



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

THE DIRECTOR

May 10, 2013

The Honorable John Boehner
Speaker of the House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Section 251(a)(7) of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended, requires that the Office of Management and Budget (OMB) submit a report to the Congress on discretionary appropriations legislation within seven calendar days (excluding Saturdays, Sundays, and legal holidays) of enactment. The report must contain the Congressional Budget Office estimate of the legislation, the OMB estimate of the legislation, and an explanation of any differences between the two estimates.

Enclosed is the report for the Reducing Flight Delays Act of 2013 (P.L. 113-9). This Act was signed into law by the President on May 1, 2013.

Sincerely,

A handwritten signature in blue ink that reads "Sylvia M. Burwell".

Sylvia M. Burwell
Director

Enclosure

Identical Letter Sent to The Honorable Joseph R. Biden

Table 1.
CBO Estimates Compared to OMB Estimates
P.L. 113-9, Reducing Flight Delays Act of 2013
(in millions of dollars)

	FY 2013 Enacted		FY 2014 Enacted	
	BA	Outlays	BA	Outlays
<u>NONSECURITY CATEGORY DISCRETIONARY APPROPRIATIONS</u>				
<i>Nonsecurity Category - Base Discretionary Appropriations</i>				
CBO ESTIMATE, NONSECURITY DISCRETIONARY APPROPRIATIONS ¹	---	203	N/A	N/A
<u>Technical Outlay Estimating Differences:</u>				
Department of Transportation:				
Federal Aviation Administration (FAA):				
Grants-in-Aid for Airports and accounts providing for the operations of the FAA.....	---	-8	N/A	N/A
<p>OMB and CBO concur that the enacted language will be executed as an expenditure transfer and will not impact budget authority (BA). The obligation limitation provided in the 2013 enacted appropriations bill (P.L. 113-6), which provides authority to liquidate contract authority to the Grants-in-Aid for Airports account, will be entirely outlayed. That discretionary outlay will then be recorded in the receiving accounts (e.g. Operations; Facilities and Equipment; and Research, Engineering, and Development) as an offsetting collection and spending authority from that offsetting collection. The BA will net to zero and the funding will be obligated and expended from the receiving accounts. Both OMB and CBO also score a negative outlay in the Grants-in-Aid account; this represents the outlays in that account that will no longer occur since the obligation limitation will instead be used to prevent reduced operations and staffing at FAA. As a technical assumption, OMB has assumed that DOT will utilize the full flexibility provided and transfer the entire \$253 million permitted by the legislation. CBO also assumes that DOT will utilize full flexibility, but their estimate is based on a later date of enactment and thus assumes that only \$203 million will be transferred. The net outlay differences of -\$8 million in 2013 (OMB less CBO) and -\$82 million in 2014 result from outlay differences of -\$45 million in 2013 and -\$95 million in 2014 in the Grants-in-Aid account, resulting from the alternative use of the obligation limitation as described above, and differences in new outlays of +\$37 million in 2013 and +\$13 million in 2014 in the receiving accounts. These estimating differences result from OMB's and CBO's assumptions about both the amount of the transfer and the outlay rates. In addition, OMB estimates that for 2013-2017 the outlay impact nets to zero because the near term increase is offset by corresponding reductions in outlays in future years (timing shift). CBO, however, estimates a net increase in outlays totaling \$2 million over the 2013-2023 period. This results from their assumption that the entire amount of the obligation limitation will be outlayed in the receiving accounts, versus their baseline estimate for the Grants-in-Aid account, which assumed that 1 percent of the obligation limitation would never be expended.</p>				
OMB ESTIMATE, NONSECURITY DISCRETIONARY APPROPRIATIONS.....	---	195	N/A	N/A
<u>NON-DEFENSE CATEGORY DISCRETIONARY APPROPRIATIONS</u>				
<i>Non-Defense Category - Base Discretionary Appropriations</i>				
CBO ESTIMATE, NON-DEFENSE DISCRETIONARY APPROPRIATIONS ¹	N/A	N/A	---	-39
<u>Technical Outlay Estimating Differences:</u>				
Department of Transportation:				
Federal Aviation Administration:				
Grants-in-Aid for Airports and accounts providing for the operations of the FAA.....	N/A	N/A	---	-82
<p>This is the second-year impact of the transfer between the Grants-in-Aid for Airports account and the receiving accounts. Please see the description above for an explanation of the 2014 outlay scoring differences with CBO.</p>				
OMB ESTIMATE, NON-DEFENSE DISCRETIONARY APPROPRIATIONS.....	N/A	N/A	---	-121

