



Joint Statement for the Record

**Rafael Borrás
Under Secretary for Management
Management Directorate**

And

**Thomas S. Winkowski
Deputy Commissioner
Performing the Duties of the Commissioner
U.S. Customs and Border Protection**

And

**John Halinski
Deputy Administrator
Transportation Security Administration**

And

**Daniel H. Ragsdale
Deputy Director
U.S. Immigration and Customs Enforcement**

U.S. Department of Homeland Security

**Before the
United States House of Representatives
Committee on Homeland Security**

April 12, 2013

Mr. Chairman, Ranking Member, and Members of the Committee:

We are pleased to appear before you to discuss sequestration and the important planning that has been undertaken to date by the Department of Homeland Security (DHS). We will also discuss issues surrounding the Budget Control Act (BCA) and our preparations for potential budget reductions and the impacts of sequestration.

The sequestration order that the President was required by law to issue on March 1 requires the Department to achieve \$3.2 billion in budget reductions over the remaining seven months of the fiscal year (FY). Sequestration consists of mandatory, automatic and indiscriminate across-the-board budget cuts of approximately \$85 billion throughout the Federal Government, which must be applied to nearly every program, project, and activity (PPA) within an account for the remainder of FY 2013. Like other agencies, DHS has engaged in ongoing planning activities in consultation with the Office of Management and Budget (OMB) over the past several months to determine how to operate under sequestration, keeping in mind our primary responsibility to execute our core mission areas on behalf of the American people. As required by law, our execution of sequestration is applied as a uniform percentage reduction to all non-exempt budgetary accounts; the reductions will be implemented equally across all PPAs within each account.

As it became more clear that Congress was not going to take action to address the sequester, on February 26 and 27, leadership from DHS's Management Directorate provided notifications to all DHS employees that the Federal Government faced the possibility of sequestration, and that both employees and operations could be impacted by these mandated cuts. Following the issuance of the sequestration order on March 1, Departmental Components began prudent steps to reduce spending for every account. These included the issuance of furlough notifications, reduction of overtime, hiring freezes and postponed contract actions throughout the Department.

Since then, the Department has continued its sequestration planning. The FY 2013 Consolidated and Further Continuing Appropriations Act, enacted on March 26, changed our funding levels once again, requiring additional adjustments to our planning. Some Components received additional funds which have provided more leeway in achieving the required reductions, while others were appropriated less funding which has required those Components to identify additional actions that can be taken.

While our recently enacted appropriations will help DHS to mitigate – to some degree – the impacts of sequestration on our operations and workforce that were originally projected under the FY 2013 Continuing Resolution (CR) enacted on September 28, 2012, there is no doubt that these cuts will affect operations in the short- and long-term. Lines and wait times at our ports of entry (POEs) are longer, affecting travel and trade; the take home pay of the men and women on the frontlines will be reduced; and employees across the Department as well as the public we serve face uncertainty based on sudden budgetary reductions that must be met by the end of the year. The long-term effects of sustained cuts at these levels will result in reduced operational capacity, breached staffing floors, and economic impacts to the private sector through reduced and cancelled contracts. In spite of the substantial and far reaching cuts mandated by

sequestration, we will continue to do everything we can to minimize impacts on our core mission and employees, consistent with the operational priorities in our 2014 budget.

DHS Fiscal Stewardship

Through administrative efficiencies, cost avoidances, and our internal budgeting processes, we have been working proactively to reduce the Department's resource requirements wherever possible. In fact the Department's FY 2014 Budget, submitted to Congress on April 10, reflects the third consecutive year in which the Department's overall topline has been reduced.

Through the Department-wide, employee-driven Efficiency Review, which began in 2009, as well as other cost-saving initiatives, DHS has identified over \$4 billion in cost avoidances and reductions, and redeployed those funds to mission-critical initiatives across the Department. For example, in the past, offices at DHS purchased new computers and servers while excess equipment remained unused in other areas of the Department. Through Component-level efforts to better re-utilize excess IT equipment, DHS has saved \$24 million in taxpayer money. In addition, DHS previously spent millions of dollars each year by paying for cell phones and air cards that were not in use. The Department now conducts annual audits of usage and has saved \$23 million to date. Also, DHS has encouraged Components to use government office space and online tools for meetings and conferences instead of renting private facilities, a change that has saved \$11.7 million to date.

