



Week in Regulation

Interior Makes Final Push at Regulatory Budget Deadline

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As the calendar turns to October – and thus the new fiscal year – a steady stream of deregulatory rules came in last week just under the wire for this year’s regulatory budgets under Executive Order (EO) 13,771. The most significant of these actions was a Department of Interior (DOI) measure that could reduce total compliance costs for drilling operations by more than \$2 billion. Between both proposed and final rules last week, agencies published roughly \$3.5 billion in net cost savings, and reduced paperwork by 130,052 million hours. **The per capita regulatory burden for 2018 is *negative* \$28.53.**

REGULATORY TOPLINES

- New Proposed Rules: 35
- New Final Rules: 99
- 2018 Total Pages of Regulation: 48,996
- 2018 Final Rules: -\$9.4 Billion
- 2018 Proposed Rules: -\$545.9 Billion

TRACKING REGULATORY MODERNIZATION

The most significant deregulatory [rule](#) out of DOI would revise and rescind aspects of a 2016 [rule](#) regarding “Waste Prevention, Production Subject to Royalties, and Resource Conservation.” Interestingly, the original 2016 rule was among the rules facing a Congressional Review Act disapproval resolution in the spring of 2017, but was the only one to receive a vote in the Senate yet [fail to advance](#). The agency estimates that this would bring roughly \$2.1 billion in total cost reductions, or \$233 million on an annualized basis. Per American Action Forum (AAF) tracking, this now puts DOI “in the black” for their Fiscal Year (FY 2018) regulatory budget, exceeding its goal of \$196 million in annualized savings by roughly \$88 million.

Another notable deregulatory action came from the Department of Transportation (DOT). That [measure](#) would remove certain requirements on pneumatic brake systems for certain trains because the agency determined that they “are not economically justified.” DOT estimates that this could bring up to \$372 million in total cost savings, or roughly \$35 million on an annualized basis. With this action, DOT will finish FY 2018 \$165 million ahead of its EO 13,771 goal of \$35 million in annual savings.

According to AAF analysis, since the start of FY 2018 (beginning Oct. 1, 2017), executive agencies have promulgated 64 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 \$1.7 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 approximately \$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 \$555.2 billion in net cost savings (with \$9.4 billion in net savings from final rules) and paperwork burdens amounting to roughly 5 million hours (including 8.3 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

234

Total Finalized Cost

\$-9.4b

Paperwork Hours

-8,291,112