

Week in Regulation

The Week in Regulation: June 24-28

SAM BATKINS | JUNE 28, 2013

Regulators added more than \$1.3 billion in costs this week, led by an Americans with Disabilities Act (ADA) proposal and a final rule for school lunch nutrition standards; the associated paperwork burden was 1.6 million hours. Regulators did report \$136 million in benefits emanating from an FDA rule designed to improve laser products.

Regulatory Toplines

• New Proposed Rules: 46

• New Final Rules: 80

• 2013 Significant Documents: 216

• 2013 Total Pages of Regulation: 39,162

• 2013 Proposed Rules: \$46.6 Billion

• 2013 Final Rules: \$14.7 Billion

AAF has catalogued regulations according to their likely 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 tool will help to determine which sectors of the economy receive the highest number of regulatory actions.

Regulation by Industry in 2013

CFR Title-Industry	<u>Regulations</u>	<u>Cost (in millions)</u>	<u>Hours</u>
7-Agriculture	6	\$326	32,585,476
8-Aliens and Nationality	2	\$719	749,669
9-Animals	2	\$50	19,719
10-Energy	4	\$6,561	41,820
12-Banking	24	\$63	2,274,558

CFR Title-Industry	<u>Regulations</u>	<u>Cost (in millions)</u>	<u>Hours</u>
13-Business Assistance	1	\$-0.7	-26,402
14-Aeronautics	153	\$767	786
15-Commerce, Trade	2		47,116
16-Commercial Practices	4	\$230	3,251,573
17-Commodities, Securities	10	\$1,968	2,956,326
18-Conservation	7	\$92	2,555,991
20-Employees' Benefits	2	\$1	6,860
21-Food and Drugs	10	\$6,670	10,177,366
22-Foreign Relations	3		-120,600
23-Highways	1	\$1	25,080
24-Housing	5	\$-19	244,018
26-Internal Revenue	6		10,400
28-Judicial Administration	1		
29-Labor	6	\$413	20,809
30-Mineral Resources	2	\$55	683,600
31-Treasury	2		10,500
33-Navigable Waters	2	\$184	42,984
34-Education	2	\$-54	582,958
37-Patents, Copyright	2	\$931	779,960
40-Environment	23	\$38,961	9,666,321
42-Public Health	11	\$-1,314	8,023,788

CFR Title-Industry	<u>Regulations</u>	<u>Cost (in millions)</u>	<u>Hours</u>
43-Interior	2	\$166	32,904
45-Public Welfare	13	\$821	4,809,031
47-Telecommunication	9	\$23	878,623
48-Federal Acquisition	3	\$0.4	-45,083
49-Transportation	11	\$32	-535,068
50-Wildlife and Fisheries	1	\$0.4	
Multiple Titles	5	\$2,572	177,432

The Barriers Compliance Board implemented ADA standards that will add more than \$1 billion in costs during a 20-year period. The proposal would apply to passenger vessels and ferries that carry more than 99 passengers.

The Department of Agriculture published a final rule on nutrition standards in schools. The regulation primarily controls "competitive food," including requirements for whole grains, fruits, and vegetables. The rule will cost \$125 million and impose more than 927,000 paperwork burden hours.

Affordable Care Act

There were no notable ACA rulemakings this week but the administration did publish a rule under the President's executive order designed to reduce regulatory burdens. A final rule for Long Term Care Facilities, however, adds \$10 million in costs and 161,000 burden hours.

Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed an estimated \$21.8 billion in private-sector burdens, approximately \$9.9 billion in costs to the states, and 111.1 million annual paperwork hours.

Dodd-Frank

The Comptroller of the Currency published a final rule on "Lending Limits." The regulation implements section 610 of Dodd-Frank, which changes the definition of "loans and extension of credit' to include certain credit exposures arising from derivative transactions." The hourly burdens and costs are *de minimis*.

Click here to view the total estimated compliance costs from Dodd-Frank; since passage, the legislation has produced more than 58.3 million paperwork burden hours and imposed \$15.4 billion in direct compliance costs. Based on calculations from the Financial Services Roundtable, Dodd-Frank regulations would require 29,192 employees to file federal paperwork.

A Note on Notices

This week federal agencies published 514 notices requesting new or revised paperwork burdens from the Office of Management and Budget. These notices are generally not final, merely requests with a comment period.

Agencies requested 236.4 million paperwork burden hours, the equivalent of forcing 118,200 employees into red tape compliance. The associated costs of these burdens: \$14.8 billion, or \$62.65 per hour. The huge costs are a result of SEC rule 10b-10, which costs \$8.1 billion annually and imposes 140 million hours of paperwork.

Total Burdens

Since January 1, the federal government has published \$61.3 billion in compliance costs, and 80.7 million annual paperwork burden hours. At the current pace, regulators will publish \$123 billion in regulations this year. Click here for our comprehensive database of regulations and rulemakings promulgated in 2013.