

H.R. 4173: PayGo Compliant

The Dodd-Frank Wall Street Reform and Consumer Protection Act is fully paid for over five and ten years. The costs of the new agencies created in the bill are more than fully offset. The bill reduces the deficit by \$3.2 billion over 10 years.

Pay-for: Reducing Federal Spending

CBO estimates that the bill will reduce federal spending by putting our financial system on a sounder footing. By making the system more stable and providing for an orderly liquidation system, CBO estimates that the government will save \$2.1 billion over ten years on emergency spending. By permanently increasing the insured deposit level to \$250,000 and ordering the FDIC to return the deposit insurance fund to a healthy reserve ratio, the bill reduces federal spending by \$14.5 billion over ten years.

CBO estimates that the government will avoid future losses by ending TARP Now. Dodd-Frank saves \$11.0 billion by keeping \$225 billion in TARP dollars from being put at risk. The bill reduces TARP authority from \$700 billion to \$475 billion, bans any new programs under TARP, and requires that repayments of TARP investments be used to reduce the debt.

Pay-for: Raising Revenues from Financial Industry

CBO estimates that Dodd-Frank will increase federal revenues by \$3.7 billion over 5 years and \$13.5 billion over 10 years.

CBO estimates that the new fee-levying authority of the SEC will raise \$5.2 billion from the securities industry over 10 years.

Sparing the burden from community banks

The bill directs that the FDIC exclude community banks under \$10 billion from the assessments that will resupply the deposit insurance fund (DIF). *Community banks will be held harmless by the increased assessment regime.*