

The Unknowable Costs of Regulation and Intervention

The sole official reckoning citizens get on the scale and scope of regulatory costs is an annual but highly incomplete and inadequate OMB survey of a subset of regulatory costs and benefits.¹⁷⁵ The OMB's *2017 Draft Report to Congress on the Benefits and Costs of Federal Regulations and Agency Compliance with the Unfunded Mandates Reform Act*, is the most recent edition, but this draft-only edition is nearly three years out of date, covering through FY 2016. These reports contain a look back at the numbers of significant rules and a partial quantification of a handful of executive agencies' rules during the most recent 10 years in addition to the current year. An aggregate annual estimate of the regulatory enterprise is required by law, but not performed.¹⁷⁶

This latest report pegged the annual costs of 137 selected "major" regulations from 2006 to 2016 at between \$78 billion and \$115 billion (in 2015 dollars).¹⁷⁷ The estimated range for benefits in the report spanned \$287 billion to \$911 billion.¹⁷⁸ According to OMB, the 16 rules subjected to both benefit and cost analyses during FY 2016 added annual costs of \$4.3 to \$6.4 billion.¹⁷⁹ Given the report's absence, the fiscal year-end status reports on Executive Order 13771 covered so far serve as something of a stand-in for significant rule costs, but do not replace the scope (intended but not realized) of these annual reports as a management tool.

Some infer precision from the existence of official regulatory cost roundups. For example, Vox saw the 2017 draft report, which was not published until February 23, 2018, as the Trump administration "quietly" vindicating the Obama regulatory agenda.¹⁸⁰

Actually, of 36,255 final rules published between 2007 and 2016, OMB reviewed 2,670, of which 609 were major.¹⁸¹ Of these, only 140 featured monetized benefits and costs.¹⁸² No independent agencies' costs were among those surveyed. Another several billion dollars more in annual rule costs generally appear in these reports for rules with cost-only estimates, but they are not tallied and highlighted by OMB.¹⁸³

This author maintains that regulatory costs are unknowable in an elemental sense, and estimates of them are not observable or calculable—much as the economic calculations necessary to enable central economic planning are impossible.¹⁸⁴ Regulatory costs are, in the words of American Enterprise Institute scholar Peter Wallison, inherently "squirrely."¹⁸⁵ Yet even so, the need for disclosure is unavoidable as long as the administrative state remains a means of governance. The solution to the unresolvable dilemma is for Congress to vote on rules. This urgency is reinforced by modern agency-invented contrivances like "co-benefits," by which the modern administrative state reinforces itself. These artifices have appeared on the scene of a stage on which the performance of cost-benefit analysis is already largely a myth.

As for economic effects on traditional concerns like employment, regulation affects not only current jobs, but also the inclination for entrepreneurs to create them in the future. This intertemporal nature of regulation complicates honesty in cost assessment, since nations cannot "lose" jobs that have not been created. This helps illustrate how most of the regulatory enterprise is altogether immeasurable, and therefore unavailable to

Box 3. Rule of Flaw and Costs of Coercion:

Surveying Unmeasured and Unfathomed Costs of the Administrative State and Intervention

I. Unmeasured Costs of Shortcomings in Administrative Procedure Act Oversight

A. Rule Cost Categories Prone to Escaping Measurement and Disclosure

- Costs of rules not deemed “economically significant” by agencies that in fact are
- Costs of independent agency regulations
- Costs of unfunded mandates on states and localities
- Costs of interpretive rules and guidance documents
- Indirect costs
- Job costs of regulation

B. Process/Oversight Shortcomings Generating Unknown Financial and Societal Costs

- Costs of abandonment of formal rulemaking
- Costs of agencies’ failure to issue a notice of proposed rulemaking for a significant portion of rules
- Costs of agency-gamed notice-and-comment processes
- Costs of agencies’ undermining the Congressional Review Act by failing to submit final rules to the Government Accountability Office and Congress for consideration
- Costs of baked-in pro-regulatory bias of the administrative state
- Costs of policy uncertainty that disrupts economic activity
- Costs of regulation by sue-and-settle agreements
- Costs of regulatory accumulation
- Costs of differential effects of rules on businesses

II. Unmeasured Costs of the Loss of Liberty

- Costs of regulatory takings and property value destruction
- Costs of abandoning negative rights for a positive rights framework and unequal treatment of citizens under the law
- Costs of delegation of lawmaking power to the executive branch and to unelected administrators
- Costs of Congress’s routine disregard of the Congressional Review Act
- Costs of agency self-funding
- Costs of the impossibility of eliminating agencies
- Costs of paternalism and the normalization of dependency
- Costs of imposing regulation based on secret or creatively leveraged data
- Costs of federal overreach through flouted federalism
- Costs of overcriminalization
- Costs of loss of anonymity

III. Costs of Spending and Legislative Programs with Sweeping Regulatory Effect

- Costs of top-down national plans, agendas and legislative schemes, and treaties
- Costs of distortions created by stimulus spending

