



Week in Regulation

A Major Reg and More Deregulation

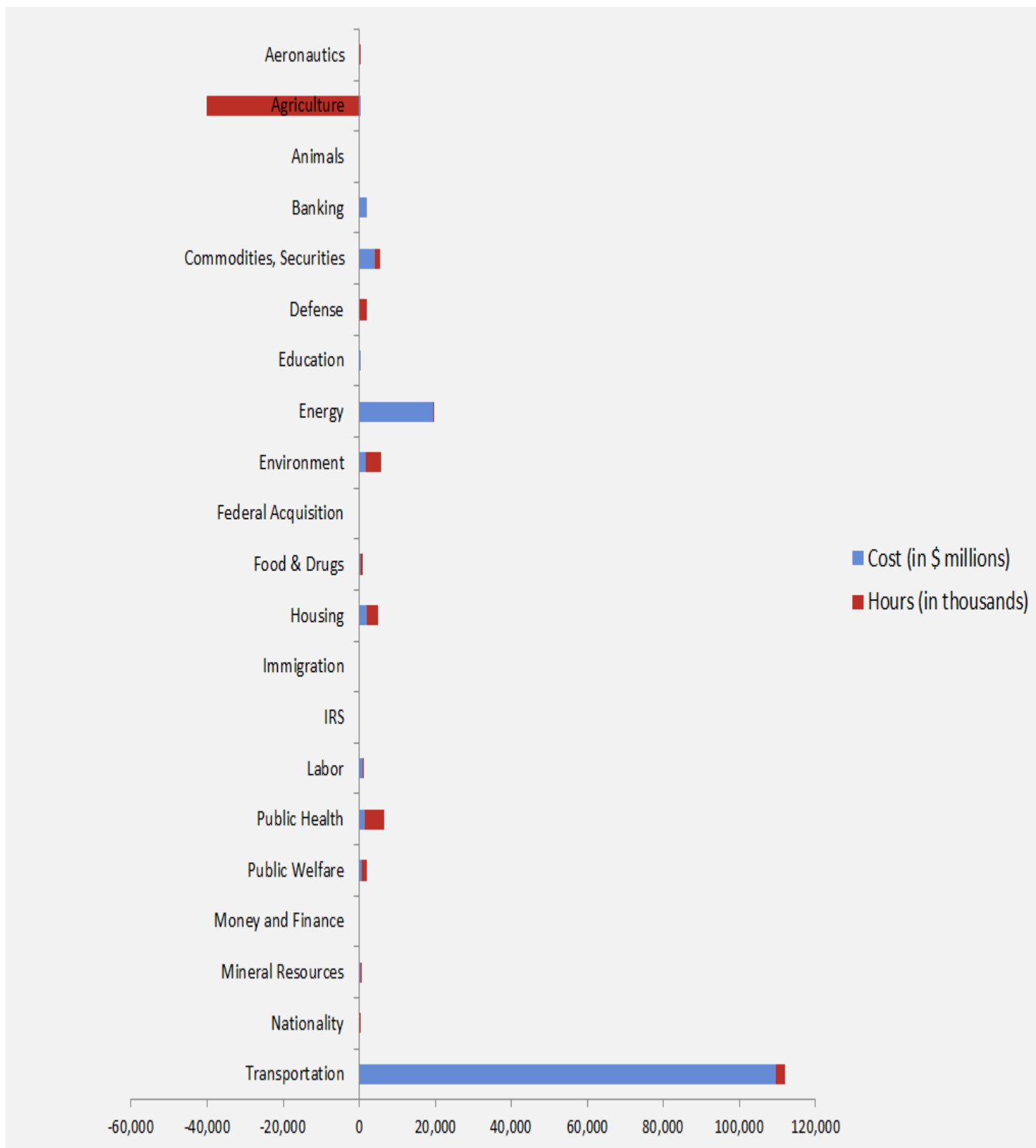
SAM BATKINS | APRIL 3, 2017

The Securities and Exchange Commission (SEC) spilled some ink in the Federal Register this week and published a major rule shortening transaction settlement cycles. It easily drove the majority of burdens (\$4.2 billion in total costs). However, due to a Department of Transportation (DOT) final rule cutting paperwork, the number of hours declined by more than 23,000. Because the SEC rule is not from a cabinet agency, no significant rule has yet to trigger the administration's [one-in, two-out regulatory budget](#). **The per capita regulatory burden for 2017 is \$442.**

Regulatory Toplines

- New Proposed Rules: 28
- New Final Rules: 63
- 2017 Total Pages of Regulation: 16,100
- 2017 Final Rules: \$31.4 Billion
- 2017 Proposed Rules: \$111.6 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.



SEC amended broker-dealers transactions by shortening the settlement cycle from three days to two. This somewhat innocuous change nevertheless imposes significant industry-wide burdens. According to SEC's analysis, part of the rising cost is due to "investor education," rising fees, and the rule could "exacerbate remaining operational risk." SEC notes shorter cycles could reduce the time to correct errors. Broadly, SEC

estimates costs could range from \$687 million to \$4.2 billion, “a reasonable upper bound,” according to the analysis.

DOT amended hazardous materials regulations by harmonizing standards with international norms, including efforts to coordinate under the U.S.-Canada Regulatory Cooperation Council. The measure would reduce paperwork by more than 25,000 hours; costs are minimal (\$4.9 million) compared to benefits (\$77.8 million).

Tracking Regulatory Modernization

The Senate narrowly passed two CRA resolutions this week, repealing a rule for [savings arrangements](#) by states for non-governmental employees from the Department of Labor and a rule from Health and Human Services on “[Compliance](#) with Title X [Requirements](#).” In addition, the House of Representatives passed a resolution disapproving of a Federal Communications Commission rule on [broadband privacy](#), following Senate passage last week. However, none of the original regulatory analyses, to the extent they existed, monetized benefits or costs.

The House and Senate have both passed [13 CRA resolutions](#), with the Senate passing 13 total and the House 15 in all. President Trump has signed seven measures, which means there are six CRA resolutions awaiting formal approval. Once signed, Congress and the administration will have eliminated \$3.7 billion in total regulatory costs and 4.2 million paperwork burden hours. There are two additional House CRA approvals on which the Senate has not voted. To date, there have been more than 30 resolutions of disapproval introduced, with seven formally approved.

Affordable Care Act

Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed costs of [\\$53 billion](#) in final state and private-sector burdens and 176.9 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 74.8 million final paperwork burden hours and imposed \$38.5 billion in direct compliance costs.

Total Burdens

Since January 1, the federal government has published \$143.1 billion in compliance costs (\$31.4 billion in final rules) and has cut 19.8 million paperwork burden hours (due to 23.8 million in reductions from final rules).

[Click below](#) for the latest Reg Rodeo findings.

Year

☐ [Select All]

☒ 2017

☐ 2016

☐ 2015

☐ 2014

☐ 2013

☐ 2012

☐ 2011

☐ 2010

☐ 2009

☐ 2008

☐ 2007

☐ 2006

Total Number of
Regulations
Finalized

69

Total Finalized Cost

\$31.5b

Paperwork Hours

-23,827,843