

OMB FINAL SEQUESTRATION REPORT TO THE
PRESIDENT AND CONGRESS FOR FISCAL YEAR 2025

COMMUNICATION

FROM

THE DIRECTOR, OFFICE OF MANAGEMENT
AND BUDGET, THE EXECUTIVE OFFICE OF
THE PRESIDENT

TRANSMITTING

THE OFFICE'S FINAL SEQUESTRATION REPORT TO THE PRESIDENT AND CONGRESS FOR FISCAL YEAR 2025, PURSUANT TO 2 U.S.C. 904(f)(1); PUBLIC LAW 99-177, SEC. 254(f)(1); (99 STAT. 1078)



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EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, April 1, 2025.

Hon. MIKE JOHNSON,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Enclosed please find the *OMB Final Sequestration Report to the President and Congress for Fiscal Year 2025*, which has been prepared pursuant to section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (BBEDCA). As required by BBEDCA, this report provides the Office of Management and Budget's (OMB) current estimates of the discretionary spending limits for each category, OMB's scoring of the enacted 2025 discretionary appropriations bills compared to those limits, and comparisons of OMB's estimates of the limits with the estimates provided by the Congressional Budget Office in its *Final Sequestration Report for Fiscal Year 2025*.

Based on the estimates in this report, enacted appropriations are within the discretionary spending limits for 2025 and a sequestration of discretionary budget authority pursuant to section 251 of BBEDCA is not required.

Sincerely,

RUSSELL T. VOUGHT,
Director.

Enclosure:
Identical Letter Sent to the President and The Honorable J.D. Vance.

OMB Final Sequestration Report to the President and Congress for Fiscal Year 2025



April 1, 2025

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GENERAL NOTES

1. All years referred to are fiscal years unless otherwise noted.
2. Details in the tables and text may not add to totals due to rounding.

I. INTRODUCTION

The Fiscal Responsibility Act of 2023 (FRA; Public Law 118-5) amended the Balanced Budget and Emergency Deficit Control Act of 1985, as amended (BBEDCA),¹ by reestablishing limits on discretionary budget authority for fiscal years 2024 and 2025. Section 254 of BBEDCA requires the Office of Management and Budget (OMB) to issue a final sequestration report 15 days after the Congress ends a session to determine whether a sequestration of discretionary budget authority is required, based on OMB's scoring of enacted discretionary appropriations against the applicable discretionary spending limits. However, section 251(e)(2) of BBEDCA (as added by section 102 of the FRA) effectively delayed the final report until 15 days after the Congress completed action on the annual full-year 2025 appropriations Acts or April 30, 2025, whichever comes first.

OMB is issuing this final sequestration report for 2025 given that action on all of the full-year 2025 appropriations is now complete. In lieu of the regular 12 appropriations Acts for 2025, the Congress enacted the Full-Year Continuing Appropriations Act, 2025 (Division A of Public Law 119-4; CAA of 2025). The President signed the Act into law on March 15, 2025. OMB completed its scoring estimates for the CAA of 2025 and

transmitted its Seven-Day-After Report detailing its scoring estimates to the Congress on March 25, 2025, in accordance with the requirements of section 251(a)(7) of BBEDCA.² In addition, this report also takes into account emergency supplemental appropriations that were enacted on December 21, 2024 in the Disaster Relief Supplemental Appropriations Act, 2025 (Division B of Public Law 118-158; 2025 Disaster Act).

This final fiscal year 2025 sequestration report provides OMB's current estimates of the discretionary spending limits for each category in BBEDCA, including adjustments provided in the enacted appropriations Acts. This report also provides a summary of OMB's scoring of the enacted 2025 discretionary appropriations in the Acts described above compared to those adjusted limits and comparisons of OMB's limits with those provided by the Congressional Budget Office (CBO) in its *Final Sequestration Report for Fiscal Year 2025*. As required by BBEDCA, OMB's scoring for 2025 relies on the same economic and technical assumptions used in the 2025 Budget that was transmitted to the Congress on March 11, 2024. This report covers appropriations legislation enacted through March 21, 2025, and determines that no sequestration of discretionary budget authority is required.