- Costs of subsidies and “ordinary” spending with distortionary effects
- Costs of deadweight effects of federal spending and of “budget” or “transfer” rules
- Costs of government spending to steer investment in science and technology

IV. Costs of the Administrative State’s Derailment of Market Institutions

- Costs of the presumption of agency expertise (and denial of nonexpertise and disruption)
- Costs of the market failure fallacy and disregard of government failure
- Costs of interference with price, distribution, and access mechanisms
- Costs of antitrust regulation and the institutionalization of raising competitors’ costs
- Costs of steering via government sponsored enterprises
- Costs of blurring corporate and government roles via public/private partnerships
- Costs of government steering by direct ownership or control of resources
- Costs of abandoning enlargement of property rights institutions in favor of political path dependence and the barring of regulatory exit
- Costs of establishment and perpetuation of hyper-regulatory public utility, siloed-infrastructure models
- Costs of anti-property approaches to environmental amenities and concerns
- Costs of permission-seeking and over-licensing
- Costs of cronyism: the thoroughgoing centrality of rent-seeking and rent-extraction in a self-preserving administrative state
- Costs of rent-seeking by the so-called “deep state”

V. Costs of Negative Effects Including Lethality

- Costs of failure to see benefits as forms of wealth
- Costs of the precautionary principle and the derailment of normal evolutionary risk-management innovation
- Costs of selective expression of benefits
- Costs and distributional abuses of the net-benefit pursuit
- Costs of ignoring general wealth and health reduction induced by regulation
- Health (as distinct from economic) costs of rent-seeking
- Costs of undermining markets in information
- Costs of death by government

VI. Compound Fracture: Costs of the Foregoing Propagated across Centuries

incorporate into studies or models. Box 3 illustrates the wide range of interventions of the regulatory and administrative state that go unacknowledged.

The ample shortcomings in administrative state disclosures work to the advantage of the professions and the academic legal studies infrastructure it has spawned over the last century. Others get crumbs. The annual OMB cost-benefit breakdown omits independent agencies and incorporates only those rules for which agencies have expressed both benefits and costs in quantitative and monetary terms—amounting to a couple dozen at best, when several thousand rules—and guidance documents not subject to notice and comment—appear each year.

The Small Business Administration (SBA) last published an assessment of the federal regulatory apparatus in 2010, pegging regulatory compliance costs at \$1.75 trillion for 2008, but that was discontinued and not replaced. The primary purpose of the SBA report series was not an aggregate cost estimate but rather to examine regulatory burdens on small firms, which have higher per-employee regulatory costs than larger ones. Earlier governmental assessments around the turn of the 20th century from OMB, GAO, and SBA also found aggregate annual costs in the hundreds of billions of dollars, some in excess of \$1 trillion in today's dollars (see Table 2). Performing an aggregate estimate never was SBA's job, but it remains OMB's neglected one. The data underlying these studies (or any studies) were (inevitably) extraordinarily problematic as this author noted in 2017 and in earlier editions of my working paper *Tip of the Costberg*, the subtitle of which is *On the Invalidity of All Cost of Regulation Estimates and the Need to Compile Them Anyway*.¹⁸⁶ The federal bureaucracy, with all the resources at its disposal, has done nothing to fulfill its duty to assess the aggregate effects of regulation.

More recently in a 2014 report, the National Association of Manufacturers (NAM) modeled 2012 total annual regulatory costs in the economy of \$2.028 trillion (in 2014

dollars).¹⁸⁷ This report had its share of detractors.¹⁸⁸ Still another report, by economists John W. Dawson of Appalachian State University and John J. Seater of North Carolina State University, pushes regulatory costs into orbit by counting the long-term reduction in economic growth caused by decades of cumulative opportunity costs imposed by economic regulation. Their report posits dozens of trillions of dollars in lost GDP annually.¹⁸⁹ The authors contend that rules affecting growth rates compound, and that Americans are less than half as rich as they would otherwise be in the absence of much of the regulatory state.

Others have set out to examine how seemingly inconsequential regulations can accumulate and have unintended effects and costs that ought not be ignored.¹⁹⁰ A 2016 study, “The Cumulative Cost of Regulations” by the Mercatus Center at George Mason University, employs a microeconomic model investigating regulations' effect on firms' investment choices to attempt to determine “how much regulation distorts the investment decisions of firms and thus hampers long-run economic growth.” Using a 22-industry data set covering 1977 through 2012, the report concluded that had regulatory burdens remained constant since 1980, the 2012 U.S. economy would have been 25 percent larger. Put another way, the 2012 U.S. economy was \$4 trillion smaller than it would have been in the absence of cumulative regulatory growth since 1980.¹⁹¹ This represents a loss in real income of approximately \$13,000 per American.¹⁹² In this vein, a 2017 White House Council of Economic Advisors report surveyed material increases in growth potential from moving from regulated to less regulated conditions, but regulatory assessments otherwise are lacking.¹⁹³

