Chairman PROXMIRE. You say you wanted a breakdown by calendar years?

Mr. KENNEDY. We would like quarterly figures in the budget itself.

Chairman PROXMIRE. You specify that in your report?

Mr. KENNEDY. Yes.

Chairman PROXMIRE. But you do not call for revisions each quarter. You simply call for revisions frequently—without specifying what you mean by "frequently." Does this seem like a fair interpretation of "quarterly?"

Mr. KENNEDY. I would hope they could do a quarterly review. They have some reservations in the Bureau of the Budget I am sure on this matter, because of the practicality of what it would mean with the action or inaction of the Congress on their budget.

But I would like to see along the lines you are suggesting a quarterly or systematic review—whether it is quarterly or three times a year I am not too concerned.

Chairman PROXMIRE. One of the most dramatic consequences of your recommendation, as I understand it, regards the public debt concept. It is my understanding that it would reduce the public debt from an estimate of $326 billion roughly down to $266 billion. Now, this it seems to me is the kind of thing that a lot of people in Congress perhaps and certainly in the public would say, "Well, here is another example of the Federal Government just fooling around with the figures and coming up with a way of underplaying the consequences of fiscal folly, and not having the consistency or the honesty to specify what effect excessive spending has on our obligations. How do we meet that kind of argument?

Mr. KENNEDY. Well, we would have a breakdown in the figures so that you could see the figures reconciled to their present total. Our recommendations show the gross figures as well as the net. The difference is largely the trust accounts, which is proper, since this is a consolidated statement—just as a business statement where you have subsidiaries, and you consolidate your total. And this is a consolidated total budget. It would take out of the debt the Federal securities held by the trust accounts, but they would still be shown in the individual trust funds, just as they are now, and they would be shown as a total in the tables.

Chairman PROXMIRE. Was there a feeling on the part of the committee that the public debt notion has been exaggerated, and perhaps that it is all right to let it go this way? After all, you can show on this basis that the public debt is about a third of the GNP for 1 year—4 months of GNP. This is another way, of course, of playing it down. And there is a tendency on the part of apologists for the public debt size to frequently refer to the GNP and to point out in relationship to GNP it is smaller. This would diminish it even more—pretty sharply. It is a cut of about $60 billion.

Mr. KENNEDY. We add to it a little by the agency accounts. But we take away in the trust funds' holdings. And that is the largest change.

Chairman PROXMIRE. Congressman Curtis?

Representative CURTIS. Just two details.

One—did you get into the Bureau of the Budget regulation called "A-76"? That is their effort to set up guidelines to determine when