



Insight

Weeding Out Regulatory Duplication

SAM BATKINS | MAY 30, 2013

An American Action Forum (AAF) review of more than 470 paperwork requirements finds there are 642 million hours of regulatory duplication, totaling 990 federal forms, and approximately \$46 billion in costs. In other words, duplicative paperwork would require 321,000 employees working 2,000 hours annually to complete – more employees than Pittsburgh has residents. The massive regulatory regime continues to be cited as a major roadblock to economic and job growth and these areas of overlap make clear that there are opportunities for streamlining the current system.

Senator Tom Coburn and the [Government Accountability Office \(GAO\)](#) have conducted a similar analysis of wasteful, duplicative spending. In fiscal year 2013, the federal government will spend approximately \$3.6 trillion, and Senator Coburn and GAO estimate roughly [\\$95 billion](#) in annual spending is duplicative.

To conduct this study, AAF replicated the same areas of overlap that GAO identified in its most recent report: “Actions Needed to Reduce Fragmentation, Overlap, and Duplication.” AAF then searched for those program areas in OIRA’s [information collection review](#) database, which displays literal red tape requirements.

This search yielded 470 different paperwork requirements, covering everything from Medicare and Medicaid to catfish inspection. AAF examined regulatory overlap (“occurs when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them”), fragmentation (“opportunities exist to improve service delivery”), and duplication (“two or more agencies are engaged in the same activities”).

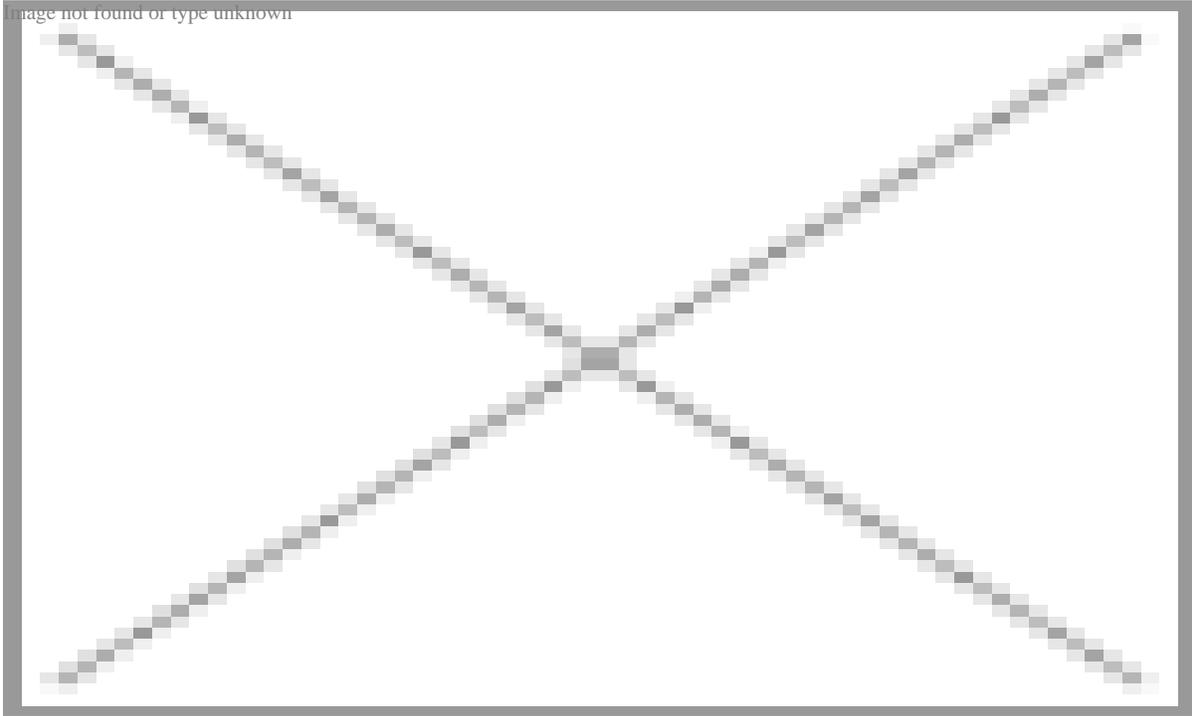
AAF recorded the paperwork collections associated with the areas of duplication, the number of agencies involved, the paperwork hours, and associated costs and forms. For many regulations, agencies declined to list a quantified cost burden with paperwork hours. However, the average cost for requirements that did quantify burdens was \$73. When AAF applied that figure to collections without quantified cost data, the total burden of duplication jumped to \$46 billion. A more central estimate, using BLS’s average wage for a regulatory [“compliance officer”](#) (\$31), yields a total cost of \$20 billion for regulatory duplication.

