Testimony
Before the Subcommittee on Oversight and Investigations, Committee on Financial Services, House of Representatives

DODD-FRANK ACT

Eleven Agencies’ Estimates of Resources for Implementing Regulatory Reform

Statement for the Record by A. Nicole Clowers, Director Financial Markets and Community Investment
Chairman Neugebauer, Ranking Member Capuano, and Members of the Subcommittee:

Thank you for the opportunity to provide information on selected federal agencies’ reported funding and staff resources associated with implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) in 2010, 2011, and 2012. As you know, the recent financial crisis is considered to be the worst since the Great Depression, and data from the Board of Governors of the Federal Reserve System (Federal Reserve) show that it resulted in the loss of trillions of dollars in household wealth.\(^1\) Congress passed the Dodd-Frank Act in 2010 in response to the ongoing crisis, including in the legislation numerous provisions intended to strengthen oversight of insured depository institutions and nonbank financial companies and to consolidate consumer protection responsibilities that had been fragmented across multiple agencies.\(^2\) The Dodd-Frank Act also authorized the creation of new offices and agencies to implement the reforms. The extensive reforms and the need for new offices to implement them have raised questions about the potential costs to agencies of complying with the provisions.

My statement today focuses on (1) the agencies’ funding estimates and the sources of funds associated with implementing the Dodd-Frank Act, (2) agencies’ estimates of the number of new entities that will be created and the full-time equivalents (FTEs) they anticipate needing to carry out new responsibilities, and (3) challenges that the agencies faced in developing these estimates.\(^3\) My statement draws on information we collected from 11 federal agencies in preparation for an oversight hearing held by the Oversight and Investigations Subcommittee, House Committee on Financial Services, on March 30, 2011. We collected this information at the subcommittee chairman’s request and provided it to the subcommittee staff on March 18 and 25, 2011. Appendix I includes the information we collected from the agencies.

\(^1\)Federal Reserve Flow of Funds database (March 6, 2008 and March 11, 2010). Available at http://www.federalreserve.gov/releases/z1.


\(^3\)FTE is a staffing measure that reflects the total number of regular hours employees work divided by the number of compensable hours in a fiscal year.
To address the Chairman’s request for cost information before the March 2011 hearing, we obtained and summarized budgetary information from 11 federal agencies: Commodity Futures Trading Commission (CFTC), Bureau of Consumer Financial Protection (also known as the Consumer Financial Protection Bureau, or CFPB), Federal Deposit Insurance Corporation (FDIC), Federal Housing Financing Agency (FHFA), Board of Governors of the Federal Reserve System (Federal Reserve), Federal Trade Commission (FTC), Financial Stability Oversight Council (FSOC), Office of the Comptroller of the Currency (OCC), Office of Financial Research (OFR), Securities and Exchange Commission (SEC), and Department of the Treasury (Treasury). We judgmentally selected these agencies because the Dodd-Frank Act assigned them new responsibilities or created them.

We reviewed documents that these agencies provided to the subcommittee regarding the costs of implementing the Dodd-Frank Act. In addition, we requested data on the agencies’ estimates of their funding and FTEs agencywide and for activities related to the Dodd-Frank Act in 2010, 2011, and 2012. We also requested that agencies identify their sources of funding (appropriations, assessments of supervised institutions, revenue from investments or providing services, and transfers of funds from other agencies), describe the extent to which new resources related to the Dodd-Frank Act would be funded on a one-time or recurring basis, and describe challenges they faced in developing the estimates of requested funding and FTEs. We followed up with the agencies to clarify any questions that we had about the information they provided. To the extent possible, we corroborated the information with other published sources, including the President’s Fiscal Year 2012 Budget documents.4

We conducted the work for this statement in March 2011 and sought updates and verification of the information in July 2011.5 Our work was

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4We also reviewed the Congressional Budget Office’s updated estimate of the changes in revenue and spending that would result from implementation of the requirements under the Dodd-Frank Act over the 2010-2020 period. See http://www.cbo.gov/doc.cfm?index=12120.