Table 1.
CBO Estimates Compared to OMB Estimates
P.L. 113-9, Reducing Flight Delays Act of 2013
(in millions of dollars)

	FY 2013 Enacted		FY 2014 Enacted	
	BA	Outlays	BA	Outlays
<u>SUMMARY</u>				
CBO TOTAL, REDUCING FLIGHT DELAYS ACT ¹	---	203	---	-39
<i>CBO Security Category Subtotal</i>	---	---	N/A	N/A
<i>CBO Nonsecurity Category Subtotal</i>	---	203	N/A	N/A
<i>CBO Defense Category Subtotal</i>	N/A	N/A	---	---
<i>CBO Non-Defense Category Subtotal</i>	N/A	N/A	---	-39
TOTAL DIFFERENCES	---	-8	---	-82
<i>Security Category Differences</i>	---	---	N/A	N/A
<i>Nonsecurity Category Differences</i>	---	-8	N/A	N/A
<i>Defense Category Differences</i>	N/A	N/A	---	---
<i>Non-Defense Category Differences</i>	N/A	N/A	---	-82
OMB TOTAL, REDUCING FLIGHT DELAYS ACT	---	195	---	-121
<i>OMB Security Category Subtotal</i>	---	---	N/A	N/A
<i>OMB Nonsecurity Category Subtotal (including CHIMPs)</i>	---	195	N/A	N/A
<i>OMB Defense Category Subtotal</i>	N/A	N/A	---	---
<i>OMB Non-Defense Category Subtotal</i>	N/A	N/A	---	-121

¹ CBO data received by OMB on May 1, 2013.

Table 2.
Enacted Appropriations as of May 10, 2013
P.L. 113-9, The Reducing Flight Delays Act of 2013

	FY 2013		FY 2014	
	BA	Outlays	BA	Outlays
SECURITY CATEGORY				
Discretionary spending limit ¹	801,503	N/A	N/A	N/A
Security appropriations previously enacted ²	801,500	856,238	N/A	N/A
Newly enacted security appropriations.....	---	---	N/A	N/A
Security Appropriations Over (+)/Under (-) spending limit.....	-3	N/A	N/A	N/A
NONSECURITY CATEGORY				
Discretionary spending limit ¹	394,110	N/A	N/A	N/A
Nonsecurity appropriations previously enacted ²	394,109	465,349	N/A	N/A
Newly enacted nonsecurity appropriations provided in P.L. 113-9, the Reducing Flight Delays Act of 2013.....	---	195	N/A	N/A
Total, all enacted base nonsecurity appropriations.....	394,109	465,544	N/A	N/A
Nonsecurity Appropriations Over (+)/Under (-) spending limit.....	-1	N/A	N/A	N/A
DEFENSE CATEGORY				
Discretionary spending limit ¹	N/A	N/A	498,082	N/A
Defense appropriations previously enacted.....	N/A	N/A	---	---
Newly enacted defense appropriations.....	N/A	N/A	---	---
Defense Appropriations Over (+)/Under (-) spending limit.....	N/A	N/A	-498,082	N/A

Table 2.
Enacted Appropriations as of May 10, 2013
P.L. 113-9, The Reducing Flight Delays Act of 2013

	FY 2013		FY 2014	
	BA	Outlays	BA	Outlays
NON-DEFENSE CATEGORY				
Discretionary spending limit ¹	N/A	N/A	468,842	N/A
Non-Defense appropriations previously enacted.....	N/A	N/A	---	---
Newly enacted non-defense appropriations provided in P.L. 113-9, the Reducing Flight Delays Act of 2013.....	N/A	N/A	---	-121
Total, all enacted base nonsecurity appropriations.....	N/A	N/A	---	-121
Non-Defense Appropriations Over (+)/Under (-) spending limit.....	N/A	N/A	-468,842	N/A
TOTAL DISCRETIONARY APPROPRIATIONS				
Discretionary Spending Limits.....	1,195,613	N/A	966,924	N/A
Appropriations previously enacted.....	1,195,609	1,321,587	---	---
Newly enacted appropriations.....	---	195	---	-121
All enacted appropriations.....	1,195,609	1,321,782	---	-121
Discretionary Appropriations Over (+)/Under (-) spending limits.....	-4	N/A	-966,924	N/A

Notes:

¹ The FY 2013 and FY 2014 spending limits for the security, nonsecurity, defense, and non-defense categories are equal to the limits included in the *OMB Sequestration Preview Report to the President and Congress for Fiscal Year 2014* .

² The previously enacted security and nonsecurity appropriations for FY 2013 are equal to the amounts included in the *OMB Final Sequestration Report to the President and Congress for Fiscal Year 2013* .