

Table 18–11. CHANGE IN PROGRAMMATIC COSTS OF TROUBLED ASSET RELIEF PROGRAM

(In billions of dollars)

TARP Programs	2020 Budget		2021 Budget		Change from 2020 Budget to 2021 Budget	
	TARP Obligations ¹	Estimated Cost (+) / Savings (-)	TARP Obligations ¹	Estimated Cost (+) / Savings (-)	TARP Obligations ¹	Estimated Cost (+) / Savings (-)
Equity Programs	335.8	5.7	335.8	5.7	.....	*
Structured and Direct Loan Programs	76.2	16.7	76.2	16.6	.....	–*
Guarantee Programs ²	5.0	–3.9	5.0	–3.9	.....	.....
TARP Housing Programs ³	33.4	32.8	33.1	32.2	–0.3	–0.5
Total programmatic costs⁴	450.5	51.3	450.2	50.7	–0.3	–0.6
Memorandum:						
Deficit impact with interest on reestimates		32.5		31.9		–0.6

*\$50 million or less.

¹TARP obligations are net of cancellations.

²The total assets supported by the Asset Guarantee Program were \$301 billion.

³TARP obligations include FHA Refinance Letter of Credit first loss coverage of eligible FHA insured mortgages.

⁴Total programmatic costs of TARP exclude interest on reestimates.

⁵The total deficit impact of TARP as of November 30, 2019 includes \$17.43 billion in subsidy cost for TARP investments in AIG. Additional proceeds of \$17.55 billion resulting from Treasury holdings of non-TARP shares in AIG are not included.

Table 18–12. TROUBLED ASSET RELIEF PROGRAM CURRENT VALUE¹

(In billions of dollars)

	Actual											Estimate										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Financing Account Balances:																						
Troubled Asset Relief Program Equity Purchase Financing Account	105.4	76.9	74.9	13.6	6.6	0.9	0.4	0.4	0.1	*	*	*	*	—*	—*	—*	—*	—*	—*	—*	—*	—*
Troubled Asset Relief Program Direct Loan Financing Account	23.9	42.7	28.5	17.9	3.1	–0.2	–0.1	*	—*	—*	–0.1	*	*	*	*	*	*	*	*	*	*	*
Troubled Assets Insurance Financing Fund Guaranteed Loan Financing Account	0.6	2.4	0.8	0.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Troubled Assets Relief Program FHA Refinance Letter of Credit Financing Account .....	.....	.....	—*	—*	—*	—*	—*	—*	—*	—*	—*	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total Financing Account Balances	129.9	122.0	104.1	32.2	9.7	0.7	0.3	0.4	0.1	*	—*	*	*	*	—*	—*	—*	—*	—*	—*	—*	—*

* \$50 million or less.

¹ Current value as reflected in the 2021 Budget. Amounts exclude housing activity under the Making Home Affordable program and the Hardest Hit Fund as these programs are reflected on a cash basis.

Table 18–13. TROUBLED ASSET RELIEF PROGRAM EFFECTS ON THE DEFICIT AND DEBT¹

(Dollars in billions)

	Actual											Estimate											
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Deficit Effect:																							
Programmatic and administrative expenses	151.3	-109.6	-37.3	24.6	-8.5	-3.6	2.9	4.3	4.2	2.3	1.5	1.0	0.7	0.5	0.2	*	*	*	*	*	*	*	
Interest effects ^{2,3}	*	*	*	*	*	*	*	0.1	0.2	0.8	1.2	0.8	0.8	0.9	1.0	1.0	1.2	1.4	1.5	1.6	1.7	1.8	
Total deficit impact	151.3	-109.6	-37.3	24.7	-8.5	-3.6	2.9	4.3	4.4	3.2	2.7	1.8	1.5	1.4	1.2	1.1	1.2	1.4	1.6	1.7	1.7	1.8	
Debt held by the public:																							
Deficit impact	151.3	-109.6	-37.3	24.7	-8.5	-3.6	2.9	4.3	4.4	3.2	2.7	1.8	1.5	1.4	1.2	1.1	1.2	1.4	1.6	1.7	1.7	1.8	
Net disbursements of credit financing accounts	129.9	-7.9	-17.8	-71.9	-22.5	-9.0	-0.4	0.1	-0.3	*	-0.1	0.1	*	*	*	.....	.....	.....	.....	.....	.....	.....
Total change in debt held by the public	281.2	-117.5	-55.1	-47.2	-31.0	-12.6	2.5	4.5	4.1	3.1	2.6	1.8	1.5	1.4	1.2	1.1	1.2	1.4	1.6	1.7	1.7	1.8	
Debt held by the public ...	281.2	163.6	108.5	61.3	30.3	17.6	20.2	24.6	28.7	31.8	34.5	36.3	37.8	39.2	40.3	41.4	42.6	44.1	45.6	47.3	49.0	50.8	
As a percent of GDP	2.0%	1.1%	0.7%	0.4%	0.2%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	
Debt held by the public	281.2	163.6	108.5	61.3	30.3	17.6	20.2	24.6	28.7	31.8	34.5	36.3	37.8	39.2	40.3	41.4	42.6	44.1	45.6	47.3	49.0	50.8	
Less financial assets net of liabilities	129.9	122.0	104.1	32.2	9.7	0.7	0.3	0.4	0.1	*	*	*	*	*	*	*	*	*	*	*	*	.....
Debt held by the public net of financial assets	151.3	41.6	4.4	29.0	20.5	17.0	19.9	24.2	28.7	31.8	34.5	36.3	37.8	39.2	40.3	41.4	42.7	44.1	45.6	47.3	49.0	50.8	

