



Research

Curbing Midnight Regulation Could Save \$220 Billion

SAM BATKINS | APRIL 12, 2012

Speaker Boehner and Leader McConnell [wrote](#) President Obama recently urging him to withhold “midnight regulations” – ones typically issued after Election Day and before the Inauguration. A simple examination plainly shows how rampant and potentially devastating these midnight regulations can be, often inflicting economic pain.

Regulatory activity is on average 17 percent higher during the “midnight” period than during nonelection years, according to George Washington University Professor Susan Dudley. Worse, they can carry a very high economic cost. **An examination of current (and planned) economically significant regulations by the Obama Administration reveals they could cost the economy more than \$220 billion.**

According to Forum research, there are at least 26 significant regulations that could be finalized during this midnight period. From fracking, to greenhouse gas standards, to regulations from the Affordable Care Act, there are a raft of pending rules that an outgoing administration could rush.

The highlights, based on preliminary data:

- The most expensive pending regulation is new CAFE standards for cars and light-duty trucks, at \$141 billion in potential “net costs,” according to the EPA.
- New OSHA “fall protection” regulations could cost \$1.5 billion.
- Controversial workplace dust rules could cost businesses more than \$5.5 billion, according to the American Chemistry Council.
- Pending Department of Labor wage and hour reforms could cost \$122 million and eliminate 1,706 jobs, according to administration estimates.

Midnight regulations have reared their pernicious head in past administrations. Often hurried, politically-motivated, and very expensive, the promulgation of these rules would be economically devastating at a time when we can’t afford it.