Press Release

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New regulations under President Obama have cost states and private companies more than $27 billion, the conservative American Action Forum said in a new analysis.

The think tank, led by former Congressional Budget Office director Douglas Holtz-Eakin, said the equivalent of 18,000 workers nationwide will be devoted to complying with the new law.

About $20 billion in new compliance costs fall to private businesses, according to the AAF paper, and another $7.2 billion fell to state governments. States must undertake new initiatives such as planning for an insurance exchange, while the total for private employers includes healthcare requirements such as calorie labeling on restaurant menus.

The federal government has provided billions of dollars in grants to help states create exchanges and carry out other provisions of the health law.

Although the healthcare law famously clocks in at more than 2,000 pages, the AAF said the 10 most expensive provisions account for nearly 90 percent of the new regulatory costs. Those provisions are split about evenly

between states and the private sector.

Changes to Medicaid eligibility, for example, will cost states $580 million and 21.2 million hours of paperwork, the analysis said.

Private businesses, meanwhile, will spend $757 million and 2.6 million hours complying with the new menu-labeling provisions.

Five states will see at least $1 billion in regulatory costs, and 20 states will lose the equivalent of 300 employees to paperwork filings.