



## Insight

# 2024: The Year in Regulation

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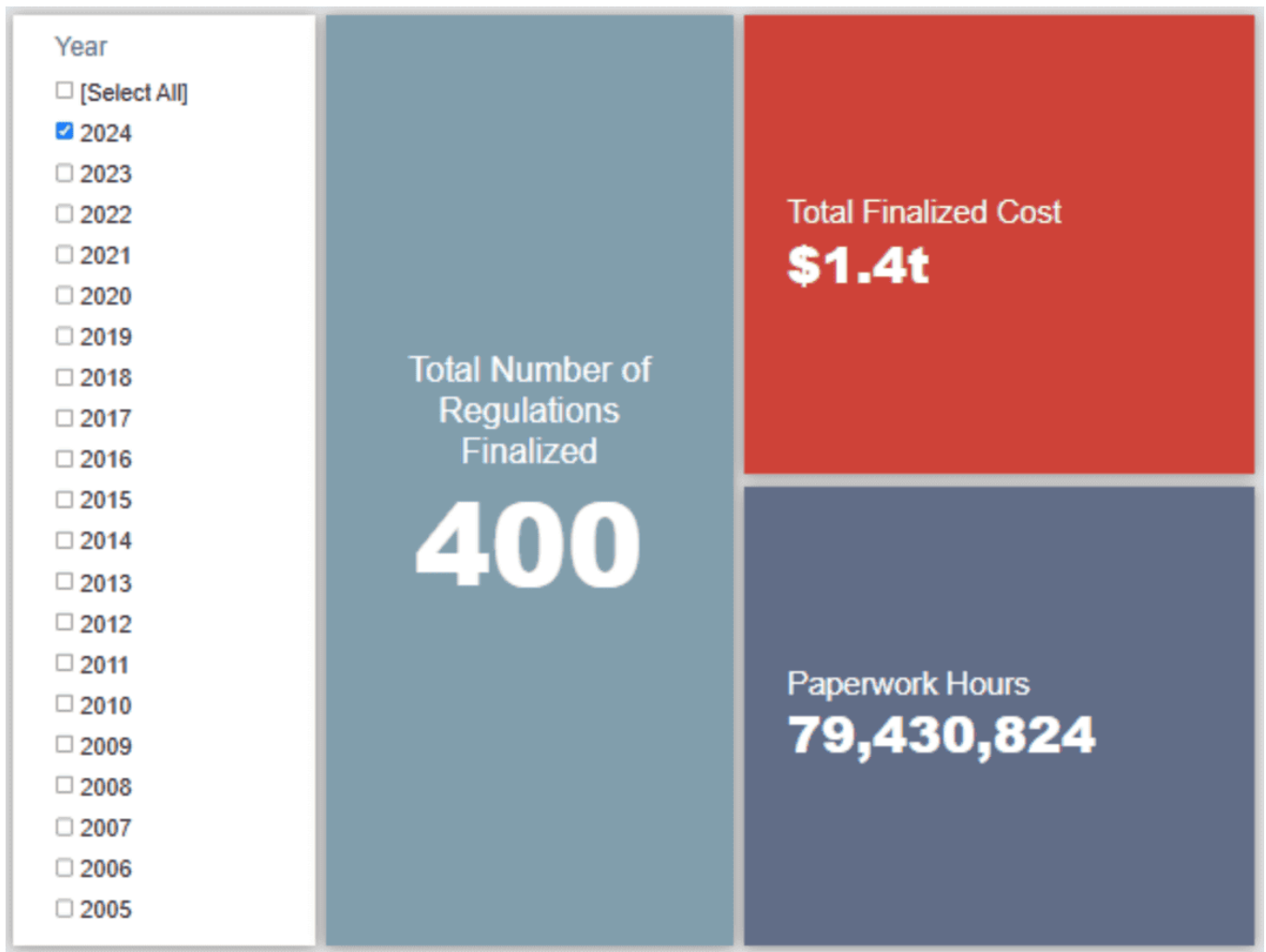
### EXECUTIVE SUMMARY

- Federal agencies collectively finalized \$1.4 trillion in net regulatory costs in 2024, making it far and away the costliest year recorded since 2005.
- Federal agencies also collectively finalized 79.4 million new annual hours of paperwork burden.
- While there were some notable proposed rules, most of the year's rulemaking action came on the final rule side of the ledger as the now-outgoing Biden Administration focused on finalizing some of its core regulatory proposals.

