



Week in Regulation

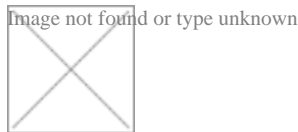
\$5.6 Billion in Regulatory Costs

SAM BATKINS | NOVEMBER 30, 2015

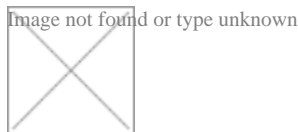
A trio of food safety rules from the Food and Drug Administration (FDA) led a busy Thanksgiving week. Total regulatory costs were \$5.6 billion, with \$839 million in annual costs, compared to \$925 million in benefits; paperwork accelerated by 2.1 million hours. **The per capita regulatory burden for 2015 is \$588.**

REGULATORY TOPLINES

- New Proposed Rules: 36
- New Final Rules: 60
- 2015 Total Pages of Regulation: 74,352
- 2015 Proposed Rules: \$90.9 Billion
- 2015 Final Rules: \$97.76 Billion



The American Action Forum (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 largest FDA rule, “Foreign Supplier Verification Program,” imposed \$3 billion in total costs and \$435 million in annual burdens, a slight increase of \$38 million compared to the proposed rule. The foreign supplier rule actually affects a significant number of small businesses. Based on the regulatory impact analysis, two-thirds of the affected entities are “very small importers.” The analysis also conceded, “It is possible that some small importers would be forced to shut down or look for other importing markets.”

The other large FDA measure, “Standards for Growing, Harvesting, and Packing,” imposed \$2.5 billion in total burdens, with \$366 million in annual costs and \$925 million in benefits. The rule also adds 1.4 million in paperwork hours. Compared to the proposed rule, annual costs are \$20 million less. As noted in the analysis, a majority of small farms operate with a profit margin of less than ten percent. This rule could cost “very small”

producers three to four percent of total sales. In other words, for the smallest affected entities, the rule could amount to a regulatory tax of three to four percent, eating into already small profit margins.

AFFORDABLE CARE ACT

Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed costs of \$49.8 billion in state and private-sector burdens and [175 million](#) annual paperwork hours.

DODD-FRANK

[Click here](#) to view the total estimated revised costs from Dodd-Frank; since passage, the legislation has produced more than 75.5 million paperwork burden hours and imposed \$34.3 billion in direct compliance costs.

TOTAL BURDENS

Since January 1, the federal government has published \$188.7 billion in compliance costs (\$97.76 billion in final rules) and has imposed 110.9 million in net paperwork burden hours (59.32 million from final rules). Click below for the latest [Reg Rodeo](#) findings.