5We provided a draft of this statement to the 11 federal agencies for review and comment. All of the agencies except Treasury provided technical comments, which we incorporated as appropriate. Treasury did not have any comments on the information presented on the Department or on CFPB, FSOC, and OFR.
performed in accordance with GAO’s Quality Assurance Framework. The
framework requires that we plan and perform the engagement to obtain
sufficient and appropriate evidence to meet our stated objectives and to
discuss any limitations in our work. We believe that the information and
data obtained, and the analysis conducted, provide a reasonable basis for
any findings and conclusions.

The amount of new funding the agencies reported as associated with
implementing the Dodd-Frank Act varied significantly across the 11
agencies (table 1). For example, new funding resources related to Dodd-
Frank responsibilities during the years 2011–2012 ranged from a low of
$0 for FTC to a high of around $329 million for CFPB. Funding resources
to implement the Dodd-Frank Act accounted for at least 25 percent of
the agency’s total budget increase at 9 of the 11 agencies in the most recent
year for which data were available. Excluding the three agencies that the
Dodd-Frank Act created (CFPB, FSOC, and OFR), the CFTC devoted
the highest share of total agency resources (25 percent) to implementing the
Dodd-Frank provisions. Agencies reported that most of the costs related
to implementing the provisions will be recurring.

| Table 1: Summary of 11 Federal Agencies’ Reported New Funding Resources Associated with the Implementation of the Dodd-Frank Act, Fiscal Years 2010 through 2012 ($ in thousands) |
|---|---|---|---|---|
| **Agency** | **Dodd-Frank-related Funding Resources** | **2010** | **2011** | **2012** | **Total** |
| Federal Reserve$ | | 7,300 | 77,500 | Not available | 84,800 |
| CFTC | | 0 | 15,400 | 77,000 | 92,400 |
| FDIC$ | | 2,345 | 40,860 | Not available | 43,205 |
| FHFA | | 0 | 3,800 | 4,350 | 8,150 |
| FTC | | 0 | 0 | 0 | 0 |
| OCC | | 0 | 34,850 | 235,000 | 269,850 |
| SEC | | 0 | 23,525 | 108,982 | 132,507 |
| Treasury | | 0 | 10,393 | 5,525 | 15,918 |
| CFPB | | 9,200 | 142,825 | 329,045 | 481,070 |
| FSOC | | 0 | 7,435 | 7,885 | 15,320 |
| OFR | | 0 | 33,890 | 74,468 | 108,358 |

Source: Data from individual agencies.

$FDIC and the Federal Reserve report on a calendar year basis. The figures for these two agencies reflect calendar years 2010 and 2011 estimates. At the time of this review, estimates were not available for calendar year 2012.
The agencies are relying on a variety of sources to fund the implementation costs for the new provisions, including assessments and revenues, appropriations, offsetting collections, and transfers from other agencies (table 2). Six of the 11 agencies reported that their funding would be fully or partly met by assessments imposed on regulated institutions or revenues from their operations. Three others reported that they would have to rely at least partly on appropriations. SEC said that it would use offsets (e.g., fees collected), and CFPB would use transfers from the Federal Reserve to fully fund its activities.\(^6\)

<table>
<thead>
<tr>
<th>Agency</th>
<th>Assessments and Revenues</th>
<th>Appropriations</th>
<th>Offsetting collections</th>
<th>Transfers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Reserve</td>
<td>X(^a)</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CFTC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FDIC</td>
<td>X(^d)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FHFA</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FTC</td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>OCC</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>SEC</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Treasury</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>CFPB</td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>FSOC</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>OFR</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Source: Data from individual agencies.

\(^a\)According to the Federal Reserve, its income is derived primarily from the interest on U.S. government securities that it trades through open market operations. Other sources of income are the interest on foreign currency investments held by the System; fees received for services provided to depository institutions, such as check clearing, funds transfers, and automated clearinghouse operations; and interest on loans to depository institutions (the rate on which is the so-called discount rate). Under the Dodd-Frank Act (Section 318) the Federal Reserve will receive new reimbursements through assessment fees to large Bank Holding Companies, Savings and Loan Holding Companies, and Systemically Important Financial Institutions designated by the Financial Stability Oversight Council. Reimbursements for 2011 assessment fees will be collected in 2012. Preliminary estimates of the fees will be completed later this year. After paying its expenses, the Federal Reserve turns the rest of its earnings over to the U.S. Department of the Treasury.