### INTRODUCTION

Loyal followers of the American Action Forum's (AAF) Week in Regulation series will hardly be surprised by this, but the story of federal regulatory costs in 2024 was quite simple: It was the largest year on record. With nearly \$1.4 trillion in total estimated costs, 2024 accounts for nearly half of all final rule costs recorded on RegRodeo.com going back to 2005. For further perspective, the next three costliest years behind 2024 ([2021](#), [2012](#), and [2010](#)) combined are still less than half of the costs recorded this past year. Much of this total came from a single Environmental Protection Agency (EPA) rule, but there was plenty of other rulemaking activity to round out the final calendar year of the Biden Administration.

### SNAPSHOT OF FINAL RULES WITH ESTIMATED ECONOMIC IMPACTS



### Other Notable Points

- Final Annualized Costs: \$87.2 billion
- Total Final Costs per Person: \$3,971.45
- Proposed Rules With Estimated Economic Impacts: 230
- Total Proposed Costs: \$128.8 billion
- Proposed Paperwork Hours: 91.8 million
- Federal Register Pages: 107,136
- Total Final Rules: 3,236

- Total Proposed Rules: 1,771

## COSTLIEST RULES

The biggest year on record would not have been possible without the “[biggest week on record](#),” which included EPA’s latest tailpipe emissions rule that almost single-handedly matched the regulatory impact of the entire Obama Administration. While that rule was a clear stand-out, as AAF has noted [at various points](#) throughout the year, there were many other rules that helped push the 2024 total into the trillions of dollars. There were 49 rules with total estimated costs measured in the billions of dollars. Of those 49, only 10 were finalized during the expected Congressional Review Act (CRA) “[lookback window](#)” – suggesting agencies were mindful about getting their most consequential actions across the finish line in a timely fashion. The following table includes the 10 costliest rules across the year overall.

### *Top 10 Costliest Final Rules*

Regulation	Total Cost (\$ Billions)
Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles	870.0
PFAS National Primary Drinking Water Regulation	63.4
Corporate Average Fuel Economy Standards for Passenger Cars and Light Trucks for Model Years 2027 and Beyond and Fuel Efficiency Standards for Heavy-Duty Pickup Trucks and Vans for Model Years 2030 and Beyond	45.2
Medicare and Medicaid Programs; Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting	43.1
National Primary Drinking Water Regulations for Lead and Copper: Improvements *	42.8
Cybersecurity Maturity Model Certification Program *	42.3
Medicaid Program; Medicaid and Children’s Health Insurance Program Managed Care Access, Finance, and Quality	27.8
Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles-Phase 3	23.8

Energy Conservation Program: Energy Conservation Standards for Consumer Water Heaters	22.0
Medicaid Program; Streamlining the Medicaid, Children’s Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes	20.3

\* Denotes rules finalized during the CRA lookback period.

After [two years](#) in which the magnitude of proposed rules significantly outpaced that of the annual collection of final rules, the regulatory wave clearly crested in 2024. Only one rulemaking, the Department of Labor’s (DOL) proposed rule on Heat Injury and Illness safety standards, cracked the \$10-billion cost threshold. The only rule included below that was both proposed and finalized entirely within 2024 was the rule on anti-money laundering reporting requirements for investment advisers. In light of the 2024 election result, the other rulemakings listed here – as well as all of the Biden Administration’s current proposed rules – will likely be put on ice for the foreseeable future.

