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***.