

# ECONOMIC IMPACT ANALYSIS OF THE STOP WALL STREET LOOTING ACT

(S.2155/H.R. 3848)

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Key Findings Summary



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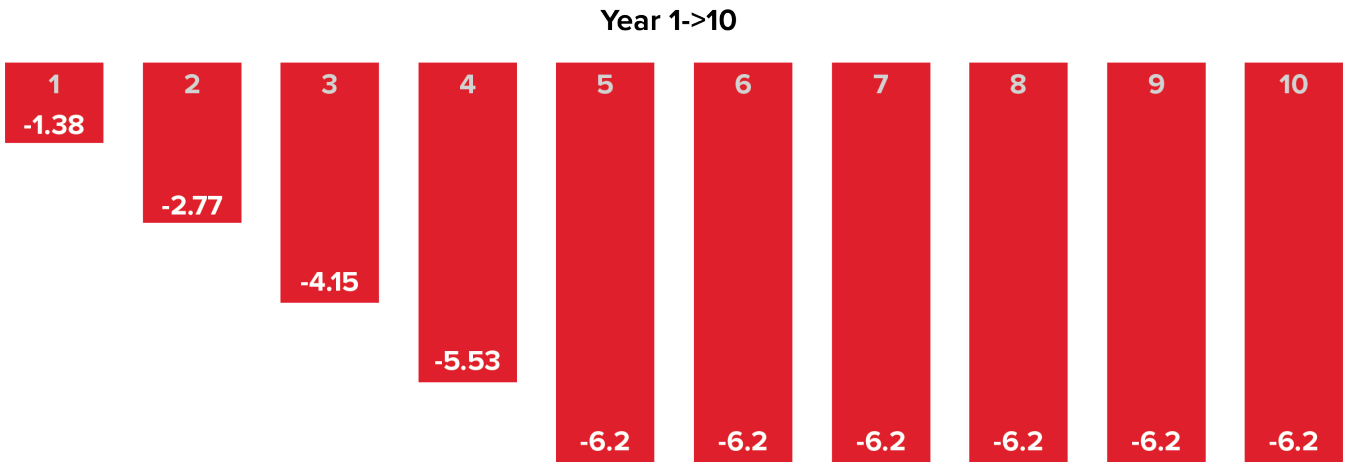
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# This study's main findings are that the Stop Wall Street Looting Act

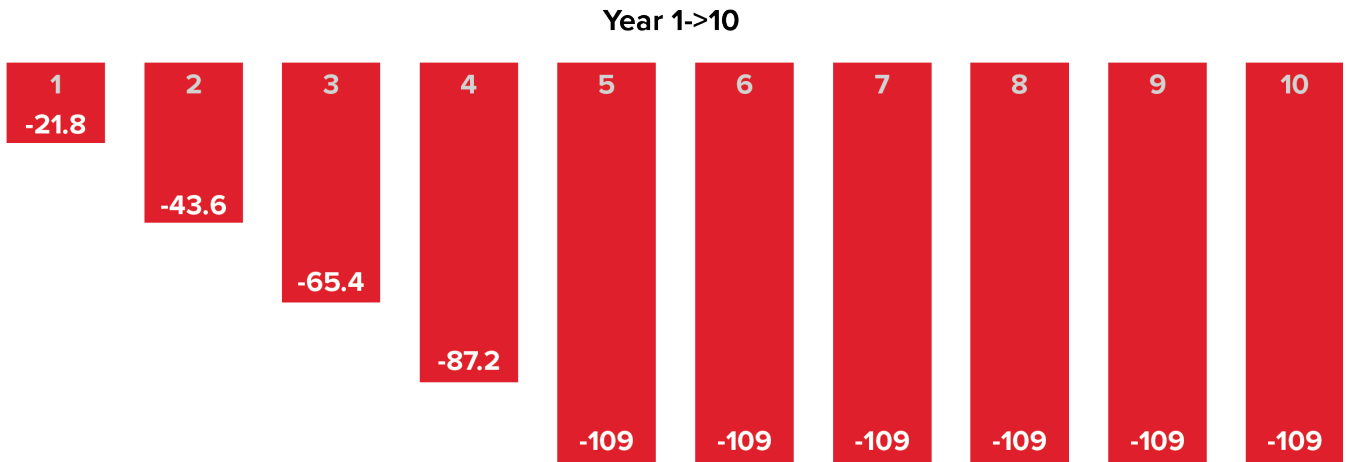
- Would result in a loss in the range of 6.2 million to 26.3 million jobs across the United States;
- Would result in federal, state, and local governments losing a combined \$109 billion annually in tax revenues (revenues used to fund other programs) in a modest-case scenario, or \$475 billion annually in a worst-case scenario;
- Public pension funds, which support retirees, would lose at least \$329 million (and possibly \$1.65 billion) annually since they would need to switch some (or all) of their investments into lower-yielding investments; investors (including charitable foundations, university endowments, and pension funds) could lose anywhere from \$671 million to \$3.36 billion per year (about half of which would be lost to pension fund retirees);
- Imposition of increased risk, taxes, and restrictions contained in the legislation would likely cause some (and potentially all) of the private equity industry to cease to exist;
- Many firms which normally seek PE financing would be unable to find financing and fail (or downsize);
- If even 1% of the industry exited, and an equivalent percent of PE portfolio companies failed, the federal government would lose money.
- Private equity firms have played a major role in the development in a broad range of companies which employ 8.8 million people across the United States.
- All told, after multiplier effects on the economy, such PE-backed companies support over 26 million jobs.