¹ BBEDCA was originally enacted in Public Law 99-177 and has been amended several times. The relevant provisions of BBEDCA can also be found in *Chapter 20 of Title 2 of the United States Code*.

² OMB's Seven-Day-After Reports can be found on OMB's website: <https://www.whitehouse.gov/omb/information-resources/legislative/budget-enforcement-act-7-day-after-reports/>.

II. DISCRETIONARY FINAL SEQUESTRATION REPORT

Discretionary programs are funded through the annual appropriations process, which is largely governed by congressional procedures delineated in the Congressional Budget and Impoundment Control Act of 1974, as amended.³ Such spending has often been capped in BBEDCA as a way to reach bipartisan agreement on the upper limits for discretionary spending for different periods of time. From 2012 through 2021, discretionary limits were in place due to enactment of the Budget Control Act of 2011 (Public Law 112-25). These limits were subsequently revised through multiple, bipartisan budget agreements that adjusted the limits for two years at a time. The limits ultimately expired after 2021.⁴

The FRA amended BBEDCA to set new caps on the amount of new budget authority available for discretionary programs for fiscal years 2024 and 2025. When statutory caps are in place, OMB is required to provide regular reports on the status of the discretionary spending caps as the Congress works on the annual appropriations bills. Within seven working days of enactment of an appropriations bill, BBEDCA requires OMB to report its estimates of the enacted discretionary new budget authority. BBEDCA also requires OMB to issue reports three times during the year on the overall status of the discretionary caps, including this final sequestration report. Appropriations that OMB estimates would exceed the current limits would trigger an across-the-board reduction (or sequestration)

³ The Congressional Budget and Impoundment Control Act was originally enacted in Public Law 93-344. The relevant provisions can be found in Title 2 of the United States Code.

⁴ For more information on the structure of the BBEDCA spending caps enacted in the BCA and how they changed over time, see Table 1 of any of OMB's discretionary sequestration reports to the President and the Congress. For fiscal years 2012 through 2017, prior reports are located *here* and for fiscal years 2017 through 2021 and 2024 prior reports are located *here*.

Table 1. DISCRETIONARY SPENDING LIMITS
(Discretionary budget authority in millions of dollars)

	2024	2025
DEFENSE (OR "REVISED SECURITY") CATEGORY		
2025 Update Report Spending Limits	953,842	895,212
Defense Adjustments Enacted in 2025 Appropriations Acts: Emergency Requirements		+11,772
2025 Final Sequestration Report Spending Limits	953,842	906,984
NON-DEFENSE (OR "REVISED NONSECURITY") CATEGORY		
2025 Update Report Spending Limits	785,667	711,184
Non-Defense Adjustments Enacted in 2025 Appropriations Acts:		
Emergency Requirements		+114,839
Social Security Dedicated Program Integrity		+1,630
Health Care Fraud and Abuse Control		+630
Disaster Relief		+22,884
Reemployment Services and Eligibility Assessments		+271
Wildfire Suppression		+2,750
Technical Allowance for Estimating Differences with CBO		+374
Subtotal, Enacted Non-Defense Adjustments		+143,378
2025 Final Sequestration Report Spending Limits	785,667	854,562
TOTAL DISCRETIONARY FUNDING		
2025 Update Report, Total Discretionary Spending	1,739,509	1,606,396
2025 Final Sequestration Report, Total Discretionary Spending	1,739,509	1,761,546

pursuant to section 251(a) of BBEDCA to eliminate the breach. As required by law, OMB's estimates are based on the economic and technical assumptions used in the President's 2025 Budget. The next sections discuss the funding levels and structure of the current limits and enacted adjustments to those limits.

Current discretionary limits.

