

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

August 9, 2013

The Honorable Joseph R. Biden, Jr. President of the Senate Washington, D.C. 20510

Dear Mr. President:

Section 255(f) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, authorizes the President to exempt military personnel accounts from sequestration, provided that Congress is notified of the manner in which such authority will be exercised on or before August 10. Notification is hereby provided of the President's intent to exempt all military personnel accounts, including Coast Guard personnel accounts, from any discretionary cap sequestration in FY 2014, if sequestration is necessary. This exemption does not apply to the Joint Committee sequestration of mandatory budget resources already ordered for FY 2014. This is considered to be in the national interest to safeguard the resources necessary to compensate the men and women serving to defend our Nation and to maintain the force levels required for national security. It is recognized that this action would trigger a higher reduction in non-exempt accounts.

Sincerely,

Sylvia M. Burwell

Director