Regarding regulations' unequal effects on different kinds of firms, the NAM model noted above found overall annual per-employee regulatory costs to firms of \$9,991 on average, but the effects by firm size vary.¹⁹⁴ Table 3 shows that per-employee regulatory costs for firms of fewer than 50 workers can

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Table 2. Assessments of Federal Regulation: Late 20th Century, Early 21st Century, Billions of Dollars

| | Hopkins 1992 (1991 dollars) | Government Accountability Office 1995 (1995 dollars) | Hopkins 1995 (1995 dollars) | Small Business Admin. 2001 (2001 dollars) | Office of Management & Budget 2002 (2001 dollars) | Small Business Admin. 2005 (2004 dollars) | Small Business Admin. 2010 | National Association of Manufacturers 2014 (2012 dollars) |
|--|-----------------------------|--|-----------------------------|---|---|---|----------------------------|---|
| Environmental | 115 | | 168 | 197 | 203 | 221 | 281 | 330 |
| Other Social | 36 | | 55 | | 30 | | | |
| Transportation | | | | | 22 | | | |
| Labor | | | | | 22 | | | |
| Economic Regulation | | | | | | 591 | 1,236 | 1,448 |
| Efficiency | 73 | | 80 | | 150 | | | |
| Transfers | 130 | | 147 | | 337 | | | |
| Efficiency - Domestic | | | | 101 | | | | |
| Transfers - Domestic | | | | 202 | | | | |
| Efficiency - Int'l Trade | | | | 44 | | | | |
| Transfers - Int'l Trade | | | | 88 | | | | |
| Workplace and Homeland Security | | | | 82 | | 106 | 75 | 92 |
| Paperwork/Process/Info Collection (tax compliance) | 189 | | 218 | 129 | 190 | 195 | 160 | 159 |
| Totals | 543 | 647 | 668 | 843 | 954 | 1,113 | 1,752 | 2,029 |
| Totals, converted to 2013 dollars | | 1,019.03 | 1,052.10 | 1,142.27 | 1,292.67 | | | |

Sources: Thomas D. Hopkins, "Costs of Regulation: Filling the Gaps. Report prepared for the Regulatory Information Service Center," Washington, D.C., August 1992, <http://www.thecre.com/pdf/COST%20OF%20REGULATION%20THE%20GAPS.pdf>; General Accountability Office, Briefing Report to the Ranking Minority Member, Committee on Governmental Affairs, U.S. Senate, Regulatory Reform: Information on Costs, Cost Effectiveness, and Mandated Deadlines for Regulations, (GAO/PEMD 95 18BR), March 1995, <http://archive.gao.gov/t2pbat/1153774.pdf>; Thomas D. Hopkins, "The Changing Burden of Regulation, Paperwork, and Tax Compliance on Small Business: A Report to Congress," Office of the Chief Counsel for Advocacy, U.S. Small Business Administration, Washington, D.C., October 1995, http://www.sba.gov/advo/laws/archive/law_brd.html; W. Mark Crain and Thomas D. Hopkins, "The Impact of Regulatory Costs on Small Firms," report prepared for the Small Business Administration, Office of Advocacy, RFP No. SBAHQ-00-R-0027, October 2001, <http://www.sba.gov/advo/research/rs207tot.pdf>; Office of Management and Budget, "Draft Report to Congress on the Costs and Benefits of Federal Regulations," Federal Register, March 28, 2002, pp. 15037-15038, <http://www.whitehouse.gov/sites/default/files/omb/assets/omb/infocg/cbreport.pdf>; W. Mark Crain, "The Impact of Regulatory Costs on Small Firms," report prepared for the Small Business Administration, Office of Advocacy, Contract No. SBAHQ-08-M-0466, September 2010, <http://www.sba.gov/sites/default/files/rs264tot.pdf>; Nicole V. Crain and W. Mark Crain, "The Impact of Regulatory Costs on Small Firms," report prepared for the Small Business Administration, Office of Advocacy, Contract No. SBAHQ-08-M-0466, September 2010, <http://www.sba.gov/advocacy/7540/49291>; National Association of Manufacturers, "The Cost of Federal Regulation to the U.S. Economy, Manufacturing and Small Business," W. Mark Crain and Nicole V. Crain, September 10, 2014, <http://www.nam.org/~media/A7A8456F33484E498F40CB46D6167F31.ashx>. Some figures here are adjusted to 2016 by the change in the consumer price index between 2001 and 2016, derived from "CPI Detailed Report Data for January 2017," Bureau of Labor Statistics, Washington, D.C. (Table 24. Historical Consumer Price Index for All Urban Consumers (CPI-U), U.S. city average, all items), <http://www.bls.gov/cpi/cpid1404.pdf>.

