

THE FINANCIAL SERVICES ROUNDTABLE



Financing America's Economy

To: Representatives of the Financial Services Roundtable, GAC, Public Affairs Council, Research Council, All Staff

Fast Facts: BUDGETARY IMPACT OF DODD-FRANK

FACT: On March 30, 2011, Douglas Elmendorf, Director of the Congressional Budget Office (CBO), testified before the House Financial Services Subcommittee on Oversight and Investigations about the [budgetary impact of the Dodd Frank Act](#).

FACT: Over the next ten years, the CBO estimates that the Dodd-Frank Act will result in \$37.8 billion of increased spending; \$27.6 billion of decreased spending; and \$13.4 billion of increased revenues.

FACT: Sources of increased spending include:

- **Creation of new federal organizations**, such as the Consumer Financial Protection Bureau, Financial Stability Oversight Council, Office of Financial Research, and Office of National Insurance (\$6.8 billion)
- **Restructured authority of existing financial regulators**, such as expanding the authority of the Securities and Exchange Commission and Commodity Futures Trading Commission and eliminating the Office of Thrift Supervision (\$100 million)
- **Grants to state and local governments** for housing relief (\$1.5 billion)
- **Creation of Orderly Liquidation Fund** (\$26.3 billion)

FACT: Sources of decreased spending include:

- **Ending Troubled Asset Relief Program** commitments (\$11.1 billion)
- **Structural changes to the Federal Deposit Insurance Fund** (\$16.6 billion)

FACT: Sources of increased revenue include:

- **Fees on the financial services industry** (\$5.6 billion)
- **Assessments for the Orderly Liquidation Fund** (\$6.0 billion)
- **Changes to the Federal Reserve** (\$1.8 billion)

FACT: Additionally, the CBO estimates that over the next five years there will be an increase of \$2.6 billion in discretionary spending with respect to the Dodd-Frank Act.

As always, please do not hesitate to contact Abby McCloskey, Director of Research at the Financial Services Roundtable, at Abby@fsround.org, or Scott Talbott, Senior Vice President of Government Affairs, at Scott@fsround.org.