\(^d\)CFPB will be fully funded through transfers from the earnings of the Federal Reserve. The amount of funding will be limited to a certain percentage of the 2009 total operating expenses of the Federal Reserve, adjusted annually for inflation.
FDIC is funded by premiums that banks and thrifts pay for deposit insurance coverage and from earnings on investments in U.S. Treasury securities.

As table 3 shows, nearly all the agencies plan to have some staff work specifically on responsibilities related to the Dodd-Frank Act. Agencies can hire new staff, redirect staff from other areas, or use staff transferred from other agencies. According to data from the agencies, FTEs related to implementing the Dodd-Frank provisions for the years 2011–2012 ranged from a low of 0 for FTC to a high of 1,225 for CFPB. More specifically, FTC reported that it would implement the Dodd-Frank Act using existing resources and did not anticipate that the new requirements would have a noticeable impact on the agency’s budget or operations, since its responsibilities under the Act were relatively limited. CFPB reported that all of its estimated FTEs were new hires, as the agency is currently being established. Furthermore, some agencies will be receiving staff and resources transferred from other agencies. For example, nearly all of OCC’s new staff for fiscal years 2010 through 2012 will come from the Office of Thrift Supervision (OTS), which the Dodd-Frank Act dissolved as of July 21, 2011.

<table>
<thead>
<tr>
<th>Agency</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
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</thead>
<tbody>
<tr>
<td>Federal Reserve</td>
<td>69</td>
<td>397</td>
<td>Not available</td>
</tr>
<tr>
<td>CFTC</td>
<td>0</td>
<td>121</td>
<td>238</td>
</tr>
<tr>
<td>FDIC</td>
<td>0</td>
<td>55</td>
<td>Not available</td>
</tr>
<tr>
<td>FHFA</td>
<td>0</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>FTC</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>OCC</td>
<td>0</td>
<td>133</td>
<td>0</td>
</tr>
<tr>
<td>SEC</td>
<td>0</td>
<td>14</td>
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</tr>
<tr>
<td>Treasury</td>
<td>0</td>
<td>24</td>
<td>11</td>
</tr>
<tr>
<td>CFPB</td>
<td>0</td>
<td>342</td>
<td>883</td>
</tr>
<tr>
<td>FSOC</td>
<td>0</td>
<td>17</td>
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<tr>
<td>OFR</td>
<td>0</td>
<td>33</td>
<td>135</td>
</tr>
</tbody>
</table>

Source: Data from individual agencies listed.

Note: FTE estimates include all staff resources—that is, new hires, redirects, and transfers from other agencies—devoted to implementing Dodd-Frank responsibilities.

aFDIC and the Federal Reserve report on a calendar year basis. The figures for these two agencies reflect calendar years 2010 and 2011 estimates. At the time of this review, estimates were not available for calendar year 2012.
According to OCC, the agency expects to receive an estimated 682 OTS staff transfers in fiscal year 2011. OCC estimates that these transfers will represent 131 FTEs for fiscal year 2011 (based on their July 21, 2011 transfer date). Because these FTEs will already be on board at the beginning of FY 2012, they are not considered new Dodd-Frank related FTEs in FY 2012.

Agencies faced numerous challenges in reporting the resources associated with implementation of the Dodd-Frank Act. Agencies told us that their reported funding and FTE resources reflect their best estimate of the level of resources required to implement existing and new responsibilities but stated that these estimates were uncertain. Beyond the normal challenges associated with estimating resource needs in the future, agencies told us that pending and evolving implementation actions, such as interagency transfers (e.g., from OTS to OCC) and establishing new offices required by the Dodd-Frank Act, makes these estimates particularly uncertain and subject to change. In collecting and analyzing this information, we also found challenges and limitations that affected our efforts to aggregate the data. For example, not all of the agencies are on a federal fiscal year, so the reported budgetary activities for some agencies cover different time frames. In addition, agencies may have used different approaches to estimate the funding and FTE resources, potentially making the figures harder to compare across agencies. Finally, the data collected shed light only on direct costs to these agencies, as reported by them. The information does not include other related direct and indirect costs, such as the costs to market participants or the benefits of implementation—information that would be needed to conduct a complete analysis of the costs and benefits of implementing the Dodd-Frank Act.