We have used strategic sourcing initiatives to leverage the purchasing power of the entire Department for items such as language services, tactical communications services and devices, intelligence analysis services, and vehicle maintenance services. In FY 2012, we achieved \$368 million in savings, and we project \$250 million in savings for FY 2013, subject to sequestration.

In support of the Administration's Campaign to Cut Waste, DHS strengthened conference and travel policies and controls to reduce travel expenses and ensure conferences are cost-effective and that both travel and conference attendance is driven by critical mission requirements. In 2012, DHS issued a new directive that establishes additional standards for conferences and requires regular reporting on conference spending, further increasing transparency and accountability.

In our FY 2014 Budget, we identified initiatives that will result in \$1.3 billion in savings from administrative and mission support areas, including contracts, information technology, travel, personnel moves, overtime, directed purchasing, professional services, and vehicle management.

In effect, with declining resources, the Department has worked proactively to eliminate inefficiencies wherever possible and to focus available resources on supporting frontline mission requirements. We have a proven, established process to plan and budget; however recent fiscal uncertainties and the across-the-board nature of sequestration have affected the Department's ability to plan beyond recent, immediate budget crises that have occurred.

Initial Sequestration Planning

As you are aware, the BCA was signed into law on August 2, 2011. The BCA established caps on discretionary spending for FY 2012 through FY 2021. Since enactment of the BCA, the Department has been planning for the possibility of sequestration. In August 2011, our Office of General Counsel and the Office of the Chief Financial Officer (OCFO) provided an initial review of the new statute to become familiar with its provisions and impacts to the Department.

On September 12, 2011, the Congressional Budget Office released its report entitled, “Estimated Impact of Automatic Budget Enforcement Procedures Specified in the Budget Control Act.” On the basis of that analysis, OCFO commenced work with Departmental Components to identify which accounts are included in the Security and Non-Security Categories, since they would be subject to differing sequester amounts.

On July 31, 2012, OMB provided guidance to federal agencies that discussions would commence over the coming months on issues associated with sequestration. It was recognized then that undertaking sequestration planning and implementation activities would divert resources from other important activities and priorities. It was our hope and expectation that, rather than force the Department to pursue a course of action that would be disruptive to mission-related activities, Congress would reach agreement on a deficit reduction package as an alternative to sequestration.

On September 17, 2012, OMB provided Congress with its Sequestration Transparency Act report, which identified agency-by-agency the estimated funding amounts that could be sequestered based on appropriations enacted for FY 2012, not FY 2013. The OMB report estimated that DHS would be subject to a five percent sequester and required to absorb approximately \$3.2 billion in reductions to its total budget authority beginning January 2, 2013.

The Department thus began comprehensive planning efforts, consistent with OMB guidance. A significant challenge remained, however, in that amounts subject to sequestration could only be calculated once final FY 2013 funding levels were known. The FY 2013 Continuing Appropriations Act enacted on September 28, 2012, left the Department operating under a CR until March 27, 2013 – a point beyond the date sequestration was mandated to begin.

For the remainder of 2012, the Department’s leadership continued to examine what courses of action might be necessary to implement sequestration, including the establishment of uniform procedures for taking personnel actions such as furloughs, reductions in force (RIFs), and voluntary early retirements and separations, as well as identifying contracts which could be re-scoped. The Department’s chief financial, human capital, and procurement officers worked closely together during this time to ensure proper coordination in developing our sequestration implementation plans.

In our planning efforts, we were careful to strike a balance to take prudent, responsible steps toward across-the-board budget reductions. Our guiding principles have been as follows:

- First, we focus on preserving the Department’s frontline operations and other mission-critical activities to the maximum extent possible.
- Second, understanding that DHS is a labor-driven organization, we strive to avoid and if required, minimize furloughs to the greatest extent possible. Hiring freezes and potential furloughs not only have operational impacts on our core missions but adversely affect employee morale and well-being.

Unfortunately sequestration in and of itself provides very little flexibility in how the across-the-board cuts must be applied. Several types of personnel actions that agencies regularly use to manage their workforce over the long term are not useful to address the short-term requirements of sequestration. Implementing DHS-wide voluntary early retirements and separations entails up-front funding which is not available under a sequestered budget. The notification and bargaining processes required for RIFs could not be completed until FY 2014, well after our FY 2013 funding is sequestered.

Implementation Plan Changes

Following the passage of the American Taxpayer Relief Act of 2012 on January 2, 2013, several additional challenges arose for our sequestration planning.