Section 251 of BBEDCA specifies two categories for discretionary funding. The revised security category includes only the discretionary programs in the defense budget function 050 (the "defense" category), which mainly consists of the Department of Defense and significant portions of agency budgets for the Department of Energy (including the National Nuclear Security Administration) and the Federal Bureau of Investigation. The revised nonsecurity category consists of all discretionary programs not in the revised security category—essentially all non-defense (or non-050) budget functions (the "non-defense" category). Table 1 begins with the caps included in OMB's sequestration update report for 2025 that was released on August 16, 2024. The 2024 caps were \$953.8 billion for defense and \$785.7 billion for non-defense and the 2025 caps were \$895.2 billion for defense and \$711.2 billion for non-defense. The 2025 caps would have been adjusted in this report pursuant to section 251(e)(2) of BBEDCA if 2025 appropriations remained incomplete as of April 30, 2025. However, enactment of the CAA of 2025 before April 30 means no adjustment in this report under section 251(e) is necessary.

Adjustments to discretionary limits.

Table 1 shows how adjustments pursuant to section 251(b) of BBEDCA affect the discretionary limits for 2025. Section 251(b)(1) allows adjustments for concepts and definitions in OMB's sequestration preview report, which is transmitted with the President's Budget, and section 251(b)(2) authorizes certain adjustments after the enactment of appropriations Acts. With full-year appropriations for 2025 enacted, the adjustments listed below are now made to the caps and these are presented in Table 1 in millions of dollars.

Emergency Requirement and Overseas Contingency Operations/Global War on Terrorism (OCO/GWOT) Appropriations.—These adjustments are required by section 251(b)(2)(A) of BBEDCA and include funding for amounts that the Congress designates in law as being either an emergency requirement or for OCO/GWOT activities on an account-by-account basis and that the President subsequently so designates. For 2025, there are no OCO/GWOT appropriations but a net total of \$126.6 billion (including rescissions) is provided as emergency requirements, \$11.8 billion for the defense category and \$114.8 billion for the non-defense category. The bill-by-bill breakdown of the amounts designated as being for an emergency requirement is as follows:⁵

- \$1.5 billion is provided in the Commerce, Justice, Science, and Related Agencies Appropriations Act, 2025 (Title I Section 1101(a)(2) and Title III of the CAA of 2025; 2025 CJS Act);
- \$6.6 billion is provided in the Department of Defense Appropriations Act, 2025 (Title I Section 1101(a)(3) and Title IV of the CAA of 2025);
- \$2 million is provided in the Energy and Water Development and Related Agencies Appropriations Act, 2025 (Title I Section 1101(a)(4) and Title V of the CAA of 2025);
- \$1 million is provided in the Financial Services and General Government Appropriations Act, 2025 (Title I Section 1101(a)(5) and Title VI of the CAA of 2025; 2025 FSGG Act);
- \$8.0 billion is provided in the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2025 (Title I Section 1101(a)(12) and Title XIII of the CAA of 2025); and
- \$110.5 billion is provided in the 2025 Disaster Act (Public Law 118-158).

The Congress designated these amounts as emergency requirements in either the CAA of 2025 or the 2025 Disaster Act. However, for the CAA of 2025, the President did not designate as emergency approximately \$2.9 billion of the amounts so designated by the Congress because the President did not consider those amounts to be for true emergency needs. This included \$0.4 billion in the 2025 CJS Act and \$2.5 billion in the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2025 (Title I Section 1101(a)(11)).

⁵ Approximately \$6.6 billion of the emergencies discussed in this section were provided as standalone appropriations in sections 157, 158, 160, and 162 in the Further Continuing Appropriations Act, 2025 (division A of Public Law 118-158). For budget enforcement purposes, this funding is subsumed into OMB's scoring of the CAA of 2025.

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and Title XII of the CAA of 2025). Since the President did not concur with these designations, these amounts remain unavailable for obligation and the caps are not adjusted for these amounts.⁶ For the amounts designated as being for emergencies by the Congress that did receive Presidential concurrence, these amounts are included as adjustments to the caps in Table 1.

Social Security Dedicated Program Integrity Activities.—Section 251(b)(2)(B) of BBEDCA requires cap adjustments for Social Security Administration (SSA) appropriations primarily for Continuing Disability Reviews (CDRs) and redeterminations. CDRs are periodic reevaluations conducted to determine if recipients of Social Security Disability Insurance benefits and Supplemental Security Income (SSI) for persons with disabilities still qualify for benefits. Redeterminations are periodic reviews of non-medical factors of eligibility, such as income and resources, for the means-tested SSI program and generally result in a revision of an individual's benefit level. SSA may also use cap adjustment funds for work CDRs, cooperative disability investigation units, and special attorneys for fraud prosecutions.

