It is clear to the Commission that the current surpluses of trust funds must be considered in calculating the effect of Federal Government activities on the level of income and employment, in managing Treasury cash balances, in deciding on Treasury cash borrowing needs, and in program evaluation.

The Commission *does not* recommend eliminating the concept of separate trust fund accounting. In many instances, in fact, it sees merit in earmarking specific revenue sources for well-defined programs of a long-run character. The need to respect the integrity of trust funds, and the requirements of control and accountability, in turn require the continued availability of trust fund receipt and expenditure figures separate from those of other funds. However, the Commission believes that the principal significance of trust funds for program decisions lies in an analysis of receipts and expenditures (cost and benefits) of the individual funds rather than in the totals for all trust funds combined, or the totals for Federally owned funds excluding trust funds.

The Commission feels it is important to emphasize budget totals which are inclusive of trust fund transactions. It does not object to the provision in the budget document of separate summary figures for the Federally owned funds, particularly during the period of transition to the new budget concepts, for the use of those whose main attention in the past has been to the administrative budget totals. However, in order to further the concept of a unified budget,

The Commission recommends strongly that the President's budget presentation give no attention to a surplus or deficit calculated on the basis of the administrative budget.

The Commission has carefully considered the administrative, accounting and other consequences of eliminating any separate, independent prominence to figures for the Federally owned funds taken as a group—the administrative budget—and it finds no serious obstacles in the way of fully implementing its recommendation within a relatively short period of time.

The surplus or deficit in the administrative budget is a misleading guide for measuring the fiscal impact of the budget on the economy. The administrative budget does not portray or price out the President's full program, nor does the administrative budget alone accurately measure congressional action on the President's requests. Congressional responsibility for trust fund receipts and expenditures is just as great as for Federally owned funds, since it can and does enact trust fund legislation with considerable frequency, although there is less flexibility available to the Congress to reduce trust fund expenditures.

One implication of the Commission's recommendation on trust funds is that some redefinition of appropriations for the trust funds would be desirable. As pointed out in Chapter 2, the Commission recommends that the tabulation of the Congressional appropriations in the President's budg-