



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

February 2, 2016

Statement from OMB Director Shaun Donovan:

**Budgetary Impact Analysis for Executive Order Entitled
“Establishing a Federal Earthquake Risk Management Standard”**

This executive order establishes a Federal Earthquake Risk Management Standard which will require incorporation of seismic protections in the construction of new buildings, retrofits of existing buildings, and buildings leased or regulated with Federal funds. Implementing this executive order is anticipated to increase costs to the Federal Government compared to Fiscal Year (FY) 2015, and have a de minimis impact on revenues to the Federal Government. The benefits of the executive order include improved resilience to earthquake damage of Federally-owned and leased infrastructure and improved worker and building occupant safety. Implementing this executive order is anticipated to increase mandatory and discretionary obligations and outlays for this purpose in FY 2016 above FY 2015. However, this executive order is not anticipated to increase discretionary obligations and outlays overall, and the impact beyond FY 2016 will depend on the annual appropriations process. This executive order is anticipated to have a de minimis effect on revenues to the Federal Government in the 5-year fiscal period beginning in FY 2016. Agencies anticipated to be impacted by this executive order include those that own, lease, finance, or regulate buildings.