



Insight

Regulatory Reform in the Senate: Reviewing Dodd-Frank

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On Tuesday, Senator Richard Shelby (R-AL) released a pair of bills aimed at reforming Dodd-Frank. The first, technical corrections, seeks to make perfunctory changes to grammatical and technical errors in the bill itself.

The second is far more substantive; it seeks to amend the review process for regulations promulgated under Dodd-Frank. Specifically, the bill would require agencies to provide greater analysis of Dodd-Frank's regulatory costs and benefits, and effects on economic efficiency. Senator Shelby's legislation could delay rules when the costs exceed benefits.

The American Action Forum (AAF) regularly tracks all regulations, using [agency estimates](#). **AAF has found the total costs for Dodd-Frank rules could exceed \$15 billion. The quantified benefits of Dodd-Frank regulations: \$0.** In fact, many of the rules vaguely refer to the 2008 financial crisis, assuming the universe of Dodd-Frank rules will prevent another collapse. However, many rules under the law, including regulations on mining and resource extraction, had no relationship to the 2008 crisis.

With hundreds of Dodd-Frank regulations remaining, there are plenty of chances for economists and agencies to design rules that have the greatest net benefits. With [400 possible regulations](#), even a simple accounting of costs and benefits would be a step forward for regulators.