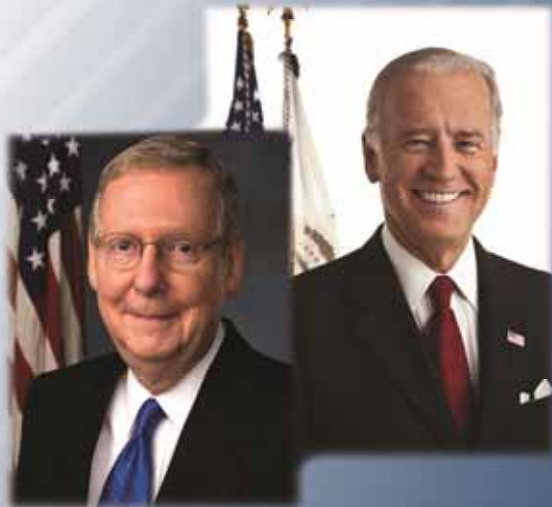


CSBA

Center for Strategic and
Budgetary Assessments

WHAT THE FISCAL CLIFF DEAL MEANS FOR DEFENSE



THE PENTAGON
WASHINGTON D.C.



Todd Harrison

SEC. 901. TREATMENT OF SEQUESTER.

(a) ADJUSTMENT.—Section 251A(3) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—
 (1) in subparagraph (C), by striking “and” after the semicolon;
 (2) in subparagraph (D), by striking the period and inserting “; and”;
 and (3) by inserting at the end the following: “(E) for fiscal year 2013, **reducing the amount calculated under subparagraphs (A) through (D) by \$24,000,000,000.**”

1) Reduced the amount of the FY13 penalty sequester

(b) AFTER SESSION SEQUESTER.—Notwithstanding any other provision of law, the fiscal year 2013 spending reductions required by section 251(a)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be evaluated and implemented on **March 27, 2013.**

(c) POSTPONEMENT OF BUDGET CONTROL ACT SEQUESTER FOR FISCAL YEAR 2013.—Section 251A of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

2) Changed the timing of both sequesters

(1) in paragraph (4), by striking “January 2, 2013” and inserting “**March 1, 2013**”;
 and (2) in paragraph (7)(A), by striking “January 2, 2013” and inserting “**March 1, 2013**”.

(d) ADDITIONAL ADJUSTMENTS.—

(1) SECTION 251.—Paragraphs (2) and (3) of section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 are amended to read as follows:

“(2) for fiscal year 2013— “(A) **for the security category, as defined in section 250(c)(4)(B), \$684,000,000,000** in budget authority; and “(B) for the nonsecurity category, as defined in section 250(c)(4)(A), **\$359,000,000,000** in budget authority;

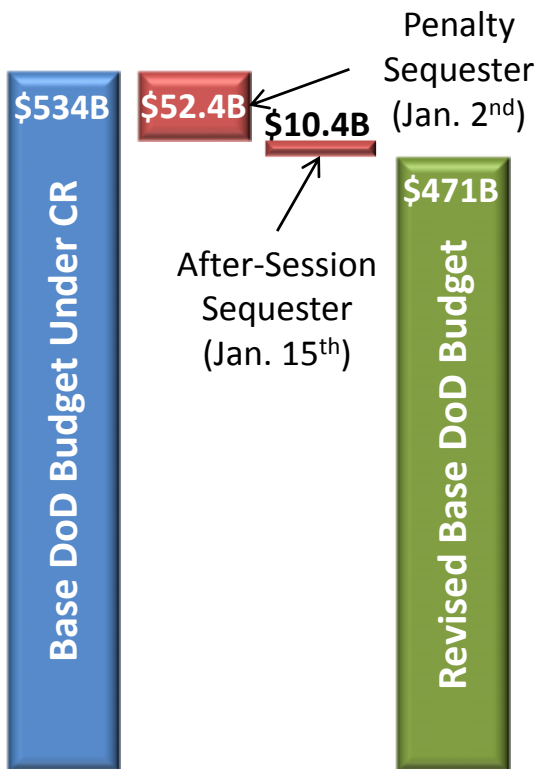
“(3) for fiscal year 2014— “(A) **for the security category, \$552,000,000,000** in budget authority; and “(B) for the nonsecurity category, **\$506,000,000,000** in budget authority;”.

3) Changed the budget caps and categories, with an exception

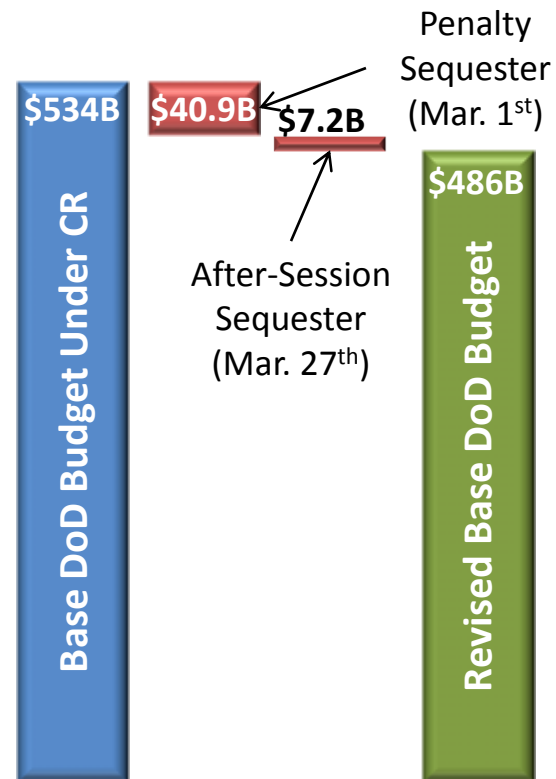
(e) 2013 SEQUESTER.—On March 1, 2013, the President shall order a sequestration for fiscal year 2013 pursuant to section 251(a)(1) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by this section, pursuant to which, **only for the purposes of the calculation in sections 251A(5)(A), 251A(6)(A), and 251A(7)(A), section 251(c)(2) shall be applied as if it read as follows:**

“(2) For fiscal year 2013— “(A) **for the security category, \$544,000,000,000** in budget authority; and “(B) for the nonsecurity category, **\$499,000,000,000** in budget authority;”.

Original Sequester



Revised Sequester





Percentage Reduction for DoD

Original Sequester

Penalty Sequester: 9.6%

After-Session Sequester: 2.1%

Total Reduction: 11.5%

Revised Sequester

Penalty Sequester: 7.5%

After-Session Sequester: 1.5%

Total Reduction: 8.8%



Change in DoD Budget FY13-21

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
President's FY13 DoD Budget Request	\$525.4 (\$533.8 CR)	\$533.6	\$545.9	\$555.9	\$567.3	\$579.3	\$592.4	\$605.4	\$617.9
DoD Budget Under Original Sequester	\$470.9	\$479.0	\$488.7	\$499.2	\$511.6	\$524.0	\$536.5	\$549.8	\$563.2
DoD Budget Under Revised Sequester	\$485.7	\$475.2	\$488.7	\$499.2	\$511.6	\$524.0	\$536.5	\$549.8	\$563.2

The revised sequester would leave the FY13 base DoD budget slightly higher than it was in FY07.

