



Week in Regulation

A Sparse Yet Punchy Week

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Over the past couple of months, there have been [weeks](#) of regulatory activity with remarkable levels of rulemaking volume. This past week was remarkable for the opposite: There were only four rulemakings with some kind of quantified economic impacts. Despite this paucity in volume, the small cohort of rules brought some noticeable effects. A Securities and Exchange Commission (SEC) rule on consumer financial privacy standards stood out as the main action of the week. Across all rulemakings, agencies published \$1.9 billion in total costs and added 4.7 million annual paperwork burden hours.

REGULATORY TOPLINES

- Proposed Rules: 26
- Final Rules: 59
- 2024 Total Pages: 48,761
- 2024 Final Rule Costs: \$1.2 trillion
- 2024 Proposed Rule Costs: \$36.3 billion

NOTABLE REGULATORY ACTIONS

The most significant regulation of the week, in terms of estimated costs at least, was the SEC [rule](#) regarding “Regulation S-P: Privacy of Consumer Financial Information and Safeguarding Customer Information.” The rule makes a series of “amendments that are designed to modernize and enhance the protections that Regulation S-P provides by addressing the expanded use of technology and corresponding risks that have emerged since the Commission originally adopted Regulation S-P in 2000.” The main economic impact will come from the administrative burdens involved in complying with these updated standards. SEC estimates that these new compliance requirements will add up to nearly 1.2 million hours of paperwork and \$614 million in commensurate costs annually, or roughly \$1.8 billion total over the three-year period in which paperwork requirements officially take effect. The average cost per hour for complying with this rule comes out to approximately \$527, driven mostly by the fact that it will involve some combination of legal and computer programming personnel.

Additionally, this past week President Biden announced his latest administrative action focused on restraining the flow of migrants across the southern border. In terms of rulemaking, this took the form of an [interim final rule](#) succinctly titled “Securing the Border.” While the administration notes that it will be a “significant regulatory action,” the rule’s analysis sections only discuss its impact in broad, qualitative terms. Thus, while it therefore falls outside of the usual parameters for RegRodeo tracking, it is an action worth noting given its potential economic and political impacts. The American Action Forum (AAF) briefly touched upon some of these implications [here](#).

TRACKING THE ADMINISTRATIONS

As we have already seen from [executive orders and memos](#), the Biden Administration will surely provide plenty of contrasts with the Trump Administration on the regulatory front. And while there is a general expectation that the current administration will seek to broadly restore Obama-esque regulatory actions, there will also be areas where it charts its own course. Since the AAF RegRodeo data extend back to 2005, it is possible to provide weekly updates on how the top-level trends of President Biden's regulatory record track with those of his two most recent predecessors. The following table provides the cumulative totals of final rules containing some quantified economic impact from each administration through this point in their respective terms.

TRACKING THE ADMINISTRATIONS

REGULATORY ACTIVITY FROM INAUGURATION DAY TO JUNE 7th (Year 4)

	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
BIDEN 2021	946	\$1.64T	297.7M
TRUMP 2017	1013	-\$167B	79.3M
OBAMA 2009	1278	\$308.3B	244.5M

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With all of last week's regulatory actions coming on the final rule side of the ledger, the Biden final rule tallies increased by the aforementioned amounts: \$1.9 billion in cost and 4.7 million hours. The SEC rule discussed above was the primary cost driver. The paperwork spike, however, mostly came from a Federal Communications Commission [action](#) implementing aspects of the Safe Connections Act of 2022 that will involve more than 3.5 million hours of paperwork each year. As for the other administrations, the Obama era saw virtually no movement in early June 2012, while the Trump Administration saw notable – yet diverging –

trends in its totals at the outset of June 2020. Costs decreased by \$2.1 billion while paperwork increased by 1.4 million hours. A Department of Transportation rule on “Hours of Service” for truck drivers was the main reason for the former trend, while a handful of assorted rules made up the bulk of the latter.

TOTAL BURDENS

Since January 1, the federal government has published \$1.23 trillion in total net costs (with \$1.2 trillion in new costs from finalized rules) and 52.5 million hours of net annual paperwork burden increases (with 20.5 million hours coming from final rules).

