

Treasury Breaks in TARP Legislation with \$125 Billion in Stock Buys

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The financial bailout has been a frequent topic of discussion over the past few weeks, but now the Treasury has turned from talk to action by spending \$125 billion on stock purchases with nine financial institutions.

Yesterday the Treasury released its first **transaction report**, mandated by the Troubled Asset Relief Program legislation, that requires the Department to report every transaction within 7 days. And the winners are...

- Bank of America: \$15 billion
- Bank of New York Mellon: \$3 billion
- Citigroup Inc.: \$25 billion
- Goldman Sachs: \$10 billion
- JP Morgan Chase: \$25 billion
- Morgan Stanley: \$10 billion
- State Street Corp.: \$2 billion
- Wells Fargo: \$25 billion
- Merrill Lynch: \$10 billion

Treasury's goal is to distribute another \$125 billion by the end of the year to help grease the lending wheels at participating financial institutions. Since the checkbook is already out, other industries such as the insurance and auto industries are also waiting with bated breath to see if they will receive any part of the \$700 billion.

What will be interesting for contractors is whether these institutions beef up their technology and personnel requirements considering the new level of reporting and compliance they will be required to do. For insight into the implications of TARP on the federal contracting community, read GovWin's Industry Insight report, [Financial Crisis Legislation: Insight and Implications for Federal Government Contractors](#).