



Week in Regulation

Man, It's a Hot One

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Federal regulators closed out August with a bit of a heat check. Across 11 rulemakings that contained quantifiable economic estimates, agencies produced some of the highest per-week totals in an already quite busy year. The Department of Labor's (DOL) proposed rule regarding heat safety standards and yet another anti-money-laundering rule from the Financial Crimes Enforcement Network (FinCEN) were the main items of the week. Across all rulemakings, agencies published \$73.1 billion in total costs and added 34.8 million annual paperwork burden hours.

REGULATORY TOPLINES

- Proposed Rules: 30
- Final Rules: 68
- 2024 Total Pages: 71,064
- 2024 Final Rule Costs: \$1.23 trillion
- 2024 Proposed Rule Costs: \$118.3 billion

NOTABLE REGULATORY ACTIONS

The most consequential action of the week from a cost perspective was the [proposed rule](#) from DOL regarding "Heat Injury and Illness Prevention in Outdoor and Indoor Work Settings." Originally released at the [start of July](#), the proposal has finally landed in the pages of the Federal Register. The rulemaking would require "employers to create a heat injury and illness prevention plan to evaluate and control heat hazards in their workplace." Given that it would "would apply to all employers conducting outdoor and indoor work in all general industry, construction, maritime, and agriculture sectors where OSHA has jurisdiction," its expansive scope will have substantial economic effects. DOL estimates that the proposal could involve \$7.8 billion in potential annual compliance costs (against \$9.2 billion in estimated benefits), or roughly \$70 billion in net present value terms over a 10-year window. Additionally, the agency expects the time cost to affected employers developing these heat safety plans will add up to more than 27.8 million hours of paperwork each year.

The most significant final rule of the week was FinCEN’s [rulemaking](#) regarding “Anti-Money Laundering Regulations for Residential Real Estate Transfers.” As the rule’s title suggests, it requires “certain persons involved in real estate closings and settlements to submit reports and keep records on certain non-financed transfers of residential real property to specified legal entities and trusts on a nationwide basis...to assist the U.S. Department of the Treasury, law enforcement, and national security agencies in addressing illicit finance vulnerabilities in the U.S. residential real estate sector.” The rule joins a series of others in [recent years](#) seeking to address potential money-laundering schemes. As with those rules, however, the compliance burdens are sizable. FinCEN estimates that the proposal will involve \$2.2 billion in costs over a five-year period.

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 AUGUST 30th (Year 4)

	FINAL RULES	FINAL RULE COSTS	PAPERWORK HOURS
BIDEN 2021	1009	\$1.68T	319.5M
TRUMP 2017	1097	-\$100.9B	198M
OBAMA 2009	1365	\$312.8B	251.1M

LAST UPDATED: AUGUST 30th, 2024 AMERICANACTIONFORUM.ORG

While last week's main item came on the proposed rule side of the ledger with DOL's Heat Safety rulemaking, there was still some noticeable upward movement in the Biden to-date regulatory tally thanks primarily to the FinCEN rule discussed above. Biden-era final rule costs increased by more than \$2.8 billion while the paperwork total spiked by nearly 7 million hours. Meanwhile, the Trump Administration saw its cost total dip by roughly \$365 million, due mostly to a deregulatory [measure](#) from the Environmental Protection Agency (EPA). Conversely, an EPA [rule](#) during late August of 2012 was the primary reason for a \$1 billion week-over-

week cost increase during the Obama Administration.

TOTAL BURDENS

Since January 1, the federal government has published \$1.35 trillion in total net costs (with \$1.23 trillion in new costs from finalized rules) and 107.6 million hours of net annual paperwork burden increases (with 42.3 million hours coming from final rules).

