

News from the Division of Grants Administration (September 25, 2012)

Very little new information on sequestration has been released since July 20, 2012, when the US Department of Education notified states that the impact of sequestration would be taken from the July 2013 allocations (aside from Impact Aid programs). This message summarizes current sequestration information. We will continue to update LEAs as more information becomes available.

Sequestration Transparency Act of 2012 (P.L. 112-155)

On Tuesday, August 7, 2012, President Obama signed the Sequestration Transparency Act, which required the administration to submit a report to Congress within thirty days that includes an estimate of sequestration cuts at the program level.

OMB Report Pursuant to the Sequestration Transparency Act

On the late afternoon of Friday, September 14, 2012, the Office of Management and Budget (OMB) released a report.

- Due to the short (30-day) timeline for compiling and issuing the report to Congress, OMB cited the need for additional time for analysis on consistency of varied federal agencies data and issued the report with **estimated** percentages of reduction for a **preliminary** list of programs that were sequestrable and exempt.
- This report is important given that OMB, as the responsible agency for determining the program list and percent of reduction, will continue to release guidance in the coming months as sequestration either draws near or is rescinded.
- The report calculated and reported estimated potential reductions. It appears that all the education grants (including NCLB, IDEA, Perkins, and Adult Ed) are sequestrable and are in the 8.2% estimated reduction category.