



## Week in Regulation

# Almost \$20 Billion in Burdens

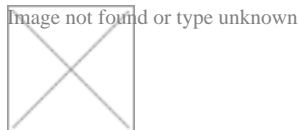
SAM BATKINS | JUNE 19, 2015

This was another incredible week for regulation. After an \$8.4 billion week, regulators didn't rest on their laurels, adding \$19.4 billion in proposed and final costs. Annualized costs were \$1.4 billion, with \$9.4 billion in annual benefits. Paperwork burdens increased by more than 375,000 hours. A trans fat ban and a proposal amending "Head Start" led the pack.

## REGULATORY TOPLINES

- New Proposed Rules: 50
- New Final Rules: 81
- 2015 Total Pages of Regulation: 35,564
- 2015 Proposed Rules: \$36.1 Billion
- 2015 Final Rules: \$59.3 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.



As AAF [outlined here](#), the Food and Drug Administration (FDA) banned trans fats, allowing companies three years to phase out the partially hydrogenated oil that has been linked to cardiovascular disease. The average annual costs of the rulemaking are \$417 million, compared to \$9.4 billion in benefits. These benefit figures are derived from preventing between 1,620 and 23,250 coronary deaths annually. Total net present value costs of the measure could hit \$11 billion.

Health and Human Services (HHS) is amending its Head Start standards and estimates total costs eclipsing \$8.3 billion, with more than \$900 million in annual burdens, easily satisfying the threshold for "economically significant." It also imposes more than 470,000 paperwork burden hours. Finally, there are several scenarios in the proposal where HHS estimates that some teachers could [lose their jobs](#).

## AFFORDABLE CARE ACT

HHS also amended its 340B "Drug Pricing Program" ceiling under the ACA. The rulemaking establishes calculations for drug prices and applies civil monetary penalties. It imposes \$67 million in annual costs on 600

manufacturers or \$111,000 per entity.

Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed costs of \$44 billion in state and private-sector burdens and [164.8 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 65.8 million paperwork burden hours and imposed \$33.4 billion in direct compliance costs. Based on calculations assuming a 2,000-hour work year, Dodd-Frank regulations would require 32,900 employees to file federal paperwork annually.

## A NOTE ON PAPERWORK

The Office of Management and Budget approved 47 paperwork requirements, increasing the paperwork burden hours by 2.1 million hours. There were two major changes to existing paperwork requirements (defined as an hourly burden increase or decrease of 500,000 or greater): an increase by the Census Bureau of 668,265 hours and an increase by the Securities and Exchange Commission of 708,897 hours.

## TOTAL BURDENS

Since January 1, the federal government has published \$95.5 billion in compliance costs (\$59.3 billion in final rules) and has imposed 31.7 million in net paperwork burden hours (6.3 million from final rules). Click below for the latest [Reg Rodeo](#) findings.