Contacts and Staff

If you or your staff have any questions about matters discussed in this testimony, please contact A. Nicole Clowers at (202) 512-8678 or clowersa@gao.gov. Other key contributors to this testimony include Daniel Garcia-Diaz (Assistant Director), Emily Chalmers, Joe Hunter, Elizabeth Jimenez, Marc Molino, Akiko Ohnuma, and Michael Pahr.
Appendix I: Eleven Agencies’ Estimates of Resources for Implementing the Dodd-Frank Act

Board of Governors of the Federal Reserve System

**CY 2011 Dodd-Frank resources**: $77,500,000  
CY 2011 agency-wide total resources: $3,840,000,000  
(Dodd-Frank resources = 2.0% of CY 2011 agency total)  
CY 2011 agency-wide resources increase: $170,000,000  
(Dodd-Frank resources = 45.6% of CY 2011 agency increase)

**CY 2011 Dodd-Frank new-hire FTEs**: 290  
CY 2011 agency-wide FTE increase: 620  
(Dodd-Frank FTEs = 46.8% of agency increase)

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>CY 2010 actual</th>
<th>CY 2011 approved</th>
<th>CY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency total resources</td>
<td>$3,670,000</td>
<td>$3,840,000</td>
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<tr>
<td>Dodd-Frank related resources</td>
<td>$7,300</td>
<td>$77,500</td>
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<tr>
<td>Agency new FTEs (net)</td>
<td>-381</td>
<td>620</td>
<td>Not available</td>
</tr>
<tr>
<td>Dodd-Frank new FTEs</td>
<td>69</td>
<td>397</td>
<td>Not available</td>
</tr>
<tr>
<td>• New hires</td>
<td>0</td>
<td>290</td>
<td>Not available</td>
</tr>
<tr>
<td>• Redirected from other work</td>
<td>69</td>
<td>107</td>
<td>Not available</td>
</tr>
</tbody>
</table>

New offices required by Dodd-Frank Act
- Office of Minority and Women Inclusion (at the Board and each of the Reserve Banks)

New offices related to Dodd-Frank but not required by the Act
- Office of Financial Stability Policy and Research
- Financial Market Infrastructures Risk Analytics
- Financial Market Infrastructures Oversight

**Agency Notes:** The FTE data reflect the Board’s best estimates at this time. The negative “Agency new FTEs (net)” for 2010 reflects the net reduction of staff in the financial services (e.g., check processing and support functions) partially offset by an increase in supervision staff. CY 2012 budget and FTE estimates are not yet available. The agency is staffing one-time studies and other one-time costs by redirecting existing staff. Longer term work will be performed by new staff hired to implement Dodd-Frank.

Source: Federal Reserve-provided information.
Commodity Futures Trading Commission

FY 2012 Dodd-Frank resources: $77,000,000
FY 2012 agency-wide total resources: $308,000,000
(Dodd-Frank resources = 25% of agency total)
FY 2012 agency-wide resources increase: $105,730,000
(Dodd-Frank resources = 72.8% of agency increase)

FY 2012 Dodd-Frank new-hire FTEs: 238
FY 2012 agency-wide FTE increase: 308
(Dodd-Frank FTEs = 77.3% of agency increase)

Resources made available or requested for CFTC.

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
<th>FY 2011 enacted</th>
<th>FY 2012 budget request</th>
</tr>
</thead>
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<tr>
<td>Agency total resources</td>
<td>$168,344</td>
<td>$168,800</td>
<td>$308,000</td>
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<tr>
<td>Dodd-Frank related resources</td>
<td>$0</td>
<td>$15,400</td>
<td>$77,000</td>
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<tr>
<td>Agency new FTEs (net)</td>
<td>107</td>
<td>70</td>
<td>308</td>
</tr>
<tr>
<td>Dodd-Frank new FTEs</td>
<td>0</td>
<td>121</td>
<td>238</td>
</tr>
<tr>
<td>• New hires</td>
<td>0</td>
<td>35</td>
<td>238</td>
</tr>
<tr>
<td>• Redirected from other work</td>
<td>0</td>
<td>86</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