Table 3. Regulatory Costs in Small, Medium, and Large Firms, 2012

| | Cost per Employee for All Business Types | | | |
|--------------------------------|---|--------------------------|------------------------|---------------------------|
| | All Firms | < 50 Employees | 50–99 Employees | > 100 Employees |
| All Federal Regulations | \$9,991 | \$11,724 | \$10,664 | \$9,083 |
| Economic | \$6,381 | \$5,662 | \$7,464 | \$6,728 |
| Environmental | \$1,889 | \$3,574 | \$1,338 | \$1,014 |
| Tax Compliance | \$960 | \$1,518 | \$1,053 | \$694 |
| Occupational/Homeland Security | \$761 | \$970 | \$809 | \$647 |

Source: W. Mark Crain and Nicole V. Crain, “The Cost of Federal Regulation to the U.S. Economy, Manufacturing and Small Business,” National Association of Manufacturers, September 10, 2014, <http://www.nam.org/~media/A7A8456F33484E498F40CB46D6167F31.ashx>.

be 29 percent greater than those for larger firms—\$11,724 for smaller firms, compared with \$9,083 for larger ones.¹⁹⁵

Looking back, the SBA and earlier OMB surveys had traditionally conveyed regulatory costs in the following categories:

- Economic regulatory costs (for example, market entry restrictions and transfer payments such as price supports);
- Workplace regulatory costs;
- Environmental regulatory costs; and
- Paperwork costs.

Differential effects of accumulating regulations on firms and people is also referenced among the costs in Box 3 and span the economic, environmental, health, safety, and social costs, compounded over decades. These must necessarily include loss of liberty from overcriminalization to the overthrow of the constitutional order itself in favor of rule by unelected bureaucrats. Some never tire of pointing out the accumulation of wealth by the top percenters in their alleged concern over income inequality, but perpetuation of unnecessary regulation also erases wealth accumulation and harms the most vulnerable.¹⁹⁶

In the context of these existing and available sources and the federal government’s failure to issue new aggregate analysis, this report employs a baseline for across-the-board costs of federal regulation and intervention of \$1.9 trillion annually in compliance costs, economic and GDP losses, and social costs

(see Figure 1).¹⁹⁷ This figure is based on a nonscientific, disclaimer-laden, fusion amalgam of GDP losses, and compliance costs derived from available official data and other sources.¹⁹⁸ Even so, this assessment is more representative and inclusive than official estimates and more “conservative” in that burdens conceivably are considerably more as the Mercatus and Dawson and Seater approaches imply.

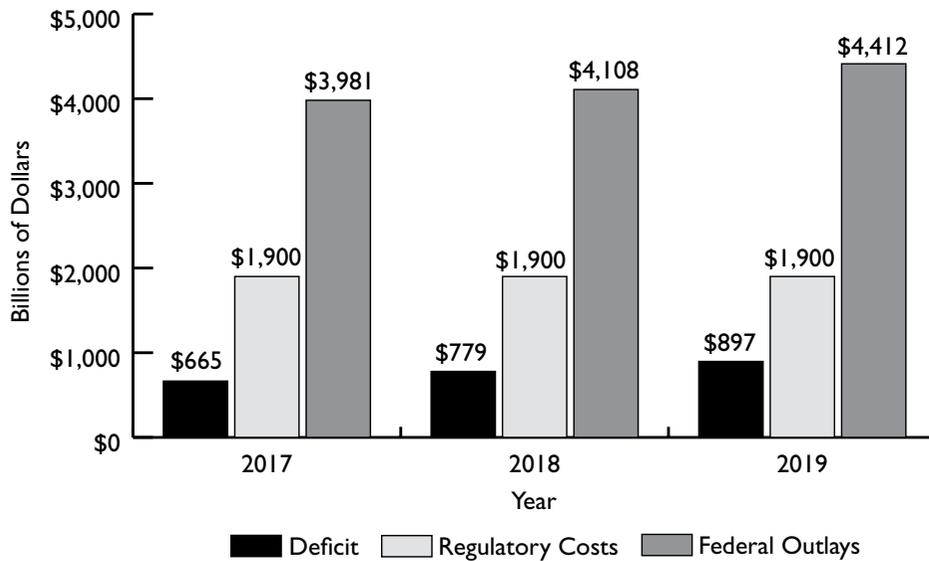
We need greater acknowledgement of what we do not know, to own up to burdens that slip through the cracks. Unless Congress votes on rules, the federal government must continue to be forced to assess regulatory costs from the standpoint of compliance, efficiency, and losses of liberty. The debate has never been whether the government should perform its cost assessment, but whether it should be bottom up or top down.¹⁹⁹ The answer is that both are needed, and an executive order reaffirming the obligation to assess aggregate costs is warranted. Executive orders and guidance to agencies governing cost assessment and regulatory analysis are incomplete and need to incorporate far more elements (see Box 3).²⁰⁰

Regulatory Cost Burdens Compared to Federal Spending and the Deficit

Comparisons of regulation with the costs of federal taxation and spending help place the