The maximum cap adjustment in each year is limited to the levels of budget authority specified in BBEDCA, provided that a base level of \$273 million is provided for these purposes in the underlying appropriations bill before the adjustment. The intent of this adjustment is to ensure sufficient resources for the Social Security Administration to maintain and improve program stewardship and achieve significant deficit savings in future years. Appropriations in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2025 (Title I Section 1101(a)(8) and Title IX of the CAA of 2025; 2025 LHHS Act) provided the base level of \$273 million and \$1,630 million as a cap adjustment for these purposes—the maximum allowable adjustment specified for 2025 in BBEDCA. This adjustment is allocated entirely to the non-defense category in Table 1.

Health Care Fraud and Abuse Control (HCFAC).—Section 251(b)(2)(C) of BBEDCA requires

an adjustment to the caps by amounts appropriated for HCFAC activities, which include efforts to reduce the Medicare improper payment rate, support the Health Care Fraud Prevention and Enforcement Action Team initiative, and reduce the Medicaid improper payment rate. The maximum HCFAC cap adjustment in each year is limited to the levels of budget authority specified in BBEDCA, provided that a base level of \$311 million for these purposes is provided in the underlying appropriations bill before the adjustment. Appropriations in the 2025 LHHS Act provided the base level of \$311 million and \$630 million as a cap adjustment for these purposes—the maximum allowable adjustment specified for 2025 in BBEDCA. This adjustment is allocated entirely to the non-defense category in Table 1.

Disaster Relief Funding.—Section 251(b)(2)(D) of BBEDCA requires an adjustment to the caps for appropriations that are designated by the Congress as being for “disaster relief,” which is defined as activities carried out pursuant to a determination under section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)). BBEDCA sets a limit for the adjustment that is determined annually by adding three pieces: (1) the total average funding provided for disaster relief over the previous 10 years (excluding the highest and lowest years); (2) five percent of the total discretionary amounts appropriated over the last ten years to address Stafford Act disasters that were designated as emergency requirements, net of any rescissions; and (3) the cumulative net unused carryover⁷ from any prior fiscal year since 2018.

Section 254(e) of the BBEDCA requires OMB to include in its August update report a preview estimate of the adjustment for disaster funding for the upcoming fiscal year and OMB calculated a preview estimate of \$22.9 billion for the ceiling in 2025. The calculation in OMB's update report⁸ that was released on August 16, 2024 was based on the following three components: the 10-year average (\$13.6 billion); 5 percent of Stafford Act emergencies (\$9.3 billion); and carryover from the previous year (\$0). The Congress provided disaster relief appropriations totaling the \$22.9 billion ceiling, with

⁶ Presidential designations of emergency requirements can be found [here](#) for the 2025 Disaster Act and [here](#) for the CAA of 2025.

⁷ Per section 251(b)(2)(D)(III), unused carryover for a fiscal year is the sum of the amounts calculated for (1) and (2) above, less any enacted appropriations for that fiscal year that are designated as being for disaster relief.

⁸ OMB's Sequestration Update Report for 2025 can be found [here](#).

\$374 million provided for the Disaster Loans Program Account in the Small Business Administration in the 2025 FSGG Act and \$25.5 billion provided for the Disaster Relief Fund in the Federal Emergency Management Agency in the Department of Homeland Security Appropriations Act, 2025 (Title I Section 1101(a)(6) and Title VII of the CAA of 2025). The adjustment is allocated to the non-defense category in Table 1.

Reemployment Services and Eligibility Assessments (RESEA).—Section 251(b)(2)(E) of BBEDCA requires an adjustment for program integrity efforts for RESEA. Similar to the SSA dedicated program integrity and HCFAC cap adjustments, an adjustment is permitted up to a maximum amount specified in BBEDCA if the underlying appropriations bill provides a base level of \$117 million for these activities. The 2025 LHHS Act provided the base level of \$117 million and \$271 million as a cap adjustment for these purposes—the maximum allowable adjustment specified for 2025 in BBEDCA. This adjustment is allocated entirely to the non-defense category in Table 1.

Wildfire Suppression Operations.—Section 251(b)(2)(F) of BBEDCA requires an adjustment for wildfire suppression activities to introduce greater funding certainty to respond to wildfire disasters. BBEDCA

permits this adjustment up to a maximum amount specified in the law if the underlying appropriations bill funds a base level for these activities. The base level is defined as the average costs over ten years for wildfire suppression operations that was requested in the President's 2015 Budget for the Department of Agriculture (USDA) Forest Service and the Department of the Interior (DOI). These amounts have been determined to be \$1,011 million for the USDA Forest Service and \$384 million for DOI. The Department of the Interior, Environment, and Related Agencies Appropriations Act, 2025 (Title I Section 1101(a)(7) and Title VIII of the CAA of 2025) provided for the base activities and the total \$2,750 million as a cap adjustment for wildfire suppression purposes—the maximum allowable adjustment specified for 2025 in BBEDCA. The adjustment is split with USDA receiving \$2,390 million and DOI receiving \$360 million. The adjustment is allocated entirely to the non-defense category in Table 1.

Technical Allowance for Estimating Differences.—This allowance, which historically has been enacted with the annual FSGG appropriations bill (currently section 1608 in the 2025 FSGG Act), requires OMB to adjust the spending limit for either category in a given year when new budget authority provided in an appropriations Act exceeds the discretionary spend-

Table 2. STATUS OF 2024 DISCRETIONARY APPROPRIATIONS

(Discretionary budget authority in millions of dollars)

	Budget Authority
DEFENSE CATEGORY	
Adjusted Discretionary Spending Limit	953,842
Total Enacted Appropriations	953,842
Spending Over (+)/Under (–) Limits
NON-DEFENSE CATEGORY	
Adjusted Discretionary Spending Limit	785,667
Total Enacted Appropriations	785,570
Spending Over (+)/Under (–) Limits	–97
TOTAL DISCRETIONARY SPENDING—ALL CATEGORIES	
Adjusted Discretionary Spending Limit	1,739,509
Total Enacted Appropriations	1,739,412
Spending Over (+)/Under (–) Limits	–97

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ing limit due to estimating differences with CBO. The adjustment is equal to the amount of the excess in a category, but the total of all such adjustments for any category cannot exceed 0.25 percent of the sum of the adjusted discretionary caps for all categories for that fiscal year. For 2025, after accounting for the adjustments included in this report, OMB estimates that the adjusted defense and non-defense caps for 2025 total

\$1,761,172 million, which permits a maximum technical adjustment for 2025 of \$4,402 million.

OMB estimates a technical breach for FY 2025 of \$374 million in the non-defense category. This estimate is entirely due to scoring differences with CBO based on the estimates and explanations published in OMB's Seven-Day-After report for the CAA of 2025, and this overage is within the maximum allowable

Table 3. SUMMARY OF 2025 ENACTED APPROPRIATIONS¹

(Budget authority in millions of dollars)

	Budget Authority
DEFENSE CATEGORY	
Defense Appropriations:	
Commerce, Justice, Science, and Related Agencies	6,594
Defense	838,014
Energy and Water Development	33,316
Financial Services and General Government	45
Homeland Security	3,325
Military Construction and Veterans Affairs	17,507
Transportation and Housing and Urban Development	388
2025 Disaster Act	5,156
Total, Defense Appropriations	904,345
Final Sequestration Report Defense Category Limit	906,984
CONGRESSIONAL ACTION OVER(+)UNDER(-) LIMIT	-2,639
NON-DEFENSE CATEGORY	
Non-Defense Appropriations:	
Agriculture and Rural Development	26,599
Commerce, Justice, Science, and Related Agencies	63,073
Defense	178
Energy and Water Development	24,678
Financial Services and General Government	16,169
Homeland Security	84,341
Interior and Environment	43,004
Labor, HHS, and Education	201,767
Legislative Branch	6,742
Military Construction and Veterans Affairs	129,541
State and Foreign Operations	56,964
Transportation and Housing and Urban Development	95,620
2024 Security Supplemental Appropriations Act ²	496
2025 Disaster Act	105,390
Total, Non-Defense Appropriations	854,562
Final Sequestration Report Non-Defense Category Limit	854,562
CONGRESSIONAL ACTION OVER(+)UNDER(-) LIMIT	

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Table 3. SUMMARY OF 2025 ENACTED APPROPRIATIONS¹—Continued
(Discretionary budget authority in millions of dollars)

	Budget Authority
Total, Discretionary	1,758,907
Final Sequestration Report Total Category Limits	1,761,546
CONGRESSIONAL ACTION OVER(+) / UNDER(-) LIMITS	-2,639
Memorandum: 2025 Appropriations Counted Outside of Statutory Discretionary Budget Enforcement³	
21st Century Cures Appropriations	177
Harbor Maintenance Trust Fund Appropriations	2,829
Hazardous Substance Superfund Appropriations	2,174
Bipartisan Safer Communities Act Appropriations	695
Infrastructure Investment and Job Act Appropriations	66,135
2025 Undesignated Emergency Funds Unavailable for Obligation⁴	
Commerce, Justice, Science, and Related Agencies	434
State and Foreign Operations	2,500

¹ OMB scoring includes funds provided in each Act that have been designated as being for Emergency Requirements, Program Integrity, Disaster Relief, and Wildfire Suppression.

² The 2024 Supplemental included second-year effects in 2025 totaling \$496 million.

³ The appropriations summarized here are exempted from counting for purposes of statutory budget enforcement due to legislative language enacted in authorizing Acts that explicitly exempts these funds from being counted as such. Therefore, they are presented separately and are not included in the totals displayed above.

⁴ On March 24, 2025 the President transmitted to the Congress his designation of certain emergency amounts provided by the Congress in the CAA of 2015. However, the President did not concur with all the designations and as a result, those amounts not designated are currently not available for obligation. As a result, these amounts are not counted towards the caps nor are the caps adjusted for these amounts.

**Table 4. COMPARISON OF OMB AND CBO
DISCRETIONARY SPENDING LIMITS**
(Budget authority in millions of dollars)

	2025
DEFENSE CATEGORY	
CBO Final Report Limit	906,987
OMB Final Report Limit	906,984
Difference +/-	-3
NON-DEFENSE CATEGORY	
CBO Final Report Limit	856,623
OMB Final Report Limit	854,562
Difference +/-	-2,061
TOTAL DISCRETIONARY	
CBO Final Report, Total Discretionary	1,763,610
OMB Final Report, Total Discretionary	1,761,546
Difference +/-	-2,064

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technical adjustment for 2025 identified above.⁹ OMB has therefore adjusted the non-defense cap upward by \$374 million in Table 1 and this adjustment eliminates any breach in 2025.

Summary of current year (Fiscal Year 2024) discretionary appropriations.

Section 254(f)(2) of BBEDCA requires the final sequestration report to summarize the status of enacted “current year” discretionary appropriations, relative to the discretionary caps. Table 2 summarizes the status of enacted 2024 discretionary appropriations, relative to the discretionary caps for 2024. The caps include all adjustments made to 2024 in the 2024 final sequestration report and the 2025 sequestration update report. The scoring for enacted budget authority for both the defense and non-defense categories for 2024 remains at or below the adjusted cap levels.

Summary of enacted budget year (Fiscal Year 2025) discretionary appropriations.

Section 254(f)(2) of BBEDCA requires the final sequestration report to summarize the status of enacted “budget year” discretionary appropriations, relative to the discretionary caps. Table 3 summarizes OMB scoring of the fiscal year 2025 appropriations Acts as measured against the 2025 caps. OMB estimates that discretionary appropriations are \$2.6 billion below the defense cap and are equal to the non-defense cap. As a result, OMB estimates that sequestration will not be required for either of the discretionary categories. However, it should be noted that a breach could still occur if additional appropriations for 2025 are enacted in excess of the caps before the end of September 2025 without the offsets necessary to eliminate the breach or without modifying the existing caps.