Sources of CFTC FY 2012 resources

- Appropriations
- Offsetting collections
- Assessments and revenues
- Transfer from another agency

New offices required by Dodd-Frank Act
- None

New offices related to Dodd-Frank but not required by the Act
- Division of Swaps Dealers and Intermediary Oversight
- Consumer Outreach/Whistleblower

Agency Notes: Dodd-Frank related costs and staffing needs are expected to recur indefinitely; the agency expects that the steady-state requirement for execution of Dodd-Frank will be closer to 400 FTEs. FY 2011 Dodd-Frank new FTEs are currently being recruited and will be on-board near the end of the fiscal year. Estimating IT costs was challenging for CFTC because its new technology solutions must be dynamic and capable of evolving along with the regulated markets. User fees may begin to reimburse appropriations beginning in FY 2012 or FY 2013 pending enactment of authorizing legislation.

Source: CFTC-provided information.
Appendix I: Eleven Agencies' Estimates of Resources for Implementing the Dodd-Frank Act

Federal Deposit Insurance Corporation

**CY 2011 Dodd-Frank resources**: $40,860,000

- **CY 2011 agency-wide total resources**: $3,877,108,000
  (Dodd-Frank resources = 1.1% of CY 2011 agency total)
- **CY 2011 agency-wide resources increase**: -$112,172,000

**CY 2011 Dodd-Frank new-hire FTEs**: 45

- **CY 2011 agency-wide FTE increase**: 444
  (Dodd-Frank FTEs = 10.1% of agency increase)

<table>
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<tr>
<th>($ in thousands)</th>
<th>CY 2010 actual</th>
<th>CY 2011 approved</th>
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<tr>
<td>Agency total resources</td>
<td>$3,989,280</td>
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<td>Dodd-Frank related resources</td>
<td>$2,345</td>
<td>$40,860</td>
<td>Not available</td>
</tr>
<tr>
<td>Agency new FTEs (net)</td>
<td>502</td>
<td>444</td>
<td>Not available</td>
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<tr>
<td>Dodd-Frank new FTEs</td>
<td>0</td>
<td>55</td>
<td>Not available</td>
</tr>
<tr>
<td>• New hires</td>
<td>0</td>
<td>45</td>
<td>Not available</td>
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<tr>
<td>• Transfers from OTS</td>
<td>0</td>
<td>10</td>
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<tr>
<td>• Redirected from other work</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Not available</td>
</tr>
</tbody>
</table>

Agency Notes: The “Transfers from OTS” 10 FTEs for 2011 reflect the net of FDIC receiving 20 Dodd-Frank related FTEs from OTS and FDIC providing 10 Dodd-Frank related FTEs to the CFPB. One-time expenses totaling $3,575,000 for IT systems development are included in the 2011 total. All other known costs are recurring and are expected to grow as the FDIC’s 74 positions dedicated to Dodd-Frank Act functions become fully staffed (only 45 FTEs are expected to be on board during 2011). The costs associated with the OTS transfers are not included.

Sources of FDIC CY 2011 resources

- Appropriations
- Offsetting collections
- Assessments and revenues
- Transfer from another agency

**New offices required by Dodd-Frank Act**
- Office of Minority and Women Inclusion

**New offices related to Dodd-Frank but not required by the Act**
- Office of Complex Financial Institutions
- Living Will Review and Oversight Section within the Division of Risk Management Supervision
- Complex Financial Institutions Section within the Legal Division

Source: FDIC-provided information.
Appendix I: Eleven Agencies’ Estimates of Resources for Implementing the Dodd-Frank Act

Federal Housing Finance Agency

FY 2011 Dodd-Frank resources: $3,800,000
FY 2011 agency-wide total resources: $166,900,000
(Dodd-Frank resources = 2.3% of agency total)
FY 2011 agency-wide resources increase: $11,300,000
(Dodd-Frank resources = 33.6% of agency increase)

FY 2011 Dodd-Frank new-hire FTEs: 1
FY 2011 agency-wide FTE increase: 48
(Dodd-Frank FTEs = 2.1% of agency increase)