This legislation postponed sequestration by two months, until March 1, and provided a \$24 billion down payment that reduced the amount of sequestration for Fiscal Year 2013 from \$109 billion to \$85 billion. Additionally, in late January, Congress passed the FY 2013 Disaster Relief Appropriations Act (P.L. 113-2) which provides \$60.4 billion in supplemental appropriations to assist victims of Hurricane Sandy, including \$12.1 billion for DHS. These actions changed the sequester amount for all federal agencies months after our planning activities had begun. The FY 2013 Consolidated and Further Continuing Appropriations Act also provided DHS with a new baseline for FY 2013.

Accordingly, even as our planning for sequestration progressed throughout 2013, given the actions described above, the amount of the sequester changed numerous times, creating difficulties in developing detailed implementation strategies for each of our Components.

Impacts of the Sequestration Order on the Department

Following are the impacts of sequestration to several of the Department’s frontline Components: U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement (ICE), and the Transportation Security Administration (TSA).

Impacts on U.S. Customs and Border Protection

CBP is America's frontline border security agency, the guardians of our borders, responsible for protecting the United States and the American people from the entry of dangerous goods and people. With more than 60,000 employees, CBP has the largest number of uniformed officers of any federal law enforcement agency. Its primary mission is keeping terrorists and their weapons out of the United States. CBP is also responsible for securing the border and facilitating lawful international trade and travel while enforcing hundreds of U.S. laws and regulations. This includes ensuring that all persons and cargo enter the United States legally and safely through official POEs, preventing the illegal entry of persons and contraband into the U.S. at and between POEs, promoting the safe and efficient flow of commerce into our country, and enforcing trade and tariff laws and regulations.

CBP protects approximately 7,000 miles of land borders and 95,000 miles of coastal shoreline. Operating at 329 POEs across the United States, CBP welcomes almost one million travelers by land, sea, and air, facilitating the flow of goods essential to our economy. In FY 2012, CBP facilitated more than \$2.3 trillion in trade and welcomed a record 98 million air travelers, a 12-percent increase since FY 2009. CBP also collected \$39.4 billion in revenue, a six-percent increase over the previous year – illustrating the critical role of CBP not only with border security, but with economic security and continued growth. Trade and travel are absolutely vital to our economy, and according to the U.S. Travel Association, one new American job is created for every 33 travelers arriving from overseas.

Removing the planned transfer of US-VISIT, CBP's FY 2013 direct appropriation budget request was \$10.083 billion, \$72 million less than its FY 2012 appropriation. In order to fund rising personnel costs within a slightly declining overall budget, CBP proposed a variety of efficiencies and program reductions and deferred a number of major acquisitions. At the FY 2013 enacted level with nearly \$600 million in sequestration reductions, CBP's FY 2013 funding level is \$309 million less than FY 2012, or about three percent less than the previous fiscal year. As a result, CBP has made further reductions to non-pay costs and discretionary pay costs, such as awards, overtime and mission support hiring.

Although the FY 2013 Consolidated and Further Continuing Appropriations Act provides additional funding for CBP and enables it to mitigate to some degree the impacts to its workforce, sequestration still requires more than \$600 million in cuts across CBP, affecting operations in the short- and long-term. While CBP remains committed to doing everything it can to minimize risks and mitigate the impact of sequestration, we have already experienced significant impacts to cross-border activities.

Reduced CBP Officer (CBPO) overtime availability at our Nation's ports has resulted in increased wait times for travelers across the country. International travelers have experienced wait times of up to several hours to process through Customs and a number of locations have reported wait times averaging between 120 to 240 minutes, and some as long as four to 4.5 hours. These automatic cuts have occurred against a backdrop of significant growth in travel and trade in all POE environments. Air travel at the major gateway airports is up by four percent, on top of a three-year increase of over 12 percent. Land border travel is up

3.6 percent through the fiscal year to date. Additionally, cargo volumes have increased in all environments over the past three years.

Delays affect the air travel environment, causing missed passenger connections for both domestic and international flights. Reduced CBPO overtime availability at our Nation's ports also slows the movement of goods across the border. Even the smallest increase in wait times at the borders directly affects our economy. Reduced CBPO overtime availability will continue to impede CBP's capacity to facilitate and expedite cargo, adding costs to the supply chain and diminishing our global competitiveness that is so critical to our economy.

Between the POEs, sequestration has led to significant reductions in areas like CBP's detainee transportation support contract, which increases non-law enforcement requirements for frontline Border Patrol agents. CBP has also cut operating expenses, including vehicle usage, affecting Border Patrol's ability to respond to requests from other law enforcement entities for assistance.

