



Week in Regulation

Latest Cybersecurity Rule Leaves a Mark

DAN GOLDBECK | OCTOBER 21, 2024

As is often the case, the holiday-shortened week produced a limited volume of regulatory activity. There were only five rulemakings with some kind of measurable economic impact. Despite the modest haul, this past week had quite an impact. In particular, yet another round of cybersecurity standards for certain government contractors made its presence felt to the tune of tens of billions of dollars in costs. Across all rulemakings, agencies published \$42.4 billion in total costs and added 5.8 million annual paperwork burden hours.

NOTABLE REGULATORY ACTIONS

The most consequential rulemaking of the week was the [final rule](#) from the Department of Defense (DOD) regarding “Cybersecurity Maturity Model Certification (CMMC) Program.” More specifically,

The mechanisms discussed in this rule will allow the Department to confirm a defense contractor or subcontractor has implemented the security requirements for a specified CMMC level and is maintaining that status (meaning level and assessment type) across the contract period of performance.

This rule builds upon the standards set by a Trump Administration interim final rule on the matter. That Trump-era [rule](#) carried a nearly \$93-billion cost total – making it one of the primary reasons why, despite its broadly deregulatory agenda, the Trump Administration actually finished its term with [net regulatory costs](#). As noted in this current rule’s cost analysis, however: “Public comment feedback on the initial CMMC Program indicated that cost estimates were too low [emphasis added].” This rule, which largely finalizes the [version proposed](#) late last year, brings another \$42.3 billion in costs and nearly 5.8 million hours of new paperwork requirements.

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 OCTOBER 18TH (Year 4)

	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
BIDEN 2021	1054	\$1.7T	334.9M
TRUMP 2017	1168	-\$1.1B	292.1M
OBAMA 2009	1425	\$490.5B	264.2M

LAST UPDATED: OCTOBER 18TH, 2024

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The CMMC rule discussed above was far and away the primary mover of the Biden Administration's final rule totals. With that rule, the current administration's to-date final rule cost total now exceeds \$1.7 trillion. For perspective, that still is not quite the gross domestic product of [South Korea](#), but it is more than the [omnibus package](#) passed at the end of 2022. It was a fairly active week all around for the three administrations covered here. A deregulatory [action](#) from the Environmental Protection Agency (EPA) pushed the Trump-era cost total back into net-savings territory. Meanwhile, the [2012 set](#) of greenhouse gas emissions standards from the Obama-era EPA pushed the Obama Administration's total up \$490 billion – near what would become that administration's first term total of [\\$493 billion](#).

TOTAL BURDENS

Since January 1, the federal government has published \$1.41 trillion in total net costs (with \$1.29 trillion in new costs from finalized rules) and 123.7 million hours of net annual paperwork. burden increases (with 57.7 million hours coming from final rules).

Year

[Select All]

2024

2023

2022

2021

2020

2019

2018

2017

2016

2015

2014

2013

2012

2011

2010

2009

2008

2007

2006

2005

Total Number of
Regulations
Finalized

311

Total Finalized Cost

\$1.3t

Paperwork Hours

57,658,526