for fiscal year 2021, $496,000,000 in additional new budget authority.

(ii) As used in this subparagraph, the term “additional new budget authority” means the amount provided for a fiscal year, in excess of $311,000,000, in an appropriation Act and specified to pay for the costs of the health care fraud and abuse control program.

(D) Disaster funding

(i) If, for fiscal years 2012 through 2021, appropriations for discretionary accounts are enacted that Congress designates as being for disaster relief in statute, the adjustment for a fiscal year shall be the total of such appropriations for the fiscal year in discretionary accounts designated as being for disaster relief, but not to exceed the total of—

(I) the average funding provided for disaster relief over the previous 10 years, excluding the highest and lowest years; and
(II) the amount, for years when the enacted new discretionary budget authority designated as being for disaster relief for the preceding fiscal year was less than the average as calculated in subclause (I) for that fiscal year, that is the difference between the enacted amount and the allowable adjustment as calculated in such subclause for that fiscal year.

(ii) OMB shall report to the Committees on Appropriations and Budget in each House the average calculated pursuant to clause (i)(II), not later than 30 days after August 2, 2011.

(iii) For the purposes of this subparagraph, the term “disaster relief” means activities carried out pursuant to a determination under section 5122 (2) of title 42.

(iv) Appropriations considered disaster relief under this subparagraph in a fiscal year shall not be eligible for adjustments under subparagraph (A) for the fiscal year.

(c) Discretionary spending limit

As used in this subchapter, the term “discretionary spending limit” means—

(1) with respect to fiscal year 2012—
   (A) for the security category, $684,000,000,000 in new budget authority; and
   (B) for the nonsecurity category, $359,000,000,000 in new budget authority;
(2) with respect to fiscal year 2013—
   (A) for the security category, $686,000,000,000 in new budget authority; and
   (B) for the nonsecurity category, $361,000,000,000 in new budget authority;
(3) with respect to fiscal year 2014, for the discretionary category, $1,066,000,000,000 in new budget authority;
(4) with respect to fiscal year 2015, for the discretionary category, $1,086,000,000,000 in new budget authority;
(5) with respect to fiscal year 2016, for the discretionary category, $1,107,000,000,000 in new budget authority;
(6) with respect to fiscal year 2017, for the discretionary category, $1,131,000,000,000 in new budget authority;
(7) with respect to fiscal year 2018, for the discretionary category, $1,156,000,000,000 in new budget authority;
(8) with respect to fiscal year 2019, for the discretionary category, $1,182,000,000,000 in new budget authority;
(9) with respect to fiscal year 2020, for the discretionary category, $1,208,000,000,000 in new budget authority; and
(10) with respect to fiscal year 2021, for the discretionary category, $1,234,000,000,000 in new budget authority;
as adjusted in strict conformance with subsection (b).

Footnotes
1 So in original. Probably should be followed by a comma.

References in Text
XVI of the Act are classified generally to subchapters II (§ 401 et seq.) and XVI (§ 1381 et seq.), respectively, of
chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section
1305 of Title 42 and Tables.

Codification
Pub. L. 101–508, § 13101(e)(2), redesignated former subsec. (a)(6)(I) of this section as section 257(e) of Pub. L.
99–177, which is classified to section 907(e) of this title.

Amendments
spending limits.

2005—Subsec. (b)(1)(B) to (E). Pub. L. 108–310, § 10(a), (b), reenacted heading of subpar. (B) without change and amended
text of subpars. (B) to (E) generally. Prior to amendment, subpar. (B) provided for adjustments to align highway
spending with revenues using amount of obligations set forth in section 8103 of the Transportation Equity Act for
the 21st Century and estimates of receipts for fiscal years 1998 through 2003, subpar. (C) provided for additional
adjustments required in budget submissions for fiscal years 2000 through 2003, subpar. (D) provided for a final
sequester report for fiscal year 1999 and an adjustment of estimates upon submission of the budget for fiscal years
2000 through 2003, and subpar. (E) required consultation with the Committees on the Budget and inclusion of a report
on adjustments under subparagraphs (B) and (C) in the preview report.