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
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<td>Agency total resources</td>
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<td>Dodd-Frank related resources</td>
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<td>Agency new FTEs (net)</td>
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<td>Dodd-Frank new FTEs</td>
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<td>16</td>
<td>2</td>
</tr>
<tr>
<td>• New hires</td>
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<td>2</td>
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<tr>
<td>• Redirected from other work</td>
<td>Unknown</td>
<td>15</td>
<td>0</td>
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</tbody>
</table>

Sources of FHFA FY 2011 resources

New offices required by Dodd-Frank Act
• Office of Minority and Women Inclusion

New offices related to Dodd-Frank but not required by the Act
• Office of Systemic Risk and Market Surveillance

Agency Notes: FHFA’s agency-wide FY 2012 budget information is not yet available. However, the agency surveyed its staff and provided estimates of funding and staffing that will be devoted to Dodd-Frank related activities in FY 2012. One challenge FHFA identified in estimating these figures is that many of its Dodd-Frank related activities are collaborative efforts with other agencies; the estimates are based on FHFA’s supporting role to these collaborative working groups.

Source: FHFA-provided information.
Federal Trade Commission

FY 2012 Dodd-Frank resources*: $0
FY 2012 agency-wide total resources: $326,000,000
(Dodd-Frank resources = 0% of agency total)
FY 2012 agency-wide resources increase: $34,300,000
(Dodd-Frank resources = 0% of agency increase)

FY 2012 Dodd-Frank new-hire FTEs: 0
FY 2012 agency-wide FTE increase: 25
(Dodd-Frank FTEs = 0% of agency increase)

*Resources made available or requested for FTC.

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
<th>FY 2011 enacted</th>
<th>FY 2012 budget request</th>
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<tbody>
<tr>
<td>Agency total resources</td>
<td>$291,700</td>
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<td>$326,000</td>
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<tr>
<td>Dodd-Frank related resources</td>
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<td>$0</td>
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<tr>
<td>Agency new FTEs (net)</td>
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<td>- New hires</td>
<td>0</td>
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</tr>
<tr>
<td>- Redirected from other work</td>
<td>0</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

New offices required by Dodd-Frank Act
• None

New offices related to Dodd-Frank but not required by the Act
• None

Agency Notes: FTC does not anticipate that the passage of Dodd-Frank will have any noticeable impact on its budget and the agency will implement its Dodd-Frank related responsibilities using existing resources. FTC did not attempt to estimate the number of existing FTEs performing Dodd-Frank related responsibilities or their associated costs.

Source: FTC-provided information.
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Office of the Comptroller of the Currency

FY 2012 Dodd-Frank resources*: $235,000,000
FY 2012 agency-wide total resources: $1,040,000,000
(Dodd-Frank resources = 22.6% of agency total)
FY 2012 agency-wide resources increase: $225,500,000
(Dodd-Frank resources = 104.2% of agency increase)

FY 2012 Dodd-Frank new-hire FTEs: 0
FY 2012 agency-wide FTE increase: Unknown

*Resources made available or requested for OCC.

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
<th>FY 2011 enacted</th>
<th>FY 2012 budget request</th>
</tr>
</thead>
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<tr>
<td>Agency total resources</td>
<td>$791,700</td>
<td>$814,500</td>
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<tr>
<td>Dodd-Frank related resources</td>
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<td>Agency new FTEs (net)</td>
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<tr>
<td>Dodd-Frank new FTEs</td>
<td>0</td>
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<tr>
<td>• New hires</td>
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<tr>
<td>• Transfers from OTS</td>
<td>0</td>
<td>13^1</td>
<td>0^1</td>
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<tr>
<td>• Redirected from other work</td>
<td>0</td>
<td>2</td>
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</table>

*Represents FTEs for estimated 682 OTS transfers on-board from July 21, 2011 (transfer date) until end of FY 2011. Since these FTEs are on-board at start of FY 2012, they are not considered new Dodd-Frank FTEs.

Agency Notes: Nearly all of OCC’s new FTEs will perform ongoing work related to supervision of thrifts that will recur in future years. However, these FTEs were previously incurring cost at OTS and therefore do not represent new costs to the financial system. OCC’s primary challenge in determining these costs was estimating the dollars related to FTEs. Also, the number of transfers from OTS to OCC and from OCC to FDIC and CFPB has not been finalized.