**JOB AND TAX REVENUE LOSSES UNDER THE MODEST-CASE SCENARIO AND WORSE CASE SCENARIO ARE SHOWN GRAPHICALLY BELOW:**

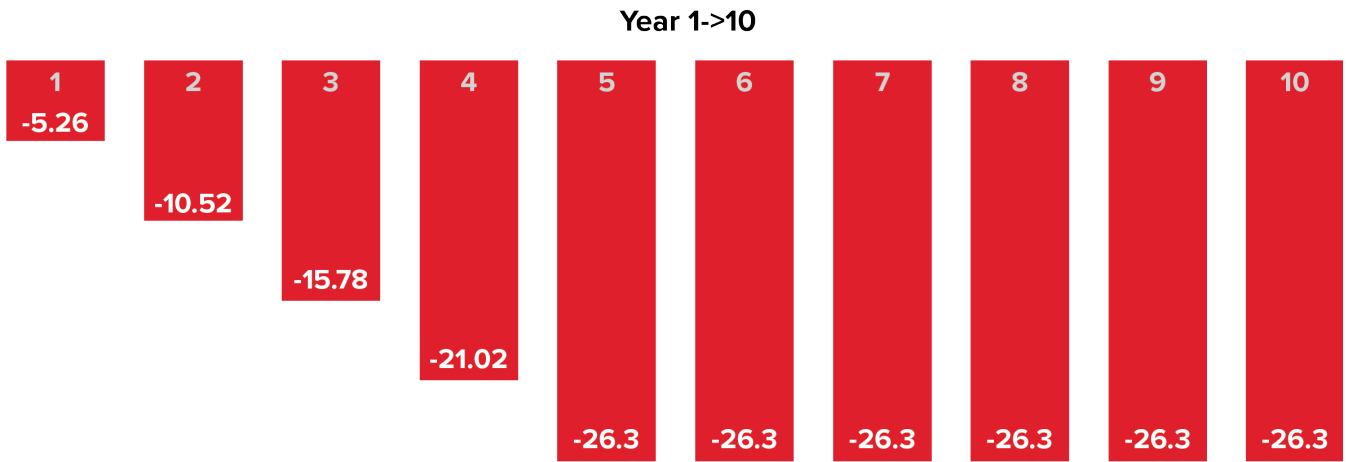
**Job Losses in Millions: Years 1->10 After S.2155/H.R. 3848 Enacted (modest-case scenario)**



**Tax Revenue Losses: Years 1->10 After S.2155/H.R. 3848 Enacted (modest-case scenario, \$billions)**



**Job Losses in Millions: Years 1->10 After S.2155/H.R. 3848  
Enacted (worst-case scenario)**



**Tax Revenue Losses: Years 1->10 After S.2155/H.R. 3848  
Enacted (worst-case scenario, \$billions)**

