

**Minutes of the Financial Stability Oversight Board Meeting
September 26, 2019**

A meeting of the Financial Stability Oversight Board (the “Board”) was held at 2:00 p.m. EDT on Thursday, September 26, 2019, at the offices of the Department of Treasury.

Mr. Beirne, Counsel, Federal Reserve Board

The meeting was called to order by Mr. Lehnert at approximately 2:02 p.m. EDT.

**MEMBER REPRESENTATIVES
PARTICIPATING:**

Mr. Lehnert, Division Director,
Federal Reserve Board
(Chairperson)

Mr. Curtis, Senior Deputy General
Counsel, Federal Housing
Finance Agency

Mr. Usowski, Deputy Assistant
Secretary, Office of Economic
Affairs, Department of Housing
and Urban Development

STAFF PARTICIPATING:

Mr. Treacy, Executive Director

**AGENCY OFFICIALS
PARTICIPATING:**

Ms. Johnson-Kutch, Director, Office
of Financial Stability, Department
of the Treasury

Mr. Gillen, Program Director,
Budget, IT, and Reporting, Office
of Financial Stability, Department
of the Treasury

Mr. Doerner, Supervisory Economist,
Federal Housing Finance Agency

Upon commencement of the meeting, Representatives discussed draft minutes for the Board’s previous meeting, held on Friday, August 16, 2019. The minutes for that meeting had been circulated and reviewed by Representatives in advance. Upon a motion duly made and seconded, Representatives voted to approve the minutes of the meeting, subject to such technical revisions by Representatives as deemed necessary.

Treasury officials provided the Representatives with an update on the programs Treasury established under the Troubled Asset Relief Program (“TARP”). The meeting discussion predominantly focused on the Capital Purchase Program (“CPP”); the Community Development Capital Initiative (“CDCI”); and the Making Home Affordable (“MHA”) and Hardest Hit Fund (“HHF”) initiatives. Included in the materials distributed in advance of the meeting was the latest monthly report issued by Treasury under Section 105(a) of the Emergency Economic Stabilization Act (“Monthly Report”), which contained information related to programs established by Treasury under TARP and aggregate information regarding the allocated and disbursed amounts under TARP. Throughout the meeting, Representatives raised and discussed issues relevant to the policies and programs established under TARP.

Referring to prepared materials, Treasury officials provided a report on recent developments in the TARP program. As of August 31, 2019, Treasury had disbursed a total of \$441.69 billion, including approximately \$411.72 billion under TARP investment programs and approximately \$29.97 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were approximately \$443 billion.

Treasury officials provided the Representatives with a status update on TARP investment programs, beginning with CPP. As of August 31, the CPP portfolio stood at 2 institutions, with a total outstanding invested amount of \$17.4 million.

Treasury officials next reported on the status of the CDCI program. As of August 31, the CDCI portfolio stood at 5 institutions, with a total outstanding invested amount of roughly \$22.7 million.

Treasury officials then provided an update on the Automotive Industry Financing Program. On September 3, Treasury received a payment of \$32.1 million as part of the Avoidance Action Trust settlement, related to the General Motors Debtor-in-Possession Lenders. This followed a similar payment of \$40.1 million received in July.

Treasury officials then reported on MHA. As outlined in the Consolidated Appropriations Act, 2016, the MHA program terminated on December 31, 2016, and servicers were required to complete all MHA transactions by

December 1, 2017. As such, there was no change in the number of homeowner assistance actions under MHA for August.

Treasury officials next discussed recent developments in the HHF program. As of August 31, 2019, Housing Finance Agencies in the nineteen eligible jurisdictions had disbursed approximately \$8.4 billion in program funds (\$9.2 billion in total program and administrative funds), and drawn down \$9.4 billion in total funds. During August, there were no HHF program changes.

Representatives and officials then engaged in a roundtable discussion related to the state of the current housing markets and the ability of the programs established under TARP to provide support to the housing markets while assisting at-risk mortgage borrowers. As part of the discussion, FHFA officials provided data related to the housing and mortgage market conditions.

Finally, Representatives and staff of the Board discussed upcoming activities of the Board.

The meeting was adjourned at approximately 2:36 p.m. EDT.

(signed electronically)

Mr. Treacy,
Executive Director