Additionally, reductions in relocation expenses will necessitate that the Border Patrol postpone promotions to leadership and managerial positions, requiring less experienced staff to perform the functions of these critical jobs.

Based on CPB's funding levels as of March 1, the sequester also necessitated CBP to take steps to achieve a reduction of 21,000 flight hours for CBP's fleet of 269 aircraft from a level of 69,000 hours to 48,000 hours, impacting CBP's ability to provide critical aerial surveillance and operational assistance to law enforcement personnel on the ground. Based on funding provided in the FY 2013 Consolidated and Further Continuing Appropriations Act, CBP will work to restore flight hours to pre-sequestration levels.

Impacts on U.S. Immigration and Customs Enforcement

ICE serves as DHS's principal investigative arm and is the second largest investigative agency in the Federal Government.

ICE promotes homeland security and public safety through broad criminal and civil enforcement of approximately 400 federal laws governing border control, customs, trade, and immigration. In FY 2012, ICE's Homeland Security Investigations (HSI) initiated over 43,000 new investigations and made more than 32,000 criminal arrests around the world. During this same time period, we set a new agency record with the seizure of \$774 million in currency and negotiable instruments, more than double the amount seized during the previous year, as well as the seizure of 1.5 million pounds of narcotics and other dangerous drugs and \$175 million worth of counterfeit goods.

ICE's Enforcement and Removal Operations identifies, apprehends, and removes criminal and other removable aliens from the United States. Last year, ICE removed 409,849 illegal immigrants, including 225,000 individuals who had been convicted of felonies or misdemeanors.

ICE's FY 2013 budget request was \$218 million less than its FY 2012 appropriation, reflecting a variety of planned efficiencies. At the FY 2013 enacted level with sequestration applied, ICE's

FY 2013 funding level is \$417 million less than FY 2012, or about 7.1 percent less than the previous fiscal year. As a result, ICE has made adjustments to several program plans for FY 2013.

After the sequestration order was given, ICE leadership distributed guidance to all of its employees outlining post-sequestration plans, including spending controls during this period. Key aspects of ICE's post-sequestration plan include cuts in the areas of hiring, contracts, travel, training and conferences, compensatory time and overtime, vehicle usage, and permanent change of station moves, which will affect ICE's criminal and civil enforcement missions.

For instance, ICE continues to leave a number of positions unfilled by not backfilling for attrition.

We expect that that these workforce and operational reductions will result in fewer cases, arrests, and seizures, and could impact both interagency and international partnerships. A number of ICE criminal operations have already been slowed or deferred, and HSI offices are reducing operational activities within current investigations. For instance, ICE HSI Special Agents in Charge have had to curtail their use of informant payments as well as Title III wire intercepts, investigative tools that allow agents to gain critical information to dismantle transnational criminal organizations. Finally, HSI offices have discontinued the use of certain government-owned vehicles that require mandatory repairs. As a result, investigative field functions may be affected, including arrests and seizures of contraband goods and weapons.

Sequestration could also present significant challenges for ICE's civil immigration enforcement mission. ICE will continue to manage its detention population in order to ensure it can operate within the appropriations level provided by Congress in the FY 2013 Consolidated and Further Continuing Appropriations Act, and in consideration of reductions required by sequestration. To the extent that ICE is unable to maintain 34,000 detention beds with the funding provided, it will focus its detention capabilities on priority and mandatory detainees, including individuals who pose a danger to national security or a risk to public safety, including aliens convicted of crimes, with particular emphasis on violent criminals, felons, and repeat offenders. ICE will place low-risk, non-mandatory detainees in lower cost, parole-like alternatives to detention programs, which may include electronic monitoring and intensive supervision. In addition, ICE has postponed indefinitely its Advanced Tactical Training classes for Fugitive Operation Teams, which target fugitive aliens who have received a final order of removal from an immigration judge or who have been previously removed and have re-entered the United States unlawfully.

ICE will also delay a number of facilities projects. To support its operations, ICE has more than 600 leased locations throughout the United States, of which 161 leases are expiring between FYs 2013-2015. In many instances, the project delays will result in the untimely acquisition of new space, resulting in duplicative rent payments, delaying claim payments to contractors, and additional legal action from building owners.

ICE will continue to evaluate the recently enacted appropriations to determine how best to mitigate the impact of the reduced funding level on its workforce and operations.