* \$50 million or less.

¹ Table reflects the deficit effects of the TARP program, including administrative costs and interest effects.

² Projected Treasury interest transactions with credit financing accounts are based on the market-risk adjusted rates. Actual credit financing account interest transactions reflect the appropriate Treasury rates under the FCRA.

³ Includes estimated debt service effects of all TARP transactions that affect borrowing from the public.

Table 18–14. TROUBLED ASSET RELIEF PROGRAM EFFECTS ON THE DEFICIT AND DEBT CALCULATED ON A CASH BASIS¹

(Dollars in billions)

	Actual											Estimate										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Deficit Effect:																						
Programmatic and administrative expenses	278.4	-122.3	-58.1	-48.9	-31.6	-12.8	2.5	4.4	3.9	2.3	1.4	1.0	0.7	0.5	0.2	*	*	*	*	*	*	*
Debt service ²	2.8	4.7	3.0	1.7	0.6	0.2	*	0.1	0.2	0.8	1.2	0.8	0.8	0.9	1.0	1.0	1.2	1.4	1.5	1.6	1.7	1.8
Total deficit impact ..	281.2	-117.5	-55.1	-47.2	-31.0	-12.6	2.5	4.5	4.1	3.1	2.6	1.8	1.5	1.4	1.2	1.1	1.2	1.4	1.6	1.7	1.7	1.8

* \$50 million or less.

¹ Table reflects deficit effect of budgetary costs, substituting estimates calculated on a cash basis for estimates calculated under FCRA and Sec. 123 of EESA.

² Includes estimated debt service effects of all TARP transactions affecting borrowing from the public.

Table 18–15. TROUBLED ASSET RELIEF PROGRAM REESTIMATES

(In billions of dollars)

TARP Program and Cohort Year	Original subsidy rate	Current reestimate rate	Current reestimate amount	Net lifetime reestimate amount, excluding interest	TARP disbursements as of 09/30/2019
Equity Programs:					
Automotive Industry Financing Program (AIFP) - Equity:					
2009	54.52%	2.39%	.....	-6.5	12.5
2010	30.25%	-16.81%	.....	-1.6	3.8
Capital Purchase Program (CPP):					
2009	26.99%	-6.84%	*	-65.8	204.6
2010	5.77%	2.27%	*	-*	0.3
AIG Investment Program (AIG):					
2009	82.78%	21.88%	.....	-38.5	67.8
Public-Private Investment Program (PPIP) - Equity:					
2009	34.62%	-20.41%	.....	-0.3	0.7
2010	22.97%	-51.03%	-*	-3.7	5.5
Targeted Investment Program (TIP):					
2009	48.85%	-8.47%	.....	-23.2	40.0
Community Development Capital Initiative (CDCI):					
2010	48.06%	14.38%	*	-0.2	0.6
Subtotal Equity Programs			*	-139.8	335.8
Structured and Direct Loan Programs:					
Automotive Industry Financing Program (AIFP) - Debt:					
2009	58.75%	21.60%	-0.1	-19.9	63.4
Public Private Investment Program (PPIP) - Debt:					
2009	-2.52%	-0.29%	.....	*	1.4
2010	-10.85%	1.84%	.....	1.3	11.0
Small Business 7(a) program (SBA 7(a)):					
2010	0.48%	-1.35%	.....	-*	0.4
Term-Asset Backed Securities Loan Facility (TALF): ¹					
2009	-104.23%	-605.59%	.....	-0.4	0.1
Subtotal Structured and Direct Loan Programs			-0.1	-19.0	76.2
Guarantee Programs:²					
Asset Guarantee Program (AGP): ³					
2009	-0.25%	-1.20%	.....	-1.4	301.0
FHA Refinance Letter of Credit: ⁴					
2011	1.26%	0.06%	-*	-*	0.1
2012	4.00%	0.22%	-*	-*	0.2
2013	2.48%	0.18%	-*	-*	0.2
2015	1.64%	0.40%	-*	-*	0.1
2017 ⁵	0.80%	0.66%	-*	-*	*
Subtotal Guarantee Program			-*	-1.4	301.6
Total TARP			-0.1	-160.2	713.7

* \$50 million or less.

