



## Week in Regulation

# A Trillion-dollar Year

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In the [week before last](#), a massive Environmental Protection Agency (EPA) rule pushed the to-date Biden Administration regulatory cost total past the trillion-dollar mark. This past week, the final rule cost total *for just* 2024 can now be measured in 13 digits. While no rule matched the singular impact of the prior week's EPA rule - because, really, what could? - this was also one of the more prolific weeks in recent memory. Similar to the preceding week, there were 20 rulemakings with some quantifiable economic impact. Roughly one-third of these actions had cost estimates measured in the billions of dollars, with EPA looming large once again. Across all rulemakings, agencies published \$103 billion in total costs and added 11.6 million annual paperwork burden hours.

## REGULATORY TOPLINES

- Proposed Rules: 38
- Final Rules: 63
- 2024 Total Pages: 33,138
- 2024 Final Rule Costs: \$1.03 trillion
- 2024 Proposed Rule Costs: \$34.3 billion

## NOTABLE REGULATORY ACTIONS

The most consequential rulemaking published last week was the EPA [rule](#) regarding “PFAS National Primary Drinking Water Regulation.” According to the agency, the rule represents “the first-ever national, legally enforceable drinking water standard” concerning per- and polyfluoroalkyl substances (PFAS), also known as “forever chemicals.” While EPA includes a wide range of potential outcomes in its cost-benefit analysis, the agency’s primary estimate

lands on \$1,548.64 million in annualized costs against \$1,549.4 million in annualized benefits, for an annual net benefit of approximately \$760,000. Extrapolating out the annualized cost estimate over the 82-year analytical period with the equation EPA utilizes in its [economic analysis](#) yields total present value costs of more than \$63.4 billion.

The week's runner-up rule also came from the EPA. Following right after the "jaw-dropping" tailpipe emissions rule for light-duty vehicles, the agency officially published its latest [rule](#) on emissions for heavy-duty vehicles in coming years. Like the light-duty vehicle rule, the goal is to eventually have a more electrified fleet of vehicles. While the size of the vehicles involved is substantially larger, the smaller volume of covered vehicles means that the rule clocks in at only tens (rather than hundreds) of billions of dollars. EPA estimates that over a 28-year analytical window, the rule will involve \$23.8 billion in total costs, or roughly \$1.1 billion annually. The largest component of these costs will be in building out and updating the "electric vehicle supply equipment" involved in charging these vehicles.

As noted earlier, there were many rules that crossed the billion-dollar threshold this past week. They truly ran the gamut in terms of topics and industries covered. In rapid succession, here are the other five billion-dollar rules:

- The Department of the Interior [rule](#) on Outer Continental Shelf leases (\$5.9 billion in costs)
- The Department of Labor's (DOL) "[Overtime Rule](#)" (\$5.6 billion in costs)
- DOL's "[Fiduciary Rule](#)" (\$2.5 billion in costs)
- The Department of Health and Human Services [rule](#) on various aspects of Medicare (\$2.2 billion in costs)
- The Department of Energy's [efficiency standards](#) for distribution transformers (\$1.4 billion in costs)

## TRACKING THE ADMINISTRATIONS

As we have already seen from [executive orders and memos](#), the Biden Administration will surely provide plenty of contrasts with the Trump Administration on the regulatory front. And while there is a general expectation that the current administration will seek to broadly restore Obama-esque regulatory actions, there will also be areas where it charts its own course. Since the AAF RegRodeo data extend back to 2005, it is possible to provide weekly updates on how the top-level trends of President Biden's regulatory record track with those of his two most recent predecessors. The following table provides the cumulative totals of final rules containing some quantified economic impact from each administration through

this point in their respective terms.

	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
<b>BIDEN</b> 2021	<b>868</b>	<b>\$1.47T</b>	<b>278.6M</b>
<b>TRUMP</b> 2017	<b>970</b>	<b>\$26.8B</b>	<b>67.5M</b>
<b>OBAMA</b> 2009	<b>1228</b>	<b>\$303.4B</b>	<b>236.5M</b>

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There were only three rulemakings in this past week’s haul that were in the proposed stage, and all three were relatively minor “airworthiness directives.” As such, virtually all of the action discussed above lands on the Biden Administration’s final rule ledger. As noted in the prior week’s [edition](#), the Biden Administration’s regulatory cost total is now at a level at which one can compare it to the [gross domestic product](#) of major countries. The Biden-era total remains right on the heels of Indonesia for now, but it is likely only a matter of time before it surpasses that mark and starts to inch up on Spain at \$1.65 trillion.

While they remained no match for the Biden Administration’s trends in terms of magnitude, there was some noticeable movement in the other two administrations covered here. The Obama Administration saw costs and paperwork increase by \$250 million and nearly 878,000 hours, respectively. A Department of Transportation [rule](#) provided most of the action there. Meanwhile, the Trump Administration’s [addition](#) to the long-winding regulatory canon of “Waters of the United States” was the primary reason for that administration’s cost total dip by roughly \$3.2 billion.

# TOTAL BURDENS

Since January 1, the federal government has published \$1.06 trillion in total net costs (with \$1.03 trillion in new costs from finalized rules) and 25.4 million hours of net annual paperwork burden increases (with 1.3 million hours coming from final rules).

