



THE DIRECTOR

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

August 3, 2017

The Honorable Michael R. Pence
President of the Senate
Washington, D.C. 20510

Dear Mr. President:

Pursuant to section 255(f) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, 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 2018, if a sequestration is necessary. This exemption does not apply to the Joint Committee sequestration already ordered for FY 2018. 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. This action would trigger a higher reduction in non-exempt accounts.

Sincerely,

A handwritten signature in black ink, appearing to read "Mick Mulvaney". The signature is stylized and includes a date "8/3/17" written below the name.

Mick Mulvaney
Director

Identical Letter Sent to The Honorable Paul D. Ryan