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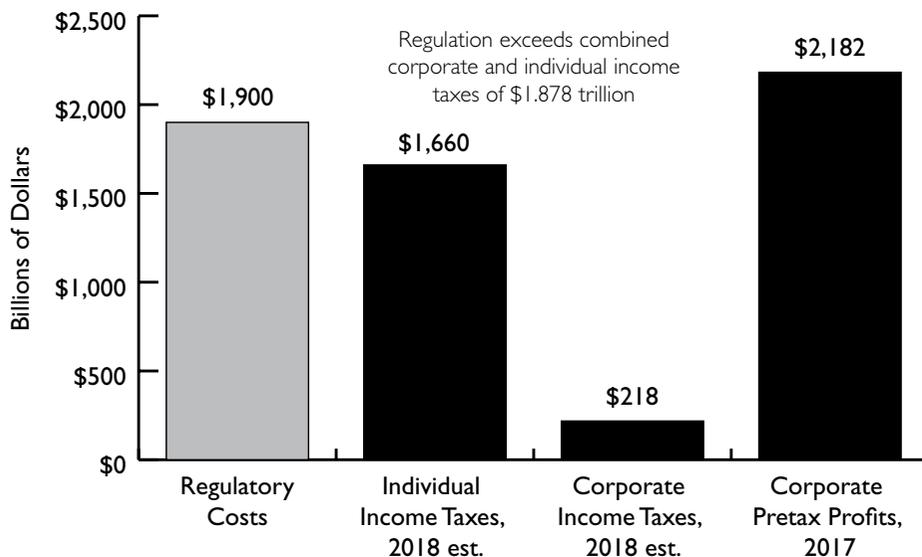
Figure 2. Federal Outlays and Deficits Compared with Federal Regulatory Costs (2017, 2018, and projected 2019)



Sources: Deficit and outlays 2018 and proj. 2019 from Congressional Budget Office, *The Budget and Economic Outlook, 2019 to 2029*, Table I-1, “CBO’s Baseline Budget Projections, by Category,” <https://www.cbo.gov/system/files?file=2019-01/54918-Outlook.pdf>. 2017 deficit and outlays from White House Office of Management and Budget, *Historical Tables*, Table I.1—Summary of Receipts, Outlays, and Surpluses or Deficits (-): 1789–2023, <https://www.whitehouse.gov/omb/historical-tables/>. Regulatory cost estimate from Crews, *Tip of the Costberg*.

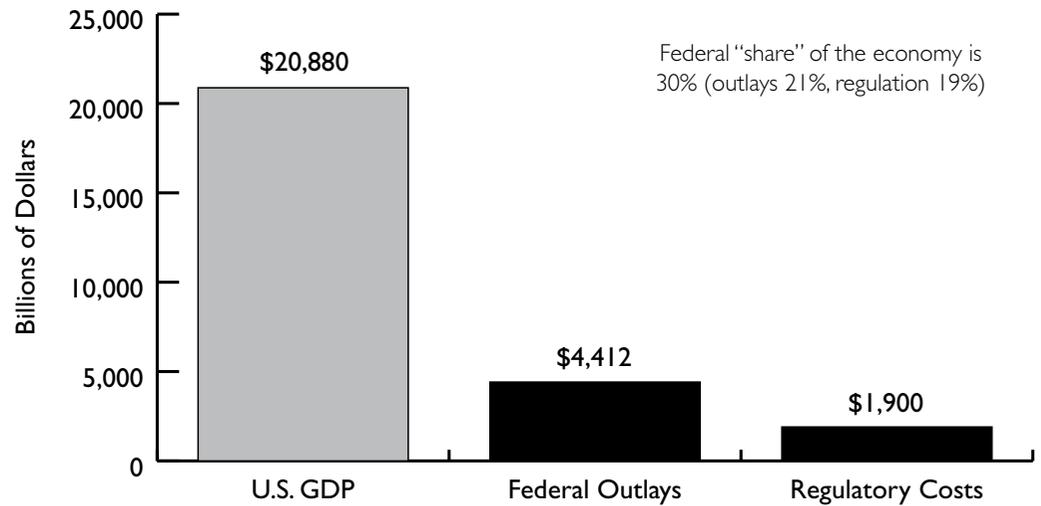
Federal deficit and outlay numbers are by fiscal year; regulatory costs by calendar year.

Figure 3. Regulatory Compliance Compared with Individual Income Taxes, Corporate Income Taxes, and Corporate Pretax Profits



Sources: Regulatory cost estimate from Crews, *Tip of the Costberg*. 2018 tax figures from OMB, *Historical Tables*, Table 2.1, “Receipts by Source: 1934–2023,” <http://www.whitehouse.gov/omb/historical-tables>. 2017 corporate pretax profits (domestic and international) from Bureau of Economic Analysis, *National Income and Product Accounts Tables*, Table 6.17D, “Corporate Profits before Tax by Industry.”

