

Why we need a regulatory budget

Federal spending programs are funded either by taxes or by borrowing, with interest, from future tax collections. The public can readily inspect the costs of departments, agencies, and programs in a formal federal budget complete with historical tables, Congressional Budget Office publications and other compendia. But while the federal government publicly discloses fiscal outlays and accompanying tax obligations, that same transparency does not apply to regulatory costs and burdens, which are equivalent means by which the federal government carries out its aims. That makes them even less disciplined than spending, which in turn means Congress might sometimes find it easier to act via off-budget regulation rather than tax-and-spend policy. And even when regulatory compliance costs do prove burdensome and attract criticism, Congress can escape accountability by blaming agencies.

As a reality check on the need for regulatory budgeting, disclosure of federal spending obviously has not restrained deficits and runaway debt. Yet transparency is vital for wrestling spending back under control. In similar fashion, policymakers should publicly disclose regulatory costs and burdens to the fullest extent possible. Table 1 provides an overview of the 2025 federal regulatory enterprise discussed in the following pages, as well as a flavor of the kinds of components to embed in a regulatory report card that officials ought to provide.

About this \$2.153 trillion regulatory cost placeholder

A regulatory budget would keep Congress and the executive branch more honest about the regulatory costs they are off-loading to the private sector. However,

Table 1. The Regulatory State: An Overview for 2026 (page 1 of 2)

Indicator	Year-end 2025	1-Year Change (2024-25)	5-Year Change (2021-25)	10-Year Change (2016-25)
Regulatory intervention (placeholder)	\$2.155 T	n/a	n/a	n/a
Comparison to:				
Federal outlays	\$6.750 T			
Federal deficit	\$1.832 T			
Individual income taxes (2023 est.)	\$2.3 T			
Corporate income taxes (2023 est.)	\$546 B			
Corporate pretax profits	\$3.523 T			
Gross domestic product (2024 est.)	\$29.37 T			
<i>Federal Register</i> pages	60,917	-42.6%	-17.4%	-36.5%
Devoted to final rules	16,461	-63.4%	-30.4%	-57.4%
<i>Federal Register</i> final rules	2,441	-24.8%	-25.1%	-36.7%
Significant final rules	155	-55%	-59%	-68%
<i>Federal Register</i> proposed rules	1,498	-15.3%	-28.5%	-38.1%
Significant proposed rules	134	-26%	-49%	-64%
<i>Federal Register</i> (small business) final rules	599	-22.2%	-34.5%	-24.9%
Subset of significant final rules)	30	-61%	-70%	-83%
Proposed rules	440	-19.7%	-46.5%	-33.4%
Subset of significant proposed rules	30	-14%	-67%	-74%
“Notices” in <i>Federal Register</i>	19,280	-24.4%	-12.3%	-21.5%
<i>Code of Federal Regulations</i> pages	190,627	1.3%	2.5%	8.8%
Total rules in <i>Unified Agenda</i> pipeline	3,816	14.6%	1.0%	15%
Completed	911	101.1%	91.8%	37%
Active	2,098	-6.0%	-21.7%	0.1%
Long-term	807	25.1%	29.3%	44.6%
Total economically significant rules	243	9.5%	17.6%	25.9%
Completed	40	8.1%	0%	-14.9%
Active	148	17.5%	-27.8%	31%
Long-term	59	-6.8%	10%	66.7%

Table 1. The Regulatory State: An Overview for 2026 (page 2 of 2)

Indicator	Year-end 2025	1-Year Change (2024-25)	5-Year Change (2021-25)	10-Year Change (2016-25)
“Economically significant” rules completed in spring and fall (Spring-only 2025)	40	-65.5%	-61.9%	-51.8%
Total rules affecting small business	655	1.2%	-5.5%	-2.4%
Regulatory flexibility analysis required	310	-3.1%	-12.4%	-24.8%
Regulatory flexibility analysis not required	345	5.5%	1.8%	33.2%
Rules affecting state governments	411	-3.1%	-20%	15.8%
Rules affecting local governments	279	-7.3%	-14.2%	32.2%
GAO Congressional Review Act (CRA) reports on major rules	79	-53%	-39.7%	-24.8%
Executive orders	239	1228%	157%	443%
Executive memoranda	39	-7.1%	30%	8.3%

Notes: n/a = not applicable. Some years fiscal, some calendar; see text.

total regulatory costs are immeasurable, often unfathomed, and have not and cannot be truly calculated. It has been a quarter century since the federal government even tried.

There are no objective metrics to assess, apart from raw compliance outlays on the likes of equipment and personnel.¹⁵ The subjective and internally felt opportunity costs of regulation cannot be calculated by an outsider any more than economies can be centrally planned.¹⁶

Make no mistake: there is no agreement on the costs and benefits of regulation, whether individually or in the aggregate, and there never will be. Biden’s now-revoked Executive Order (EO) 14094 in large

part denies that interventions are costs at all. The Biden White House even argued that water heater regulations and forced replacement would “help consumers save about \$11 billion a year.”¹⁷

Nonetheless, demanding some aggregate regulatory cost baseline is a reasonable ask.

