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1st Session } { No. 710

COMPONENTS OF THE NATIONAL DEBT

SEPTEMBER 14 (legislative day, SEPTEMBER 13), 1965.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

REPORT

[To accompany S. 1013]

The Committee on Finance, to which was referred the bill (S. 1013) to clarify the components of, and to assist in the management of, the national debt and the tax structure, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

SUMMARY OF BILL

This bill would require the Secretary of the Treasury to submit annually to the Congress a brief report setting forth the amounts of the contingent and unfunded liabilities of the Federal Government, including those of agencies and instrumentalities of the Government.

GENERAL STATEMENT

In the past, it has been the practice of the Federal Government to determine its financial requirements on an annual basis. This bill soes not depart from this practice. However, an annual system of budgeting does not present a complete picture of the financial condition of the United States because it fails to depict numerous categories of Federal obligations and commitments which are subject to contingencies. Similarly, it fails to reveal fully those situations where Congress has enacted spending authorizations, but has not specifically appropriated the moneys needed to fulfill the statutory commitment.

Moreover, by present methods, U.S. liability under many of its insurance and guarantee programs is difficult to measure and analyze. This is because sufficient information regarding these programs either is not available at all, or if it is available, it is inadequately presented.