Figure 4. GDP Compared to Federal Outlays and Regulation



Sources: Crews, *Tip of the Costberg*. GDP from U.S. Department of Commerce, Bureau of Economic Analysis, "Gross Domestic Product, 3rd quarter 2018 (third estimate);", news release, December 21, 2018, <https://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>. Outlays from CBO.

figure of \$1.9 trillion annually is equivalent to approximately 9 percent of that amount (as noted, other estimates are far higher). Combining regulatory costs with federal FY 2019 projected outlays of \$4.412 trillion (see Figure 2), the federal government's share of the economy reaches \$6.07 trillion, or 30 percent of GDP (see Figure 4). That does not include state and local spending and regulation. The percentage has been 30 percent for some time. Much that is new is already born into oversight by preexisting bureaus²⁰⁶ and is regulated without passing laws or even writing rules.²⁰⁷

U.S. Regulation Compared with Some of the World's Largest and Freest Economies

Not counting the United States, only eight countries have GDPs that exceed the cost burden of U.S. regulation. U.S. regulatory costs surpass the 2017 GDP of neighbors Canada, at \$1.65 trillion, and Mexico, at \$1.15 trillion. If U.S. regulatory costs of \$1.9 trillion were a country, it would be the world's ninth-

largest economy, ranking behind India and ahead of Canada (see Figure 5).²⁰⁸

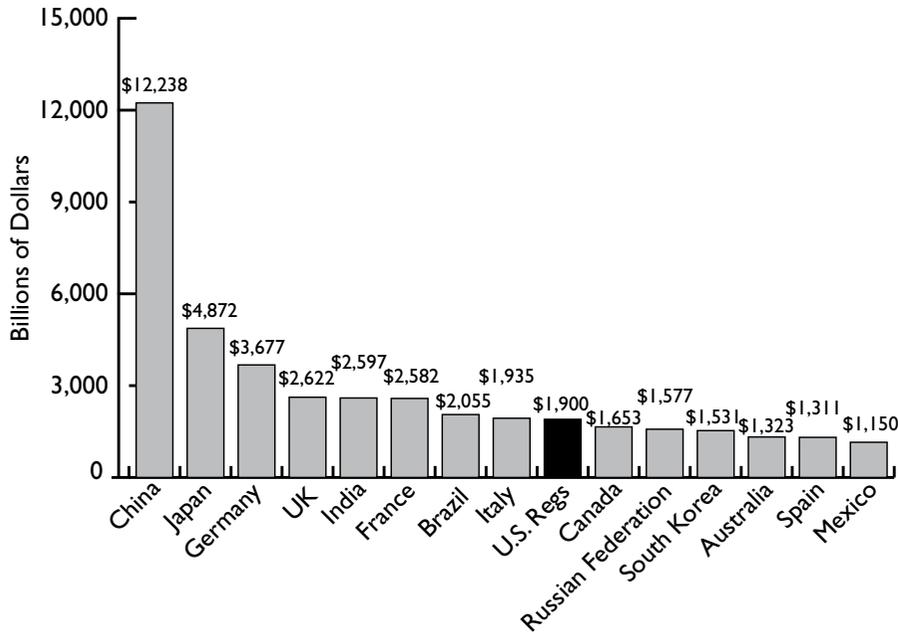
The U.S. regulatory figure of \$1.9 trillion easily exceeds the output of many of the world's major economies, including those, with the exception of the United Kingdom, ranked as the freest economically by two prominent annual surveys of global economic freedom. Figure 6 depicts the 2017 GDPs of the countries common to the top 10 in both the *Wall Street Journal*/Heritage Foundation *Index of Economic Freedom*, and the Fraser Institute/Cato Institute *Economic Freedom of the World* report.²⁰⁹ The U.S. ranks 12th and sixth on these reports, respectively.

Regulation: A Hidden Tax on the Family Budget

Like the taxes they are required to pay, businesses will pass some regulatory costs on to consumers. Other costs will find their way to workers and investors in regulated companies. By assuming a full pass-through of all such costs to consumers—many consumers are also workers and owners through stock

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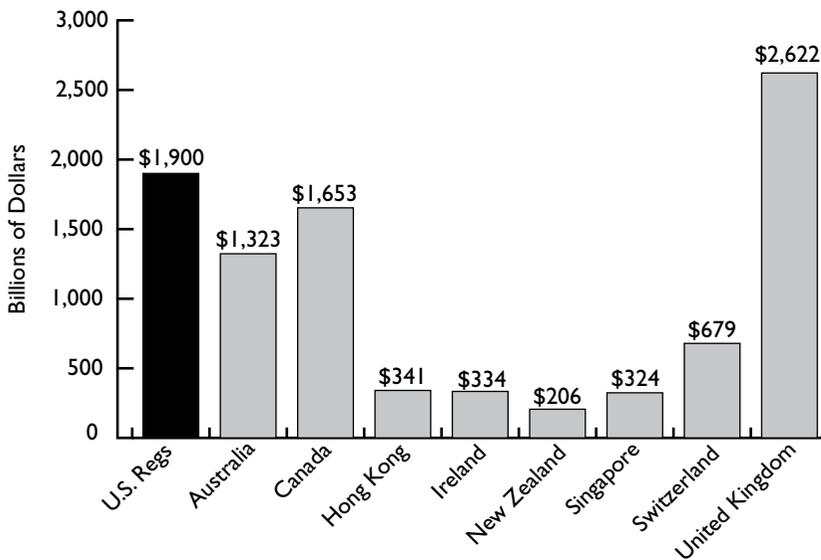
Figure 5. U.S. Regulatory Costs Compared to 2017 Gross Domestic Product of the World's Largest Economies



