

Expenditures from Obligational Authority of Prior Years.—Of the \$135.0 billion of administrative budget expenditures projected for fiscal 1968, the budget document reveals that \$39.3 billion will be made from spending authorization already provided by Congress, in previous years. While no breakdown of these expenditures from “carry-over balances” or prior appropriations and other authorizations is available, they do represent the largest area of “relatively uncontrollable” expenditure.

The accumulation of these huge carry-over balances—estimated to total more than \$125 billion at the start of fiscal 1968—reflects one major limitation upon Congressional efforts to exercise annual control over Federal spending. Although Congress is being requested to approve almost \$144 billion of new spending authorizations for fiscal 1968, only \$95.7 billion of this authority is expected to be spent in that year, with the remainder to be expended in later years.

Technically, these carry-over balances are subject to rescission by the action of the Congress; such rescissions, however, have been infrequent.

Contributions to Trust Funds, Payments of Claims, Payments Required by Treaties, Etc.—Items covered in this category represent fixed charges growing out of commitments established by statute or by treaty or agreement, which the Congress is, in effect, obligated to approve. It is estimated that such fixed charges will total about \$9.5 billion in fiscal 1968.

Examples of such expenditures include payments to the social security trust funds for health insurance to the aged, veterans' compensation and pensions, and the contributions of Federal agencies to the civil service retirement fund. These expenditures are detailed in Table A, beginning on page A-1.

Expenditures Under Permanent and Indefinite Authorizations.—About \$14.7 billion of estimated fiscal 1968 expenditures will be made from permanent authorizations of various types, which become available without requiring specific annual Congressional action. Such arrangements are entered into to meet the annual requirements of certain Federal statutory obligations and commitments. The largest item in this category, of course, is the estimated \$14.1 billion to be required in fiscal 1968 for payment of interest on the public debt.

More detail on this type of relatively uncontrollable expenditures is set forth in Table B, beginning on page A-4.

3. Expenditures to liquidate contract authorizations (see table C, A, p. A-1 for detail)-----	9,519
Balance relatively controllable expenditures-----	55,648

TABLE 1.—Federal budget expenditures by factor influencing annual congressional control, fiscal year 1968

Factor	[Millions]	Amount
Total administrative budget expenditures-----		<u>\$135,033</u>
Deduct relatively uncontrollable expenditures:		
1. Expenditures from obligational authority of prior years ¹ -----		39,328
2. Contributions to trust funds, payments of claims, and payments required by treaties and international agreements (see table A, p. A-1 for detail)-----		9,519
3. Expenditures under permanent and indefinite authorizations (see table B, p. A-4 for detail)-----		14,660
4. Expenditures to liquidate contract authorizations (see table C, p. A-7 for detail)-----		8,646
5. Expenditures under “open end” programs (see table D, p. A-9 for detail)-----		6,399
6. Expenditures of Government enterprises (public enterprise revolving funds) (see table E, p. A-11 for detail)-----		833
Total, relatively uncontrollable expenditures-----		<u>79,385</u>
Balance relatively controllable expenditures-----		55,648

¹ This item appears in table 8, p. 48, Federal Budget for fiscal 1968. No breakdown by agency or function is available; thus there exists some overlap of the amount shown for item 1, in the totals shown for items 2 through 6.