Subsec. (c). Pub. L. 108–88, § 10(a), (b), added pars. (1) to (5), redesignated former pars. (2) to (9) as (6) to (13),
respectively, and struck out former par. (1) which read as follows: “with respect to fiscal year 2004—
“(A) for the highway category: $31,834,000,000 in outlays;
“(B) for the mass transit category: $1,462,000,000 in new budget authority and $6,629,000,000 in outlays; and
“(C) for the conservation spending category: $2,080,000,000, in new budget authority and $2,032,000,000 in outlays.”.

2004—Subsec. (b)(2). Pub. L. 108–310, § 10(a), which directed amendment of par. (2) by striking out “through 2002”
in introductory provisions, could not be executed because the phrase “through 2002” did not appear subsequent to
Subsec. (c). Pub. L. 108–310, § 10(b), which directed the amendment of subsec. (c) by redesignating par. (8) as par. (1), substituting “with respect to fiscal year 2005—” for “with respect to fiscal year 2005” and adding subpars. (A) and (B) in par. (1), redesignating remaining provisions of par. (1) as subpar. (C), redesignating pars. (9) to (16) as (2) to (9), respectively, and striking out former pars. (1) to (7), which defined “discretionary spending limit” with respect to fiscal years 2002 to 2006, either could not be executed or could not be executed as intended because of prior amendments by Pub. L. 108–88, § 10(b). See 2003 Amendment notes below.


Subsec. (c)(1). Pub. L. 108–88, § 10(b)(1), redesignated par. (8) as (1), substituted “with respect to fiscal year 2004—” for “with respect to fiscal year 2004”, added subpars. (A) and (B), redesignated remaining provisions of par. (1) as subpar. (C), and struck out former par. (1), which defined “discretionary spending limit” with respect to fiscal year 1997.

Subsec. (c)(2) to (16). Pub. L. 108–88, § 10(b), redesignated pars. (9) to (16) as (2) to (9), respectively, and struck out former pars. (2) to (7), which defined “discretionary spending limit” with respect to fiscal years 1998 to 2003.

2002—Subsec. (c)(6)(A). Pub. L. 107–117, § 101(a)(1), added subpar. (A) and struck out former subpar. (A) which read as follows: “for the discretionary category: $551,074,000,000 in new budget authority and $560,799,000,000 in outlays;”.


Subsec. (c)(5)(A). Pub. L. 106–429 added subpar. (A) and struck out former subpar. (A) which read as follows: “for the discretionary category: $542,032,000,000 in new budget authority and $564,396,000,000 in outlays;”.


1998—Subsec. (b)(1). Pub. L. 105–178, § 8101(d), designated existing provisions as subpar. (A), inserted heading, and added subpars. (B) to (E).

Subsec. (c)(3)(D), (E). Pub. L. 105–178, § 8101(a)(1), added subpars. (D) and (E).

Subsec. (c)(4)(C), (D). Pub. L. 105–178, § 8101(a)(2), added subpar. (C) and (D).

Subsec. (c)(5). Pub. L. 105–178, § 8101(a)(3), substituted a dash for comma after “2001”, designated remaining provisions as subpar. (A), realigned margins, struck out “and” at end, and added subpars. (B) and (C).

Subsec. (c)(6). Pub. L. 105–178, § 8101(a)(4), substituted a dash for comma after “2002”, designated remaining provisions as subpar. (A), realigned margins, and added subpars. (B) and (C).