<u>Program</u>	<u>Agencies</u>	<u>Hours</u>	<u>Costs</u>	<u>Forms</u>
Asset Forfeiture	2	6,945	\$511,082	2
Catfish Inspection	3	2 million	\$146 million	11
Crop Insurance	2	33 million	\$2 billion	12

<u>Program</u>	<u>Agencies</u>	<u>Hours</u>	<u>Costs</u>	<u>Forms</u>
Drug Abuse Prevention	17	6 million	\$297 million	122
Export Promotion	4	286,627	\$18 million	67
Field-Based Information Sharing	2	384,766	\$28 million	4
Higher Education Assistance	9	47 million	\$3 billion	66
Homeland Security R & D	1	319,191	\$23 million	46
Information Technology	11	319,466	\$10 million	19
Medicaid	9	47 million	\$3 billion	125
Medicare	10	486 million	\$36 billion	281
Renewable Wind Energy	10	3 million	\$177 million	96
Rural Water Infrastructure	2	1 million	\$93 million	14
Tobacco	6	3 million	\$176 million	101
Veterans Employment	4	12 million	\$892 million	24
Totals: 642 million hours, \$46 billion in costs, and 990 forms				

MEDICARE

GAO found two major areas of duplication and fragmentation within Medicare. AAF’s results show ten different agencies handle Medicare forms, generating 486 million hours of paperwork, and a maddening 281 different forms. A high-end estimate of costs for this paperwork is \$36 billion. One regulation, “Additional Quality Measures and Procedures for Hospital Reporting,” imposes 6.7 million hours of paperwork and 21 different forms. The chart below displays the distribution of federal agencies and more than 280 different forms associated with Medicare.

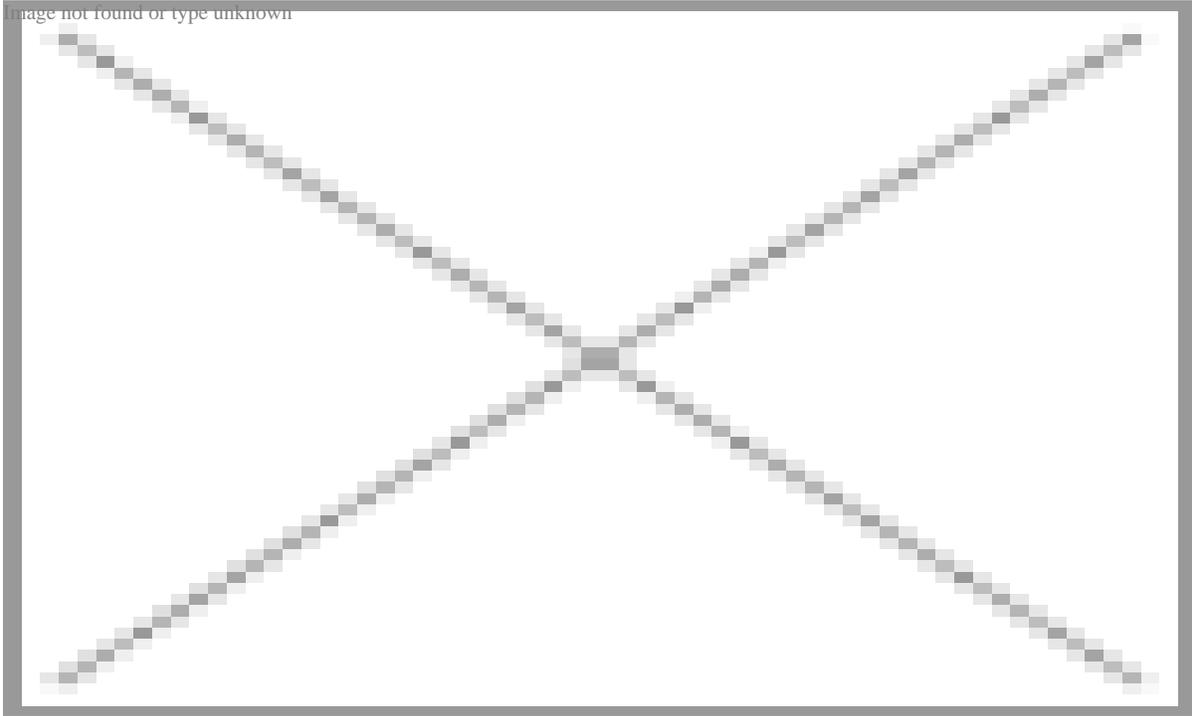


RENEWABLE ENERGY

Not surprisingly, several different federal agencies regulate renewable energy. According to GAO, renewable energy programs significantly overlap, with dozens of agencies issuing hundreds of different initiatives.