#### *Top 10 Costliest Proposed Rules*

Regulation	Total Cost (\$ Billions)
Heat Injury and Illness Prevention in Outdoor and Indoor Work Settings	70.3
Emergency Response Standard	9.2
Financial Crimes Enforcement Network: Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers	8.0
Provisions Pertaining to Preventing Access to U.S. Sensitive Personal Data and Government-Related Data by Countries of Concern or Covered Persons	5.0
n-Methylpyrrolidone (NMP); Regulation Under the Toxic Substances Control Act (TSCA)	4.2
Energy Conservation Program: Energy Conservation Standards for Fans and Blowers	3.2
Clean Water Act Effluent Limitations Guidelines and Standards for the Meat and Poultry Products Point Source Category	3.0

Banned Hazardous Substances: Aerosol Duster Products Containing More Than 18 mg in Any Combination of HFC-152a and/or HFC-134a	2.8
Anti-Money Laundering and Countering the Financing of Terrorism Programs	2.3
Enhancing Surface Cyber Risk Management	2.1

## NOTABLE AGENCIES

Given that EPA accounted for four out the top 10 final rules of the year in terms of costs, it is not surprising to see that it maintain its lead atop the agency leaderboard. It is, however, quite remarkable that EPA alone accounted for more than \$1 trillion in total costs over the course of 2024. Many of the top agencies from 2023 remained in the mix this year. The main changes were the Department of Education dropping out of the “billion-dollar rule” club while the Departments of Defense (DOD), Interior (DOI), and DOL all made the cut. For each of those agencies, respectively, the most significant rules included: the DOD [rule](#) on cybersecurity standards, the DOI [rule](#) on outer continental shelf drilling operations, and DOL’s latest “[overtime rule](#).”

### *Agencies With More Than \$1 Billion in Final Rule Costs*

Agencies (2024)	Total Cost (\$ Billions)
Environmental Protection Agency	1,073.6
Health & Human Services	122.2
Transportation	48.8
Energy	45.7
Defense	42.3
Treasury	11.4
Labor	9.7
Interior	5.1
Securities and Exchange Commission	4.9
Agriculture	1.9

## PAPERWORK

As AAF noted this past [fall](#), 2024 saw the total inventory of federal paperwork requirements - accumulated across multiple administrations - reach its apex. The story of paperwork burdens in 2024 in particular, however, was one of a steady flow of numerous new requirements rather than some of the individual spikes seen in [recent years prior](#). There were 27 rules instituting paperwork requirements that involved more than one million hours of paperwork each year. The table below details the 10 most burdensome. The Treasury Department saw the most action on this list, taking the top spot with a tax-related measure as well as a pair of anti-money laundering rulemakings under the auspices of the Financial Crimes Enforcement Network.

*Top 10 Final Rule by Paperwork Burden*

Regulation	Annual Hours
Gross Proceeds and Basis Reporting by Brokers and Determination of Amount Realized and Basis for Digital Asset Transactions	7,884,633
Medicare and Medicaid Programs; Patient Protection and Affordable Care Act; Advancing Interoperability and Improving Prior Authorization Processes...	6,896,438
Cybersecurity Maturity Model Certification Program	5,774,584
Financial Crimes Enforcement Network: Anti-Money Laundering/Countering the Financing of Terrorism Program and Suspicious Activity Report Filing Requirements for Registered Investment Advisers and Exempt Reporting Advisers	5,217,651
Anti-Money Laundering Regulations for Residential Real Estate Transfers	4,604,167
Supplemental Nutrition Assistance Program: Program Purpose and Work Requirement Provisions of the Fiscal Responsibility Act of 2023	4,501,191
National Primary Drinking Water Regulations for Lead and Copper: Improvements (LCRI)	3,987,886
HIPAA Privacy Rule to Support Reproductive Health Care Privacy	3,933,445
Supporting Survivors of Domestic and Sexual Violence; Lifeline and Link Up Reform Modernization	3,527,500
Medicare Program; Calendar Year 2025 Home Health Prospective Payment System Rate Update...	3,288,936

**CONCLUSION**

The past year in regulation has represented quite the closing act for the Biden regulatory legacy. The Biden Administration was already on track to [outpace](#) its most recent predecessors as of early spring, but the ensuing surge in major rulemakings over the rest of the year ensured it left the Trump and Obama Administrations in the dust at a level of magnitude comparable to [federal budget deficits](#) and the [gross domestic product](#) of major countries. While it remains to be seen exactly how deregulatory the returning [Trump Administration](#) will be, one can expect at least some level of regulatory restraint in coming years. As such, the mark set by 2024 - and the Biden Administration writ large - will likely stand for some time.