



Week in Regulation

May Closes With a Whimper

DAN GOLDBECK | JUNE 3, 2024

Merely one week after noting the roughly [two-month-long spell](#) of significant regulatory activity, things took a bit of a turn during the holiday-shortened final week of May. Last week yielded only eight rulemakings with some kind of quantified economic impact. Unlike most recent weeks, however, these effects were all measured in the millions of dollars. A Federal Trade Commission (FTC) rule on notifications for private health record breaches provided the main item of the week. Across all rulemakings, agencies published \$301.1 million in total costs and added 14,488 annual paperwork burden hours.

REGULATORY TOPLINES

- Proposed Rules: 22
- Final Rules: 50
- 2024 Total Pages: 47,381
- 2024 Final Rule Costs: \$1.2 trillion
- 2024 Proposed Rule Costs: \$36.3 billion

NOTABLE REGULATORY ACTIONS

The most significant rulemaking of the week was the FTC "[Health Breach Notification Rule](#)." The rule makes a series of changes to the Commission's current regulatory framework for how companies need to notify consumers about personal health records breaches, with an eye toward incorporating electronic health apps that have come online in recent years. With this expansion of regulatory authority, FTC estimates that the rule would involve "193,000 covered entities," but expects only an average of 82 breaches per year. The agency further estimates, however, that each breach could affect an average of more

than 93,000 consumers. As such, FTC finds that the annual costs involved in duly notifying these consumers will come out to roughly \$93 million each year, or nearly \$280 million over a three-year period.

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.

TRACKING THE ADMINISTRATIONS			
REGULATORY ACTIVITY FROM INAUGURATION DAY TO MAY 31 ST (Year 4)			
	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
BIDEN 2021	942	\$1.64T	293M
TRUMP 2017	1005	-\$164.9B	77.9M
OBAMA 2009	1273	\$308.3B	244.5M

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The FTC rule discussed above was the only real mover of the Biden Administration’s final

rule cost tally. Given that its impacts were merely in the hundreds of millions of dollars, such an increase barely registers in comparison to the current \$1.64 trillion total. There were, however, some notable shifts in the other two administrations. The Trump Administration saw \$4.9 billion cost reduction at the end of May 2020, largely due to a Department of Labor rule moving certain pension plan disclosures to an electronic format. On the flip side, the Obama Administration saw costs rise by just over \$5 billion. Energy efficiency standards rules for residential clothes washers and dishwashers were the primary factors there.

TOTAL BURDENS

Since January 1, the federal government has published \$1.23 trillion in total net costs (with \$1.2 trillion in new costs from finalized rules) and 47.8 million hours of net annual paperwork burden increases (with 15.8 million hours coming from final rules).