Source: Crews, *Tip of the Costberg*. Gross Domestic Product data from World Bank, Washington, D.C., GDP Data, <http://data.worldbank.org/indicator/NY.GDPMKTP.CD/countries>.

If it were an “economy,” U.S. regulations would be the ninth largest. U.S. 2017 GDP of \$19.391 trillion per World Bank is not shown.

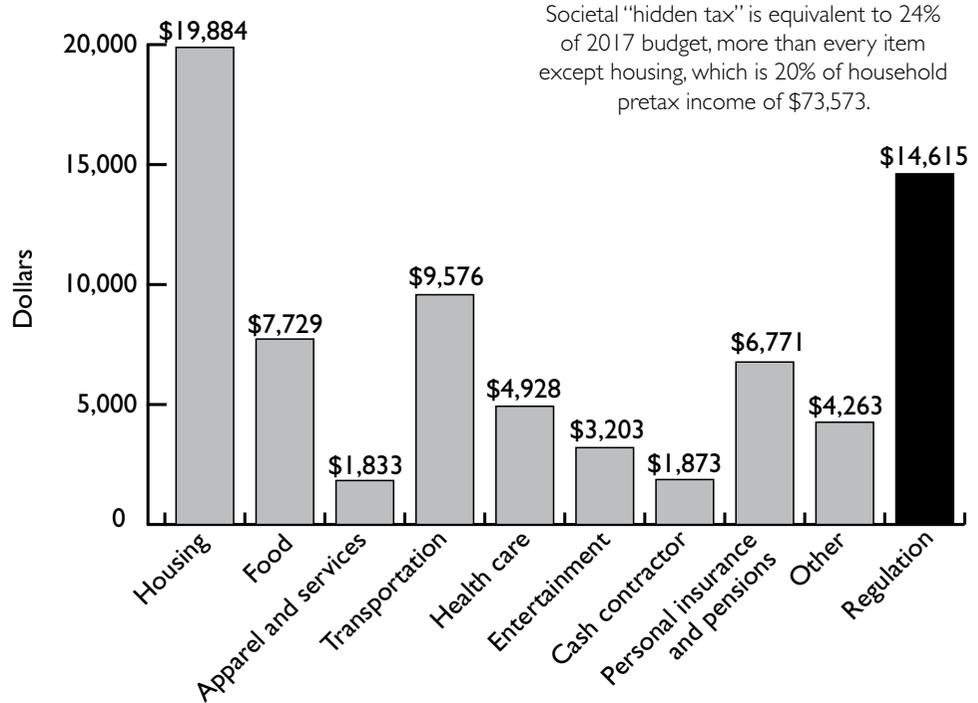
Figure 6. U.S. Regulatory Load Compared to 2017 Gross Domestic Product in World Economies Regarded as Most Free



Sources: Crews, *Tip of the Costberg*. Gross Domestic Product data from World Bank, Washington, D.C., GDP Data, <http://data.worldbank.org/indicator/NY.GDPMKTP.CD/countries>.

“Free” economies consist of those in the top 10 of both the Heritage Foundation/*Wall Street Journal Index of Economic Freedom* and the Fraser Institute/*Cato Institute Economic Freedom of the World* reports.

Figure 7. The U.S. Household Expense Budget of \$60,000 Compared to Regulatory Costs



Sources: Bureau of Labor Statistics, author calculations.

Proxy for households here is BLS depiction of 129,549,000 “consumer units,” which comprise “families, single persons living alone or sharing a household with others but who are financially independent, or two or more persons living together who share expenses.” Other consists of “personal care products and services,” “education,” and “all other expenditures.”

