



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

February 28, 2013
(Senate)

STATEMENT OF ADMINISTRATION POLICY

S. 388 – American Family Economic Protection Act of 2013

(Senator Mikulski, D-MD, and 2 cosponsors)

The Administration strongly supports S. 388, the American Family Economic Protection Act of 2013. The bill is consistent with the President's balanced approach to reduce the deficit while supporting job creation, long-term economic growth, and protecting the most vulnerable. Economists and business leaders from across the spectrum have said that the Nation's economy is poised for progress, and the country already has seen signs of that progress. But the threat of massive automatic cuts, known as sequestration, will have a significant adverse impact on economic growth.

S. 388 would delay sequestration and provide the Congress with the time necessary to enact balanced deficit reduction that would put the Nation on a more sustainable fiscal path. If sequestration occurs, it will harm critical Government programs that serve the middle class, seniors, and vulnerable individuals and protect national security. It would mean fewer teachers to educate children, less funding for schools to help disadvantaged students or children with disabilities, and less research into life-threatening diseases. It also would mean cuts to nutrition assistance for vulnerable populations and reduced funding for essential mental health programs. It would keep Federal agencies from conducting the inspections necessary to keep the Nation's food, air, and water safe and clean. It would make the country less secure at home, and reduce our ability to protect the Nation's borders, stay ahead of emerging cybersecurity threats, and keep crime off the Nation's streets and out of its neighborhoods. It would make the Nation less safe abroad by causing critical degradations in the support for and readiness of the Armed Forces.

Responsible, balanced deficit reduction requires a targeted, strategic plan that protects our shared priorities. The Administration looks forward to working with the Congress to enact such a plan.

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