



Week in Regulation

A Steady Start to July

DAN GOLDBECK | JULY 8, 2024

The first week of July saw a noticeable uptick in both regulatory volume and overall effect. Following a June marked by weekly totals of meaningful rules in the single digits, there were 13 rulemakings with some kind of quantified economic impact to kick off the new month. Furthermore, these rulemakings brought substantial new costs and paperwork. Proposed rules from the Financial Crimes Enforcement Network (FinCEN) and the Department of Health and Human Services (HHS) provided the stand-out items of the week. Across all rulemakings, agencies published \$3.3 billion in total costs and added 11.4 million annual paperwork burden hours.

REGULATORY TOPLINES

- Proposed Rules: 38
- Final Rules: 49
- 2024 Total Pages: 55,813
- 2024 Final Rule Costs: \$1.24 trillion
- 2024 Proposed Rule Costs: \$43.8 billion

NOTABLE REGULATORY ACTIONS

The most consequential rulemaking of the week was the [proposed rule](#) from FinCEN regarding “Anti-Money Laundering and Countering the Financing of Terrorism Programs [AML/CFT].” The proposal “would require financial institutions to establish, implement, and maintain effective, risk-based, and reasonably designed AML/CFT programs with certain minimum components, including a mandatory risk assessment process.” Since the rulemaking is still in its proposed rule phase, FinCEN currently has a [range](#) of potential costs based upon various contingent considerations. In the section pertaining to paperwork burdens, however, the agency estimates the administrative burdens involved in complying with these new requirements will amount to 7.2 million hours and \$765.8 million annually. Across the 3-year window during which paperwork requirements are officially cleared, this would add up to roughly \$2.2 billion in total costs.

The other significant action of the week was the [proposed rule](#) from HHS regarding “Medicare Program; Calendar Year 2025 Home Health Prospective Payment System Rate Update; HH Quality Reporting Program Requirements; HH Value-Based Purchasing Expanded Model Requirements; Home Intravenous Immune Globulin Items and Services Rate Update; and Other Medicare Policies.” As the lengthy title suggests, the proposal provides the latest round of annual updates to various Medicare programs. While the main effects of the rule – as is common with many Medicare payment rules – come in the form of adjustments to transfer payments, this rulemaking does include its own sizable administrative burdens. HHS estimates the proposed rule would involve approximately 3.3 million hours of paperwork and nearly \$300 million in associated costs annually (or roughly \$900 million total across the overall 3-year paperwork window).

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 JULY 5th (Year 4)

	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
BIDEN 2021	961	\$1.69T	298.6M
TRUMP 2017	1039	-\$144B	82.4M
OBAMA 2009	1300	\$308.4B	243.4M

LAST UPDATED: JULY 5th, 2024 AMERICANACTIONFORUM.ORG

Since last week's main actions came on the proposed side of the ledger, there was not much movement in the Biden Administration's to-date final rule tallies. The most significant final rule of the week was an Environmental Protection Agency [rule](#) regarding emissions standards for coke ovens that involves roughly \$41 million in total costs. As for the other two administrations, there was essentially no movement on the Obama-era tally, but the Trump Administration saw nearly \$1.2 billion in cost reductions. A suite of rules regarding [defense contractor practices](#) constituted the primary reason for that cost dip.

TOTAL BURDENS

Since January 1, the federal government has published \$1.29 trillion in total net costs (with \$1.24 trillion in new costs from finalized rules) and 64.7 million hours of net annual paperwork burden increases (with 21.4 million hours coming from final rules).