The regulatory side of renewable energy is just as fragmented and duplicative. Ten agencies impose renewable energy paperwork, totaling 38 different collections of information. This duplication produces 2.7 million hours of paperwork, \$177 million in costs, and 96 federal forms. For example, the “Repowering Assistance Program” contains 18 separate forms; the hours are modest (13,000), but there are obviously opportunities for simplification.

The costliest requirement for renewable energy on a per hour basis covers activities on the Outer Continental Shelf. The regulation produces 31,000 hours of paperwork, with an hourly cost of \$122. The chart below displays the distribution of federal agencies imposing duplicative costs on renewable energy.

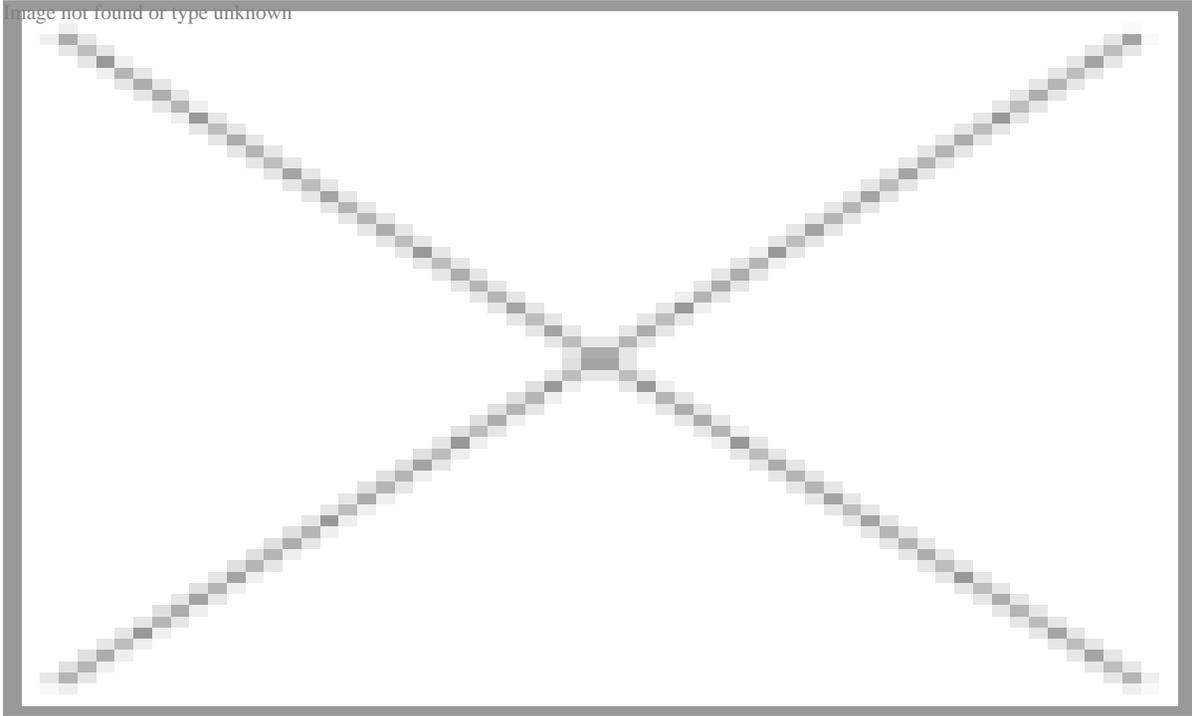


DUPLICATION IN DRUG ABUSE AND PREVENTION

Drug Abuse and Prevention was also a duplicative program area that GAO and Senator Coburn identified. According to the GAO report, there are 76 federal drug abuse and prevention treatment programs. AAF's research revealed 41 separate information collections, spread among 17 different agencies. Combined, they generated 6.1 million hours of paperwork, almost \$300 million in costs, and 122 forms.

For example, four different agencies within HHS administer drug abuse programs. The largest, "Mandatory Guidelines for Federal Workplace Drug Testing Programs," imposes 1.7 million hours of paperwork and 16 forms, but estimates an hour of paperwork at only \$1.23.

The Department of Housing and Urban Development (HUD) handles the largest single drug abuse paperwork burden; HUD's "Screening and Eviction for Drug Abuse" imposes 2.1 million hours of paperwork. The chart below displays the distribution of federal agencies imposing duplicative drug prevention paperwork hours.



CONCLUSION

In his [letter](#) to the White House, Senator Coburn urged, “While we should be looking under every rock for ways to save, digging deep into agency budgets, the very *minimum* we should be doing is implementing reforms that are right in front of us.” As with federal spending, regulatory duplication is a tired fact of life for businesses and individuals. Even many agencies acknowledge their regulatory burden should decline, but last year the federal government still added more than [355 million](#) hours of paperwork. The President’s Executive Order 13563 urged agencies to modify and streamline their regulations, but with 642 million hours of regulatory duplication, it is clear agencies can do much more.