New offices required by Dodd-Frank Act
• Office of Minority and Women Inclusion
• Deputy Comptroller for Thrift Supervision

New offices related to Dodd-Frank but not required by the Act
• None

Source: OCC-provided information.
Appendix I: Eleven Agencies’ Estimates of Resources for Implementing the Dodd-Frank Act

Securities and Exchange Commission

FY 2012 Dodd-Frank resources*: $108,982,100
FY 2012 agency-wide total resources: $1,407,483,130
(Dodd-Frank resources = 7.7% of agency total)
FY 2012 agency-wide resources increase: $186,347,414
(Dodd-Frank costs = 58.5% of agency increase)

FY 2012 Dodd-Frank new-hire FTEs: 331
FY 2012 agency-wide FTE increase: 588
(Dodd-Frank FTEs = 56.3% of agency increase)

*Resources made available or requested for SEC.

FY 2010 actual FY 2011 enacted FY 2012 budget request
($ in thousands)  
Agency total resources $1,118,753 $1,221,136 $1,407,483
Dodd-Frank related resources 0 $23,525 $108,982
Agency new FTEs (net) 92 124 588
Dodd-Frank new FTEs 0 14 352
• New hires 0 9 331
• Redirected from other work 0 5 21

New offices required by Dodd-Frank Act
• Office of Investor Advocate
• Office of Credit Ratings
• Office of Municipal Securities
• Office of Whistleblower Protection
• Office of Minority and Women Inclusion

Sources of SEC FY 2012 resources

100%

Agency Notes: $39,137,000 (35.9%) of the FY 2012 Dodd-Frank related costs are for one-time costs such as IT projects costs. Budget and FTE estimates depend on timing of Congressional approval of reprogramming of the budget for new offices.

Source: SEC-provided information.
Appendix I: Eleven Agencies’ Estimates of Resources for Implementing the Dodd-Frank Act

**Department of the Treasury**
Includes only departmental offices salaries and expenses

**FY 2012 Dodd-Frank resources**: $5,525,000
FY 2012 agency-wide total resources: $324,889,000
(Dodd-Frank resources = 1.7% of agency total)
FY 2012 agency-wide resources increase: $20,001,000
(Dodd-Frank costs = 27.6% of agency increase)

**FY 2012 Dodd-Frank new-hire FTEs**: 11
FY 2012 agency-wide FTE increase: 75
(Dodd-Frank FTEs = 14.7% of agency increase)

*Resources made available or requested for Treasury.*

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
<th>FY 2011 enacted</th>
<th>FY 2012 budget request</th>
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<tbody>
<tr>
<td>Agency total resources</td>
<td>$304,888</td>
<td>$304,888</td>
<td>$324,889</td>
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<td>Agency new FTEs (net)</td>
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<tr>
<td>New hires</td>
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<td>24</td>
<td>11</td>
</tr>
<tr>
<td>Redirected from other work</td>
<td>Unknown</td>
<td>Unknown</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

Sources of Treasury DO FY 2012 resources

**New offices required by Dodd-Frank Act**
- Office of Minority and Women Inclusion
- Federal Insurance Office
- Bureau of Consumer Financial Protection (independent)
- Financial Stability Oversight Council (support to independent council)
- Office of Financial Research

**New offices related to Dodd-Frank but not required by the Act**
- Office of Financial Stability Oversight Council

Agency Notes: All identified costs are recurring. Treasury did not separately track existing FTEs and other resources utilized for implementation of the Act, so estimates do not include use of existing resources.
The legislation has directly and indirectly impacted the work assignments of many throughout the Departmental Offices, particularly those in the Office of Domestic Finance.