¹ The Term-Asset Backed Securities Loan Facility original subsidy rate reflects the anticipated collections for Treasury's \$20 billion commitment, as a percent of estimated lifetime disbursements of roughly \$0.1 billion.

² Disbursement amounts for Guarantee Programs reflect the face value of the assets supported by the guarantees.

³ The TARP obligation for this program was \$5 billion, the maximum contingent liability while the guarantee was in force.

⁴ The FHA Refinance Letter of Credit, which is considered a TARP Housing Program, is also a guarantee program subject to FCRA.

⁵ The FHA Refinance Letter of Credit 2017 cohort was only open from September 30, 2016 to December 31, 2016.

Table 18–16. DETAILED TARP PROGRAM LEVELS AND COSTS

(In billions of dollars)

Program	2020 Budget		2021 Budget	
	TARP Obligations	Subsidy Costs	TARP Obligations	Subsidy Costs
Equity Purchases:				
Capital Purchase Program (CPP)	204.9	-8.4	204.9	-8.4
AIG Investment Program (AIG)	67.8	17.4	67.8	17.4
Targeted Investment Program (TIP)	40.0	-3.6	40.0	-3.6
Automotive Industry Financing Program (AIFP) - Equity	16.3	2.8	16.3	2.8
Public-Private Investment Program (PPIP) - Equity	6.2	-2.5	6.2	-2.5
Community Development Capital Initiative (CDCI)	0.6	0.1	0.6	0.1
Subtotal equity purchases	335.8	5.7	335.8	5.7
Structured and Direct Loan Programs:				
Automotive Industry Financing Program (AIFP) - Debt	63.4	17.1	63.4	17.1
Term Asset-Backed Securities Loan Facility (TALF)	0.1	-0.6	0.1	-0.6
Public-Private Investment Program (PPIP) - Debt	12.4	0.1	12.4	0.1
Small Business 7(a) Program (SBA 7(a))	0.4	*	0.4	*
Subtotal direct loan programs	76.2	16.7	76.2	16.6
Guarantee Programs:				
Asset Guarantee Program (AGP) ¹	5.0	-3.9	5.0	-3.9
Subtotal asset guarantees	5.0	-3.9	5.0	-3.9
TARP Housing Programs:				
Making Home Affordable (MHA) Programs	23.8	23.2	23.5	22.6
Hardest Hit Fund (HHF)	9.6	9.6	9.6	9.6
Subtotal non-credit programs	33.4	32.8	33.1	32.2
FHA Refinance Letter of Credit	*	*	*	*
Subtotal TARP housing programs	33.4	32.8	33.1	32.2
Totals	450.5	51.3	450.2	50.7
Memorandum:				
Interest on reestimates		-18.8		-18.8
Deficit impact with interest on reestimates²		32.5		31.9

* \$50 million or less.

¹ The total assets supported by the Asset Guarantee Program were \$301 billion.

² Total programmatic costs of TARP exclude interest on reestimates of \$18.8 billion in both the 2020 Budget and the 2021 Budget. Interest on reestimates is an adjustment that accounts for the time between the original subsidy costs and current estimates; such adjustments impact the deficit but are not direct programmatic costs.

**Table 18–17. COMPARISON OF
CBO AND OMB TARP COSTS**

(In billions of dollars)

Program	Estimates of Deficit Impact ¹	
	CBO Cost Estimate ²	OMB Cost Estimate
Capital Purchase Program	-16	-16
Targeted Investment Program & Asset Guarantee Program	-8	-8
AIG assistance	15	15
Automotive Industry Financing Program	12	12
Term Asset-Backed Securities Loan Facility	-1	-1
Public-Private Investment Programs ³	-3	-3
Other programs ⁴	*	*
TARP housing programs	31	32
Total	31	32

* Amounts round to less than \$1 billion.

¹ Totals include interest on reestimates.

² CBO estimates from April 2019, available at www.cbo.gov/system/files/2019-04/55124-TARP_April2019.pdf

³ Includes both debt and equity purchases.

⁴ "Other programs" reflects an aggregate cost for CDCI and small business programs.