



Week in Regulation

\$128 Million in Total Costs

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Outside of routine airworthiness directives, it was a slow week for regulations. In total, regulators added \$128 million in costs, more than 730,000 burden hours, and no monetized benefits. Regulatory capital requirements and fire safety standards for Medicare and Medicaid providers led the week.

REGULATORY TOPLINES

- New Proposed Rules: 56
- New Final Rules: 84
- 2014 Significant Documents: [146](#)
- 2014 Total Pages of Regulation: 22,008
- 2014 Proposed Rules: \$11.7 Billion
- 2014 Final Rules: \$16.2 Billion

AAF has catalogued regulations according to their codification in the Code of Federal Regulations (CFR). The CFR is organized into 50 titles, with each title corresponding to an industry or part of government. This snapshot will help to determine which sectors of the economy receive the highest number of regulatory actions.

Regulation by Industry in 2014			
<u>CFR Title-Industry</u>	<u>Regulations</u>	<u>Cost (in millions)</u>	<u>Hours</u>
6-Domestic Security	1	57.4	
7-Agriculture	7	\$25.2	677,196
8-Aliens and Nationality	1		45,000
10-Energy	7	\$9,311	91,131
12-Banking	15	\$6	1,855,900
14-Aeronautics	97	\$746	145,999

Regulation by Industry in 2014

16-Commercial Practices	3		2,188
17-Commodities, Securities	7	\$275	386,201
18-Conservation	5	\$15	178,601
20-Employees' Benefits	1	\$1.1	6,360
21-Food and Drugs	8	\$4,243	2,897,295
22-Foreign Relations	1		-109,900
23-Highways	2	\$296	
26-Internal Revenue	6		8,335,000
28-Judicial Administration	1	\$451	
29-Labor	7	\$202	919,775
34-Education	1	\$2,360	6,942,377
37-Patents, Copyright	1	\$43.4	111,810
38-Veterans' Relief	1		5,500
40-Environment	12	\$1,694	5,856,901
41-Public Contracts	1	\$8	107,100
42-Public Health	4	\$164	1,069
45-Public Welfare	7	\$693	2,215,249
46-Shipping	1	\$0.3	842
47-Telecommunication	8	\$67	227,746
48-Federal Acquisition	1		557,939
49-Transportation	12	\$2,621	-20,151,471

Regulation by Industry in 2014

50-Wildlife and Fisheries	1	\$420	
Multiple Titles	6	\$4,225	-857,015

The Federal Deposit Insurance Corporation (FDIC) increased capital requirements for supervised institutions as part of Basel III. With previous capital rules, FDIC conceded that increased capital could result in foregone tax benefits. For this rule, an additional \$233 million of capital results in \$1.3 million in lost tax benefits, or \$18,000 per institution.

The Centers for Medicare and Medicaid Services (CMS) proposed a rule to enhance fire safety at participating hospitals. According to CMS, the cost of high-rise sprinkler installation, heat detection systems, and upgraded fire alarms could cost \$119 million during the next twelve years. The proposal imposes no new paperwork and CMS claims benefits of “a decreased risk of premature death,” although this was not monetized.

AFFORDABLE CARE ACT

There were no notable health care rulemakings this week. Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed an estimated cost of [\\$27.5 billion](#) in private-sector burdens, approximately \$8 billion in costs to the states, and 159.1 million annual paperwork hours.

DODD-FRANK

There were no published Dodd-Frank rulemakings this week. [Click here](#) to view the total estimated compliance costs from Dodd-Frank; since passage, the legislation has produced more than 60.4 million paperwork burden hours and imposed \$22.2 billion in direct compliance costs. Based on calculations from the [Financial Services Roundtable](#), Dodd-Frank regulations would require 30,211 employees to file federal paperwork.

A NOTE ON NOTICES

There were 533 notices published this week. Regulators proposed 22 new paperwork requirements, imposing 80.1 million new paperwork burden hours. None of these notices monetized the cost of completing paperwork.

There were three major changes to existing paperwork requirements (defined as an hourly burden increase or decrease of 500,000 or greater). These changes accounted for a net total increase of 21.5 million burden hours.

TOTAL BURDENS

Since January 1, the federal government has published \$27.9 billion in compliance costs and has imposed more than 10.4 million paperwork burden hours on net. [Click here](#) for our comprehensive database of regulations and rulemakings promulgated in 2014.