



Week in Regulation

\$5.2 Billion in Costs

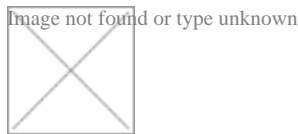
SAM BATKINS | SEPTEMBER 26, 2014

Several financial regulations added more than \$5.2 billion in costs this week. Monetized benefits were a paltry \$700,000 and regulators finalized close to one million paperwork burden hours.

REGULATORY TOPLINES

- New Proposed Rules: 42
- New Final Rules: 84
- 2014 Significant Documents: [478](#)
- 2014 Total Pages of Regulation: 58,240
- 2014 Proposed Rules: \$62.1 Billion
- 2014 Final Rules: \$69.4 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.



The Securities and Exchange Commission (SEC) finalized a rule for asset-backed securities disclosure. The measure would require public securities to contain additional information about asset pools. SEC is also amending filing deadlines for investors, allowing them additional time to review asset information. SEC estimates additional filing costs to reach \$57 million and to impose more than 200,000 burden hours.

AFFORDABLE CARE ACT

Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed a cost of [\\$27.5 billion](#) in private-sector burdens, approximately \$11.7 billion in costs to the states, and 162.1 million annual paperwork hours.

DODD-FRANK

A joint proposal from the Comptroller of the Currency, the Federal Reserve, the Federal Deposit Insurance

Corporation, the Farm Credit Administration, and the Federal Housing Finance Agency implemented capital requirements for covered swap entities. According to the Regulatory Impact Analysis, the regulation would require more than \$640 billion in additional capital margins; full compliance is not required until December 1, 2019. The opportunity cost component, at a three percent discount rate, would eclipse \$5.2 billion. The paperwork hours are minor, however, at 24,000.

[Click here](#) to view the total estimated revised costs from Dodd-Frank; since passage, the legislation has produced more than 63.8 million paperwork burden hours and imposed \$29.9 billion in direct compliance costs. Based on calculations from the [Financial Services Roundtable](#), Dodd-Frank regulations would require 31,940 employees to file federal paperwork.

A NOTE ON PAPERWORK

This week, federal agencies published 452 notices. The Office of Management and Budget approved 73 paperwork requirements, increasing the number of total burden hours by 2.4 million.

The only major change in paperwork burden, which is defined as an hourly burden increase or decrease of 500,000 or greater, was imposed by Department of Health and Human Services, a one million hour rise. Concurrently, total costs associated with all paperwork fell by \$41.1 million.

TOTAL BURDENS

Since January 1, the federal government has published \$131.5 billion in compliance costs and imposed 26 million in net paperwork burden hours. [Click here](#) for our comprehensive database of regulations and rulemakings promulgated in 2014.