The average U.S. household “spends” more on hidden regulation than on health care, food, transportation, entertainment, apparel, services, and savings.

and mutual fund holdings—we can look at the share of each household’s regulatory costs and compare it with total annual expenditures as compiled by the Department of Labor’s Bureau of Labor Statistics (BLS).²¹⁰

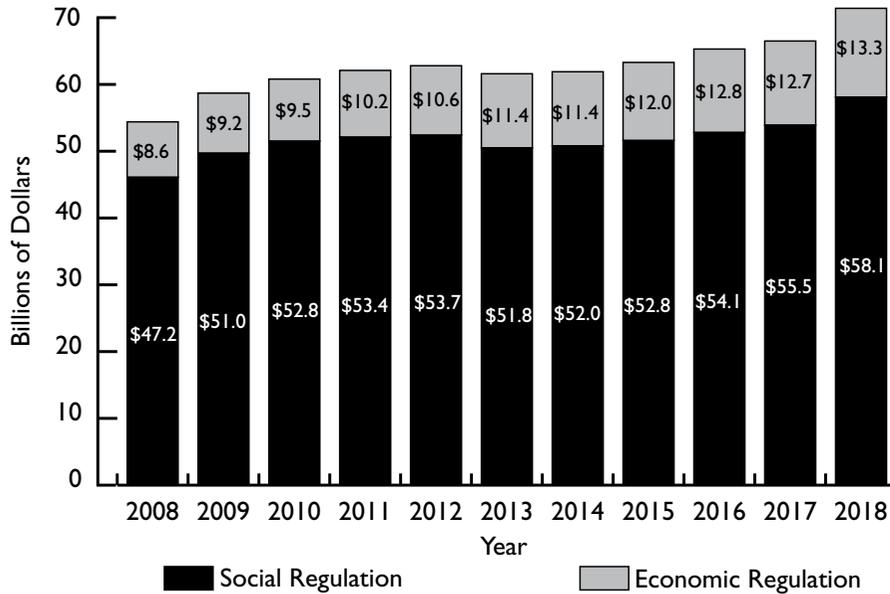
For America’s 130 million households, or “consumer units” in BLS parlance, the average 2017 pretax income was \$73,573.²¹¹ If one were to allocate annual regulatory costs assuming, for simplicity’s sake, a full pass-through of costs to consumers, U.S. households “pay” \$14,615 annually in embedded regulatory or intervention costs (\$1.9 trillion in regulation divided by 130 million “consumer units”), or 20 percent of average income before taxes, and more as a share of after-tax income. This regulatory “hidden tax” is higher than every annual household budgetary expenditure item except housing (see Figure 7). Regulatory costs amount to up to 24 percent of the typical household’s expenditure budget of \$60,060. The average

U.S. household “spends” more on hidden regulation than on health care, food, transportation, entertainment, apparel, services, and savings. Of course, some costs of regulation are not hidden. Consumers pay for regulatory agencies more directly through taxes.

The Administrative and Enforcement Costs of Regulation

Regulatory estimates attempt to capture costs experienced by the public, but those estimates do not include administrative costs—the on-budget amounts spent by federal agencies to produce and enforce rules. The Weidenbaum Center at Washington University in St. Louis and the George Washington University Regulatory Studies Center regularly examine the president’s annual budget proposal to compile the administrative costs of developing and enforcing rules. These amounts—as funds that

Figure 8. Federal Agency Administrative and Enforcement Budgets, \$71 Billion Total in FY 2018



Source: Susan Dudley and Melinda Warren, Annual “Regulators’ Budget” Series, published jointly by the Regulatory Studies Center at the George Washington University and the Weidenbaum Center on the Economy, Government, and Public Policy.

Original 2009 constant dollars are adjusted here by the change in the consumer price index between 2009 and 2018, derived from Consumer Price Index tables, U.S. Department of Labor, Bureau of Labor Statistics, Washington, D.C. All Urban Consumers (CPI-U), U.S. city average, all items).

taxpayers contribute to support agencies’ administrative operations—are disclosed in the federal budget in a way that regulatory compliance and economic costs are not.

According to the latest compilation, FY 2018 enforcement costs incurred by federal departments and agencies stood at \$71.4 billion (in constant 2018 dollars, adjusted from original 2009 dollars) (Figure 8).²¹² Of that amount, \$13.3 billion was incurred on administering economic regulations. The larger amount, spent on writing and enforcing social and environmental regulations, was \$58.1 billion. The \$71 billion in regulatory agency enforcement costs helps complete a picture of the federal regulatory apparatus, as these come on top of other estimates of regulatory compliance and economic burdens. In current dollars, the EPA alone spent an estimated \$5.172 billion in this category in 2018, accounting for 7 percent of the total expected to be spent by all regulatory agencies.²¹³ The EPA formerly accounted for the lion’s share of govern-

mental administration and enforcement costs, but the Department of Homeland Security (DHS), at an estimated \$33.3 billion, now comprises 48 percent.²¹⁴

The Weidenbaum Center and the Regulatory Studies Center also estimate the number of full-time-equivalent administrative and enforcement staff at 281,300 in FY 2017, up from 280,872 in 2017. The number of federal employees has increased well over 100,000 since the 2001 staffing level of 173,057.²¹⁵ Much of the post-2001 surge may be attributable to the then newly created Transportation Security Administration’s hiring of thousands of airport screening personnel.

Costs are one way to attempt to capture the size and scope of the federal regulatory enterprise, which is massive. Another is to assess the paper production—the regulatory material that agencies publish each year in sources like the *Federal Register*.