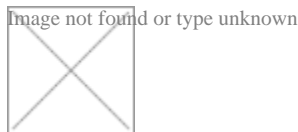**Week in Regulation**

An $8.4 Billion Week

SAM BATKINS | JUNE 12, 2015

An onslaught of regulatory activity added $8.4 billion in costs this week. Annual burdens were $1.9 billion, compared to $1 billion in benefits. Despite several rulemakings with major increases in paperwork, thanks to a major deregulatory measure, paperwork was essentially flat. In total, there were a slate of major regulations that drove costs, with five rulemakings that imposed more than $100 million in annual burdens.

REGULATORY TOPLINES

- New Proposed Rules: 46
- New Final Rules: 64
- 2015 Significant Documents: 973
- 2015 Total Pages of Regulation: 34,022
- 2015 Proposed Rules: $27.7 Billion
- 2015 Final Rules: $48.3 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.

The Department of Homeland Security (DHS) finalized a rule for electronic travel authorization. The regulation addresses nonimmigrant aliens entering the U.S. through the Visa Waiver Program. DHS estimates the travel and tourism industry could bear more than $475 million in annual burdens, compared to $437 million in benefits.

The Securities and Exchange Commission published two proposals that could impose more than $1 billion in total costs. Between the two measures, paperwork will increase by 1.5 million hours. The first rule modernizes reporting for investment and management companies. The second rule, which is less expensive, amends Form ADV.

The major deregulatory rulemaking managed to cut paperwork by 1.5 million hours. A Department of Defense proposal revises the number of respondents, and thus, the overall paperwork burden declines significantly. For the year, cost-cutting measures from the administration have reduced annual costs by $170 million and cut paperwork by 1.9 million hours.

Finally, the Department of Energy (DOE) proposed a rule to improve the efficiency of residential ovens. The rulemaking's initial benefits far outweigh its costs, at a 17:1 ratio ($577 million in benefits versus $34 million in costs). The total net present value costs of the measure could approach $600 million, however.

AFFORDABLE CARE ACT

The administration finalized a rule covering "Accountable Care Organizations" this week. It imposes significant burdens, with $191 million in annual costs. Strangely, there is no paperwork analysis because the ACA specifically, for some reason, exempted the "Shared Savings Program" from the Paperwork Reduction Act.

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 69 paperwork requirements, decreasing the paperwork burden hours by 7,814,244 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 Securities and Exchange Commission (SEC) of 708,897 hours and a decrease by the Occupational Safety and Health Administration (OSHA) of 8,990,036 hours.

TOTAL BURDENS

Since January 1, the federal government has published $76 billion in compliance costs ($48.3 billion in final rules) and has imposed 31.3 million in net paperwork burden hours (6.3 million from final rules). Click below for the latest Reg Rodeo findings.