Impacts on the Transportation Security Administration

TSA's FY 2013 budget request was \$200 million less than its FY 2012 appropriation, reflecting a variety of planned efficiencies. After applying the sequester to its final enacted FY 2013 appropriation, TSA's FY 2013 funding level is \$670 million less than FY 2012, or about 8.8 percent less than the previous fiscal year.

While the reductions required by sequestration will continue to have impacts on TSA, the FY 2013 Consolidated and Further Continuing Appropriations Act provides TSA with additional funding for Transportation Security Officers, which allows TSA to mitigate to some degree the impacts on their workforce and operations. TSA will use these additional funds to maintain its security screening workforce through prudent management of hiring and controlled overtime. Although initial projected impacts on wait times are largely mitigated through the additional funding provided for Transportation Security Officers by Congress, at reduced levels of personnel and restricted overtime, travelers may see lines and wait times increase during the busiest travel periods or required surge operations.

The Federal Air Marshal Service (FAMS) has had a hiring freeze in place for over a year to manage a planned program adjustment from \$965.8 million in FY 2012 to \$929.6 million in FY 2013. Congress further reduced that funding in the full FY 2013 appropriation to \$906.9 million, or \$858 million under sequestration, an 11.1 percent cut below FY 2012 levels. The FAMS mission funding is dominated by personnel, travel, and related costs. TSA continues to assess the personnel actions and mission adjustments that will be necessary at the decreased budget level.

Sequestration has also had significant impacts on TSA's information technology, checkpoint technology, security screening equipment and infrastructure accounts, totaling a \$288 million reduction from FY 2012 levels. In light of these cuts, information technology (IT) service level contracts, refreshment of IT equipment and maintenance schedules will be deferred or reduced through the end of the fiscal year. Furthermore, security equipment technology replacement and investment plans are being adjusted to reflect the reduced budget level. While TSA is working to minimize disruption to operational support and security services to the greatest extent possible, in many cases equipment also already reached or exceeded its planned service life.

Finally, TSA has taken action to establish additional controls across the agency. We have canceled previously approved conferences, meetings that require travel, and training activities. This includes management control training, field oversight and compliance audits, operational and support program coordination planning and preparedness training.

Conclusion

The FY 2013 Consolidated and Further Continuing Appropriations Act includes a requirement to prepare post-sequestration operating plans 30 days after enactment, by April 25. We are in the process of responding to this requirement.

As discussed earlier, the Department has already taken over \$4 billion in significant reductions and cost avoidances to administrative and mission support functions over the past several years in order to sustain frontline operations while planning for declining budgets. However, the statutory requirements for sequestration leave federal agencies with very little discretion on how to apply across-the-board funding cuts. With less than six months remaining in FY 2013, DHS simply cannot absorb the additional reductions mandated by sequestration without affecting frontline operations and the critical homeland security capabilities we have built over the past 10 years.

Hurricane Sandy, recent threats surrounding aviation and the continued threat of homegrown terrorism demonstrate how we must remain vigilant and prepared. Threats from terrorism and response and recovery efforts associated with natural disasters will not diminish because of budget cuts to DHS.

Even in this current fiscal climate, we do not have the luxury of making significant reductions to our capabilities without placing our Nation at risk. Rather, we must continue to prepare for, respond to, and recover from evolving threats and disasters – and we require sufficient resources to sustain and adapt our capabilities accordingly.

Thank you for inviting us to appear before you today. The Department appreciates the strong support it has received from the Committee over the past 10 years. We would be pleased to answer any questions you may have.