Subsec. (a)(7). Pub. L. 105–33, § 10203(a)(3), added par. (7) and struck out heading and text of former par. (7). Text read as follows: “As soon as practicable after Congress completes action on any discretionary appropriation, CBO, after consultation with the Committees on the Budget of the House of Representatives and the Senate, shall provide OMB with an estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by that legislation. Within 5 calendar days after the enactment of any discretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority and outlays for the current year (if any) and the budget year provided by that legislation, and an explanation of any difference between the two estimates. For purposes of this paragraph, amounts provided by annual appropriations shall include any new budget authority and outlays for those years in accounts for which funding is provided in that legislation that result from previously enacted legislation. Those OMB estimates shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph for the purposes of this subsection. OMB and CBO shall prepare estimates under this paragraph in conformance with scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.”
Subsec. (b). Pub. L. 105–33, § 10203(a)(4), added subsec. (b) and struck out heading and text of former subsec. (b) which provided that when the President submitted the budget for a budget year from 1992 to 1998, OMB was to calculate, and the budget was to include, adjustments to discretionary spending limits reflecting certain enumerated factors and provided that when OMB submitted a sequestration report for a fiscal year from 1991 to 1998, OMB was to calculate, and the sequestration report and subsequent budgets were to include, adjustments to discretionary spending limits reflecting certain enumerated factors.


Subsec. (c). Pub. L. 105–33, § 10203(b), added subsec. (c).


Subsec. (b)(2)(I). Pub. L. 104–193, § 211(d)(5)(B)(ii), amended subcl. (I) generally. Prior to amendment, subcl. (I) read as follows: “the term ‘continuing disability reviews’ has the meaning given such term by section 401 (g)(1)(A) of title 42;”.

1994—Subsec. (b)(2)(D)(i). Pub. L. 103–354 inserted at end “This subparagraph shall not apply to appropriations to cover agricultural crop disaster assistance.”


Subsec. (b)(2)(F). Pub. L. 103–66, § 14002(c)(1)(B)(vi), inserted before period at end “, and not to exceed 0.5 percent of the adjusted discretionary [sic] spending limit on outlays for the fiscal year in fiscal year 1996, 1997, or 1998”.


1990—Pub. L. 101–508, § 13101(a), amended section generally, substituting subsecs. (a) and (b) relating to enforcement of discretionary spending limits for former subsecs. (a) to (e) relating to reporting of excess deficits.


1987—Pub. L. 100–119 amended section generally, substituting provisions consisting of subsecs. (a) to (e) relating to reports by Director of CBO to Director of OMB and to Congress and by Director of OMB to President and Congress for provisions consisting of subsecs. (a) to (g) relating to joint reports by Directors of CBO and OMB to Comptroller General and report by Comptroller General to President and Congress.

Subsec. (a)(6)(B). Pub. L. 100–203, § 8003(f), struck out “and” before “contract authority” and inserted provision whereby the authority to provide insurance through the Federal Housing Administration Fund be continued.

**Effective Date of 1997 Amendment**


**Effective Date of 1994 Amendment**

Section 119(d)(1) of Pub. L. 103–354 provided that the amendment made by that section is effective Jan. 1, 1995.
Adjustment for Rounding

Pub. L. 106–429, § 101(a) [title VII, § 701(c)], Nov. 6, 2000, 114 Stat. 1900, 1900A–64, provided for adjustments for rounding.


Offsetting Adjustment in Discretionary Spending Limits


Level of Obligation Limitations


“(a) Highway Category.—For the purposes of [former] section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 [former 2 U.S.C. 901 (b)], the level of obligation limitations for the highway category is—

“(1) for fiscal year 2005, $35,164,292,000;
“(2) for fiscal year 2006, $37,220,843,903;
“(3) for fiscal year 2007, $39,460,710,516;
“(4) for fiscal year 2008, $40,824,075,404;
“(5) for fiscal year 2009, $42,469,970,178;
“(6) for fiscal year 2010, $42,469,970,178; and
“(7) for fiscal year 2011, $42,469,970,178.

“(b) Mass Transit Category.—For the purposes of section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, the level of obligation limitations for the mass transit category is—

“(1) for fiscal year 2005, $7,646,336,000;
“(2) for fiscal year 2006, $8,622,931,000;
“(3) for fiscal year 2007, $8,974,775,000;
“(4) for fiscal year 2008, $9,730,893,000;
“(5) for fiscal year 2009, $10,338,065,000;
“(6) for fiscal year 2010, $10,338,065,000; and
“(7) for fiscal year 2011, $10,338,065,000.

For purposes of this subsection, the term ‘obligation limitations’ means the sum of budget authority and obligation limitations.”

Similar provisions for prior fiscal years were contained in the following prior act: