

L. 111–139, Feb. 12, 2010, 124 Stat. 8, which is classified principally to this chapter. For complete classification of title I to the Code, see Short Title note set out under section 931 of this title and Tables.

As amended by this title, referred to in subsec. (d)(3), means as amended by title I of Pub. L. 111–139.

Legislation titled the “Community Living Assistance Services and Supports Act”, referred to in subsec. (d)(6), was enacted as title VIII of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 828. Title VIII, which was also known as the “CLASS Act”, enacted subchapter XXX of chapter 6A of Title 42, The Public Health and Welfare, amended section 1396a of Title 42, enacted provisions set out as notes under section 3007 of Title 42, and amended provisions set out as a note under section 1396p of Title 42, prior to repeal by Pub. L. 112–240, title VI, § 642(b)(1), Jan. 2, 2013, 126 Stat. 2358.

#### CODIFICATION

Section is comprised of section 4 of Pub. L. 111–139. Subsec. (b) of section 4 of Pub. L. 111–139 amended section 639 of this title.

### § 934. Annual report and sequestration order

#### (a) Annual report

Not later than 14 days (excluding weekends and holidays) after Congress adjourns to end a session, OMB shall make publicly available and cause to be printed in the Federal Register an annual PAYGO report. The report shall include an up-to-date document containing the PAYGO scorecards, a description of any current policy adjustments made under section 933(c) of this title, information about emergency legislation (if any) designated under section 933(g) of this title, information about any sequestration if required by subsection (b), and other data and explanations that enhance public understanding of this chapter and actions taken under it.

#### (b) Sequestration order

If the annual report issued at the end of a session of Congress under subsection (a) shows a debit on either PAYGO scorecard for the budget year, OMB shall prepare and the President shall issue and include in that report a sequestration order that, upon issuance, shall reduce budgetary resources of direct spending programs by enough to offset that debit as prescribed in section 935 of this title. If there is a debit on both scorecards, the order shall fully offset the larger of the two debits. OMB shall transmit the order and the report to the House of Representatives and the Senate. If the President issues a sequestration order, the annual report shall contain, for each budget account to be sequestered, estimates of the baseline level of budgetary resources subject to sequestration, the amount of budgetary resources to be sequestered, and the outlay reductions that will occur in the budget year and the subsequent fiscal year because of that sequestration.

(Pub. L. 111–139, title I, § 5, Feb. 12, 2010, 124 Stat. 15.)

#### Editorial Notes

##### REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title I of Pub. L. 111–139, Feb. 12, 2010, 124 Stat. 8, which is classified principally to this chapter. For complete classification of title I to the Code, see Short Title note set out under section 931 of this title and Tables.

### § 935. Calculating a sequestration

#### (a) Reducing nonexempt budgetary resources by a uniform percentage

##### (1) In general

OMB shall calculate the uniform percentage by which the budgetary resources of non-exempt direct spending programs are to be sequestered such that the outlay savings resulting from that sequestration, as calculated under subsection (b), shall offset the budget-year debit, if any, on the applicable PAYGO scorecard. If the uniform percentage calculated under the prior sentence exceeds 4 percent, the Medicare programs described in section 906(d) of this title shall be reduced by 4 percent and the uniform percentage by which the budgetary resources of all other non-exempt direct spending programs are to be sequestered shall be increased, as necessary, so that the sequestration of Medicare and of all other nonexempt direct spending programs together produce the required outlay savings.

##### (2) Programs and activities in unified budget only

Subject to the exemptions set forth in section 11,<sup>1</sup> OMB shall determine the uniform percentage required under paragraph (1) with respect to programs and activities contained in the unified budget only.

#### (b) Outlay savings

In determining the amount by which a sequestration offsets a budget-year debit, OMB shall count—

(1) the amount by which the sequestration in a crop year of crop support payments, pursuant to section 906(j) of this title, reduces outlays in the budget year and the subsequent fiscal year;

(2) the amount by which the sequestration of Medicare payments in the 12-month period following the sequestration order, pursuant to section 906(d) of this title, reduces outlays in the budget year and the subsequent fiscal year; and

(3) the amount by which the sequestration in the budget year of the budgetary resources of other nonexempt mandatory programs reduces outlays in the budget year and in the subsequent fiscal year.

(Pub. L. 111–139, title I, § 6, Feb. 12, 2010, 124 Stat. 16.)

#### Editorial Notes

##### REFERENCES IN TEXT

Section 11, referred to in subsec. (a)(2), means section 11 of Pub. L. 111–139, which amended section 905 of this title.

### § 936. Adjustment for current policies

#### (a) Purpose

The purpose of this section is to provide for adjustments of estimates of budgetary effects of PAYGO legislation for legislation affecting 4 areas of the budget—

(1) payments made under section 1395w–4 of title 42 (referred to in this section as “Payment for Physicians’ Services”);

<sup>1</sup> See References in Text note below.