SEQUESTRATION TIMELINE

| | |
|--|--|
| <p>Congress enacts FY 2011 Year-Long Continuing Resolution (CR). Preliminary work begins on the FY 2013 Budget. 4/15/2011</p> <p>DHS conducts FY 2011 Mid-Year Budget Reviews; DHS Components complete FYs 2013-2017 Resource Allocation Proposals (RAPs). 5/2011</p> <p>OMB conducts mid-session review of the FY 2012 Budget Submission. 6/2011</p> <p>OMB Guidance issued on FY 2013 Budget Formulation; DHS determines FYs 2013-2017 Resource Allocation Decisions. 7/2011</p> <p>1st potential default of U.S. debt obligations looms; Congress passes Budget Control Act 8/2/2011</p> <p>Congressional Budget Office estimates FY 2013 sequester to be 7.8% for Non-Security and 10% for Security Category discretionary accounts. 9/12/2011</p> <p>Congress passes 1st FY 2012 CR (for DHS) through 10/4/2011; OMB provides apportionments. 9/30/2011</p> <p>FY 2012 begins with federal agencies operating under a CR. 10/1/2011 Congress passes 2nd FY 2012 CR (for DHS) through 11/18/2011; OMB provides apportionments. 10/5/2011</p> <p>Congress passes 3rd FY 2012 CR (for DHS) through 12/17/2011; OMB provides apportionments. 11/16/2011</p> <p>Congress passes 4th FY 2012 CR (for DHS) through 12/23/2011; OMB provides apportionments. 12/17/2011 Congress passes FY 2012 Consolidated Appropriations Act; OMB provides apportionments. 12/23/2011</p> <p>Deadline passes for Congress to enact a deficit reduction package, triggering sequestration for FY 2013. 1/15/2012</p> | FY 2013 Budget in Draft |
| <p>President's FY 2013 Budget is submitted to Congress. 2/13/2012</p> <p>DHS issues FYs 2014-2018 Guidance to Components. 3/2012</p> <p>Preliminary work begins on the FY 2013 Budget. 4/2012</p> <p>DHS conducts FY 2012 Mid-Year Budget Reviews; DHS Components complete FYs 2014-2018 Resource Allocation Proposals. 5/2012</p> <p>OMB conducts mid-session review of the FY 2013 Budget Submission. 6/2012</p> <p>OMB Guidance issues on FY 2014 Budget Formulation; DHS determines FYs 2014-2018 Resource Allocation Decisions. 7/2012 OMB issues preliminary guidance on sequestration. 7/31/2012</p> <p>DHS Chief Financial Officer (CFO) conducts CFO Council Meeting on sequestration. 8/15/2012</p> <p>OMB releases Sequestration Transparency Act report detailing for the first time account by account sequesters, based on FY 2012 funding levels; CFO conducts CFO Council Meeting. 9/14/2012 Congress passes FY 2013 CR through March 27, 2013; federal agency funding remains at FY 2012 funding levels; OMB issues apportionment guidance. 9/28/2012</p> | FY 2013 Budget Request Pending Congressional Action |
| <p>FY 2013 begins with federal agencies operating under a CR. 10/1/2012 CFO conducts CFO Council Meeting on sequestration. 10/5/2012 CFO, Chief Human Capital Officer (CHCO), and Chief Procurement Officer (CPO) conduct joint meeting on possibility of sequestration. 10/19/2012</p> <p>CHCO conducts Human Capital Leadership Council discussion on sequestration. 11/15/2012</p> <p>CFO conducts CFO Council Meeting on sequestration. 12/7/2012 CHCO and CFO conduct joint planning session on sequestration. 12/11/2012 DHS Management leadership informs DHS employees about possibility about sequestration. 12/21/2012</p> <p>Fiscal Cliff agreement enacted; Department of Homeland Security shifted into the Security Category; FY 2013 sequester reduced by \$24 billion. 1/2/2013 CFO conducts CFO Council Meeting on sequestration. 1/4/2013 OMB issues guidance on fiscal uncertainties and potential of sequestration. 1/14/2013 Congress passes FY 2013 Disaster Relief Appropriations Act, providing \$50.7 billion in new appropriations subject to sequestration. 1/29/2013</p> <p>2nd potential default on U.S. debt obligations looms; Congress suspends Debt Ceiling until 5/19/2013. 1/31/2013</p> <p>DHS Management leadership informs DHS employees about possibility about sequestration. 2/6/2013 CPO notifies Component heads of contracting authorities of potential sequestration impacts. 2/25/2013 OMB issues guidance on sequestration planning; DHS Management leadership sends follow up communication to DHS employees. 2/27/2013</p> <p>President orders FY 2013 sequester at 5.0% for Non-Security and 7.8% for Security Category accounts, based on CR funding levels; OMB issues sequestration and apportionment guidance. 3/1/2013 CPO notifies the DHS contracting community of potential for contract actions under sequestration. 3/5/2013 DHS issues FYs 2015-2019 Guidance to Components. 3/22/2013</p> | FY 2013 CR (Funding at FY 12 Levels) |
| <p>Congress passes FY 2013 Consolidated and Further Continuing Appropriations Act, provides a new baseline for the remainder of FY 2013. 3/26/2013</p> <p>OMB issues guidance on sequestration planning. 4/4/2013</p> <p>Deadline for federal agencies to provide plans for operating under sequestration. 4/26/2013</p> | FINAL FY 2013 Enacted |