

The Commission's *major* recommendations with respect to coverage of the budget are:

◦ *The budget should, as a general rule, be comprehensive of the full range of Federal activities. Borderline agencies and transactions should be included in the budget unless there are exceptionally persuasive reasons for exclusion. Specifically, the budget should include the transactions of the Federal trust funds which are now outside the administrative budget (although the Commission believes that the identity and integrity of trust funds should be maintained);*

◦ *Most agencies and transactions now included in the consolidated cash budget should continue to be reflected in the budget. However, the Commission recommends exclusion from the budget of those Government-sponsored activities which are now completely privately owned, and local receipts and expenditures of the District of Columbia Government;*

◦ *The purchase of physical assets should not be set up as a separate capital budget, but should be included in the unified budget.*

THE FEDERAL GOVERNMENT'S BOUNDARY LINES

A full discussion of issues involved in delineating the outer boundaries of the Federal Government could easily carry into quite esoteric matters of philosophy and political theory. However, it quickly became clear to the Commission that the problem of defining the Federal Government's scope, for the purposes of this report, centered on whether a few key agencies and programs should be included or excluded.

In making the decisions about whether or not to include programs in the budget, the Commission has asked several questions: Who owns the agency? Who supplies its capital? Who selects its managers? Do the Congress and the President have control over the agency's program and budget, or are the agency's policies the responsibility of the Congress or the President only in some broad ultimate sense? The answer to no one of these questions is conclusive, and at the margin, where boundary questions arise, decisions have been made on the basis of a net weighing of as many relevant considerations as possible. In general, the Commission recommends a comprehensive budget, with very few exclusions. The following sections of this chapter put forth the reasoning underlying the conclusions of the Commission with respect to coverage.

Trust funds

The inclusion or exclusion of trust funds represents one of the most important budget boundary questions. The exclusion of the trust funds from the present administrative budget is the largest single difference between that measure and either the consolidated cash budget or the Federal sector of the national income accounts, and has been the major reason for increasing dissatisfaction with the administrative budget. For a variety of reasons,