Week in Regulation

Another Major Deregulatory Proposal Hits the Books

DAN GOLDBECK | SEPTEMBER 4, 2018

For the second consecutive week, one of the Trump Administration's most significant deregulatory proposals provided the main fireworks. That rulemaking – the Environmental Protection Agency's (EPA) proposed "Affordable Clean Energy (ACE)" rule – establishes the framework that would replace the Obama Administration's Clean Power Plan (CPP). Between both proposed and final rules last week, agencies published roughly $6.3 billion in net cost savings, and 977,836 hours of new paperwork. **The per capita regulatory burden for 2018 is *negative* $18.33**.

REGULATORY TOPLINES

- New Proposed Rules: 36
- New Final Rules: 89
- 2018 Total Pages of Regulation: 44,553
- 2018 Final Rules: -$6 Billion
- 2018 Proposed Rules: -$543.7 Billion

TRACKING REGULATORY MODERNIZATION

The proposed ACE rule is among the lodestars of this administration's deregulatory agenda. The American Action Forum (AAF) has a more extensive rundown of the proposal's key components here and an analysis of its overall impact on energy policy here. While the proposal gives an array of possible cost and benefit estimates, EPA estimates that it could save up to $6.4 billion over its lifetime (relative to the CPP). If finalized as-is, EPA could likely count roughly $400 million in annual savings towards a future regulatory budget under Executive Order (EO) 13,771.

In terms of final rules that will accrue to Fiscal Year (FY) 2018's regulatory budget, there was one regulatory action and one deregulatory action. The regulatory action out of the Department of Agriculture (USDA) would establish how farmers could apply for the Agricultural Trade Promotion Program in light of recent tariffs and other trade barriers. USDA estimates that this new program could cost $200 million in total, or $11 million on an annual basis. The deregulatory action out of the Department of Transportation would allow certain smaller railroad operators to log their hours of services electronically, saving roughly $5.5 million annually.

According to AAF analysis, since the start of FY 2018 (beginning Oct. 1, 2017), executive agencies have promulgated 53 deregulatory actions with quantified estimates against 12 regulatory measures, under the rubric created by EO 13,771 and the administration's subsequent guidance document on the matter. These rules combine for net annual savings of roughly $1.6 billion. This means that agencies have thus far surpassed the

administration's cumulative goal for FY 2018 of $687 million in net annual savings by nearly $1 billion. According to earlier AAF projections based on the administration's latest Unified Agenda, agencies were on track to roughly double that goal. If this current trend holds, they may well exceed that expectation too.

Click here to view AAF's examination of the administration's progress under the "one-in, two-out" executive order through the end of Fiscal Year 2017.

STATE OF MAJOR OBAMA-ERA INITIATIVES

Based on total lifetime costs of the regulations, the ACA has imposed costs of $52.9 billion in final state and private-sector burdens and 176.9 million annual paperwork hours.

Since passage, the Dodd-Frank financial reform legislation has produced more than 82.9 million final paperwork burden hours and imposed $38.9 billion in direct compliance costs.

TOTAL BURDENS

Since January 1, the federal government has published $549.7 billion in net cost savings (with $6 billion in net savings from final rules) and paperwork burdens amounting to roughly 9.5 million hours (including 8.8 million hours of paperwork reduced under final rules). Click here for the latest Reg Rodeo findings.

Year
[Select All]
2018
2017
2016
2015
2014
2013
2012
2011
2010
2009
2008
2007
2006
2005
Total Number of Regulations Finalized
200
Total Finalized Cost
$-6.0b
Paperwork Hours
-8,787,545