Source: Treasury-provided information.
Appendix I: Eleven Agencies’ Estimates of Resources for Implementing the Dodd-Frank Act

Bureau of Consumer Financial Protection

FY 2012 Dodd-Frank resources: $329,045,000
FY 2012 agency-wide total resources: $329,045,000
(Dodd-Frank resources = 100% of agency total)
FY 2012 agency-wide resources increase: $186,220,000

FY 2012 Dodd-Frank new-hire FTEs: 883
FY 2012 agency-wide FTE increase: 883
(Dodd-Frank FTEs = 100% of agency increase)

($) in thousands | FY 2010 actual | FY 2011 estimate | FY 2012 budget request
--- | --- | --- | ---
Agency total resources | $9,200 | $142,825 | $329,045
Dodd-Frank related resources | $9,200 | $142,825 | $329,045
 Agency new FTEs (net) | 0 | 342 | 883
Dodd-Frank new FTEs | 0 | 342 | 883
  • New hires | 0 | 342 | 883
  • Redirected from other work | 0 | 0 | 0

Sources of CFPB FY 2012 resources

New offices required by Dodd-Frank Act

• The Bureau of Consumer Financial Protection is itself a new office required by Dodd-Frank

Agency Notes: Other agencies (OCC, OTS, FDIC, National Credit Union Administration, Department of Housing and Urban Development, and the Federal Reserve) will likely see cost and FTE reductions when their consumer protection functions are transferred to the CFPB. CFPB's spending to date (March 2011) contains significant one-time expenses, close to 40 percent. As the bureau continues to grow, these one-time expenses should decrease. A reasonable estimate for one-time expenses in FY 2012 is up to 20 percent of the total budget. Creating estimates for FY 2011 and FY 2012 was especially challenging for the agency given the uncertainty of a stand-up phase.

Source: Treasury-provided information.
Appendix I: Eleven Agencies’ Estimates of Resources for Implementing the Dodd-Frank Act

Financial Stability Oversight Council

FY 2012 Dodd-Frank resources*: $7,885,000
FY 2012 agency-wide total resources: $7,885,000
(Dodd-Frank resources = 100% of agency total)
FY 2012 agency-wide resources increase: $450,000

FY 2012 Dodd-Frank new-hire FTEs: 7
FY 2012 agency-wide FTE increase: 7
(Dodd-Frank FTEs = 100% of agency increase)

*Resources made available or requested for FSOC.

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
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<th>FY 2012 budget request</th>
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<td>Dodd-Frank related resources</td>
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<td>7</td>
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<td>• New hires</td>
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<tr>
<td>• Redirected from other work</td>
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</tr>
</tbody>
</table>

Sources of FSOC FY 2012 resources

- 75% Appropriations
- 25% Other

New offices required by Dodd-Frank Act

- The Financial Stability Oversight Council is itself a new office required by Dodd-Frank

Agency Notes: Beginning in July 2012, all resources will come from assessments. The FY 2012 budget reflects ongoing staff needs to carry out the mission of the office. However, as the FSOC continues to assess its needs, estimates may change.

Source: Treasury-provided information.
Office of Financial Research

FY 2012 Dodd-Frank resources\(^a\): $74,468,000
FY 2012 agency-wide total resources: $74,468,000
(Dodd-Frank resources = 100% of agency total)
FY 2012 agency-wide resources increase: $40,578,000

FY 2012 Dodd-Frank new-hire FTEs: 135
FY 2012 agency-wide FTE increase: 135
(Dodd-Frank FTEs = 100% of agency increase)

\(^a\)Resources made available or requested for OFR.

<table>
<thead>
<tr>
<th>($ in thousands)</th>
<th>FY 2010 actual</th>
<th>FY 2011 CR estimate</th>
<th>FY 2012 budget request</th>
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<td>Agency total resources</td>
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<td>Agency new FTEs (net)</td>
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<td>Dodd-Frank new FTEs</td>
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<td>• New hires</td>
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<tr>
<td>• Redirected from other work</td>
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<td>0</td>
<td>0</td>
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</tbody>
</table>

Sources of OFR FY 2012 resources

- 75% Appropriations
- 25% Other

New offices required by Dodd-Frank Act

- The Office of Financial Research is itself a new office required by Dodd-Frank

Agency Notes: Beginning in July 2012, all resources will come from assessments. FY 2012 estimate includes $10 million in one-time capital data center costs. As the agency’s data architecture and IT infrastructure plans are developed, the resource and FTE estimates may change.

Source: Treasury-provided information.
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