Note on exempted funds.—While most discretionary funding is either counted under the base BBEDCA caps or is an adjustment to the caps pursuant to section 251(b)(2) of BBEDCA, there exist a number of discretionary appropriations that are neither counted towards

the discretionary caps nor require adjustments to the caps, due to statutory language enacted in authorizing Acts. That language explicitly exempts these specific funds from being counted for purposes of budget enforcement. The exempted amounts include appropriations provided in the Infrastructure Investments and Jobs Appropriations Act (division J of Public Law 117-58), the Bipartisan Safer Communities Supplemental Appropriations Act, 2022 (division B of Public Law 117-159), and certain revenues made available for the Hazardous Substance Superfund by section 443(b) of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2023 (division G of Public Law 117-328). These funds are exempt from counting for purposes of statutory budget enforcement pursuant to section 103 of the FRA. In addition, section 101 of the Water Resources Development Act of 2020 (division AA of Public Law 116-260) exempts from budget enforcement certain levels of appropriations for the Corps of Engineers from the Harbor Maintenance Trust Fund and in the Operation and Maintenance account designated in statute to carry out section 2106(c) of Public Law 113-121. Finally, the 21st Century Cures Act (Public Law 114-255) directed that funds appropriated for certain activities cannot be counted for purposes of budget enforcement so long as the appropriations were specifically provided for certain authorized purposes and within the authorized amounts. As a result of these statutory exemptions, each of these amounts are displayed outside of the discretionary totals in Table 3 in the memorandum section.

Comparison of OMB and CBO discretionary limits.

Section 254(f)(4) of BBEDCA requires this report to include an explanation of the differences between OMB and CBO estimates for the discretionary caps. Table 4 compares OMB and CBO limits for fiscal year 2025 based on OMB’s estimates in this report and estimates provided by CBO in their final sequestration report for 2025 that was released on March 28, 2025.¹⁰ Both OMB and CBO make their adjustments for 2025 to the original caps set in section 101 of the FRA and

⁹ OMB’s Seven-Day-After Report for the CAA of 2025 can be found *here*.

¹⁰ CBO’s Final Sequestration Report for Fiscal Year 2025 is available on CBO’s website in the following location: <https://www.cbo.gov/system/files/2025-03/61152-Final-Sequestration-2025.pdf>.

make adjustments to the 2025 caps pursuant to section 251(b)(2) of BBEDCA based on their respective scoring estimates of enacted 2025 appropriations.

CBO's estimate of the defense cap is \$3 million higher than OMB's estimate, and this difference is attributable to rounding discrepancies between OMB's and CBO's scoring of defense emergency appropriations in the 2025 Disaster Act. For the non-defense cap, OMB's estimate is below CBO's estimate by nearly \$2.1 billion. This difference is attributable to four items:

- OMB's estimate is \$3 million higher than CBO's due to rounding of non-defense emergency appropriations in the 2025 Disaster Act;
- OMB's estimate is \$496 million higher than CBO's due to an adjustment OMB made to the 2025 cap in its sequestration update report that CBO did not for second-year emergency effects from Public Law 118-50, an Act making emergency supplemental appropriations for the fiscal year ending September 30, 2024, and for other purposes;

- OMB's estimate is \$2.9 billion below CBO's due to the President's decision to not concur in the designation of certain amounts as for emergencies in the CAA of 2025 that was described earlier in this report; and
- OMB's estimate is \$374 million higher than CBO's due to the adjustment required by section 1608 of the 2025 FSGG Act for technical differences with CBO that was described earlier in this report.

Although OMB and CBO estimates have some differences in the 2025 caps, there are many other differences between OMB's and CBO's respective account-by-account scoring of enacted 2025 discretionary budget authority that is counted against the caps. Detailed explanations of the differences in enacted, full-year discretionary budget authority are available in the separate seven-day-after reports that were issued subsequent to enactment of each discretionary appropriations Act (see these "Seven-Day-After Reports" on OMB's website: <https://www.whitehouse.gov/omb/information-resources/legislative/budget-enforcement-act-7-day-after-reports/>).