For purposes of maintaining a conservative accounting, *Ten Thousand Commandments* has employed a roughly \$2 trillion estimate annually for many years. This approach is based largely, but not entirely, on the federal government’s own reckonings that emerged from the mid- to late 1990s reform era encompassing compliance costs, economic and gross

domestic product (GDP) losses, social, and other costs, supplemented with irregular White House updates on select costs and benefits.¹⁸

Decades have passed since Washington attempted to measure the aggregate regulatory state. The Office of Management and Budget's (OMB) 2002 estimate of \$954 billion in 2001 dollars (see Table 2) for economic, environmental, and social regulation would translate to over \$1.73 trillion now.¹⁹ A lot has happened since then, including the addition of such rulemaking engines as the Department of Homeland Security, the Dodd-Frank financial law, the Affordable Care Act, and years of federal pushes against core necessities like fossil fuels²⁰ and functional household appliances.²¹

The recent five years in particular are noteworthy: the CARES Act, the CHIPS and Science Act, the Infrastructure Investment and Jobs Act (IIJA), and the Inflation Reduction Act all expanded government control and have redirected private resources toward government-chosen ends via downstream rulemaking, but also via contracting, procurement, partnerships, and attendant regulation that can bypass normal notice and comment procedures, quantification, and the courtesy of appearance in the *Federal Register*.

Notable Biden-era leveraging of these enactments includes broadband social-policy schemes such as the IIJA-rooted rule on Prevention and

Elimination of Digital Discrimination²² and its build-out mandates and price controls,²³ and the Commerce Department's National Telecommunications and Information Administration's haphazard allocation of over \$42 billion in Broadband Equity, Access, and Deployment (BEAD) funding with social agenda strings not contained in the IIJA legislation itself.²⁴ The Trump agenda involves unwinding in some instances, but escalating government in others.

A 2023 National Association of Manufacturers (NAM) report, titled *The Cost of Federal Regulation to the US Economy, Manufacturing and Small Business*, finds regulatory costs of \$3.079 trillion for 2022 (in 2023 dollars).²⁵ Employing bottom-up approaches and top-down regression modeling rooted in "academic literature finding that macroeconomic performance and living standards are systematically linked to regulatory policies," NAM assesses regulatory costs this way:

- ▶ Economic: \$2.067 trillion.
- ▶ Environmental: \$588 billion.
- ▶ Occupational safety/health and homeland security: \$124 billion.
- ▶ Tax compliance: \$300 billion.

According to the report, the \$2.067 trillion economic component encompasses rules affecting decision-making in, for example, "markets for final goods and services, markets for physical and human resources, credit markets and markets for the transport and delivery of products

**Table 2. Legacy Official Assessments of Federal Regulation: Late 20th Century, Early 21st Century
(Millions of Dollars)**

	Hopkins 1992 (1991 dollars)	GAO 1995 (1995 dollars)	Hopkins 1995 (1995 dollars)	SBA 2001 (2001 dollars)	OMB 2002 (2001 dollars)	SBA 2005 (2004 dollars)	SBA 2010	NAM 2014 (2012 dollars)
Environmental	115		168	197	203	221	281	330
Other social	36		55		30			
Transportation					22			
Labor					22			
Economic regulation						591	1236	1448
<i>Efficiency</i>	73		80		150			
<i>Transfers</i>	130		147		337			
<i>Efficiency - domestic</i>				101				
<i>Transfers - domestic</i>				202				
<i>Efficiency - international trade</i>				44				
<i>Transfers - international trade</i>				88				
Workplace and homeland security				82		106	75	92
Paperwork/process/information collection (tax compliance)	189		218	129	190	195	160	159
TOTALS	\$543.00	\$647.00	\$668.00	\$843.00	\$954.00	\$1,113.00	\$1,752.00	\$2,029.00
LEGACY TOTALS (in 2013 dollars)		\$1,019.03	\$1,052.100	\$1,142.27	\$1,292.67			

Table 2. Legacy Official Assessments of Federal Regulation: Late 20th Century, Early 21st Century (Millions of Dollars) (continued)

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%20FILLING%20THE%20GAPS.pdf>; General Accounting 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/t2pbat1/153774.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, DC, October 1995, http://www.sba.gov/advo/laws/archive/law_brd.html; Office of Management and Budget, "Draft Report to Congress on the Costs and Benefits of Federal Regulations," *Federal Register*, March 28, 2002. Pp. 15037-8. <http://www.whitehouse.gov/sites/default/files/omb/assets/omb/inforeg/cbreport.pdf>; 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>; W. Mark Crain, "The Impact of Regulatory Costs on Small Firms," Report prepared for the Small Business Administration, Office of Advocacy, Contract no. SBHQ-03-M-0522, September 2005 <https://www.sba.gov/sites/default/files/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/advo/research/rs371tot.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>.

Note: Some figures are here adjusted to 2016 by the change in the consumer price index between 2001 and 2016, and between 1995 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.) <https://www.bls.gov/cpi/cpid1701.pdf>. GAO = Government Accountability Office; NAM = National Association of Manufacturers; OMB = Office of Management and Budget; SBA = Small Business Administration.

and factors of production." Such interventions "affect who can produce, what can (or cannot) be produced, how to produce, where to produce, where to sell, input and product pricing and what product information must be or cannot be provided." Direct compliance outlays by firms, which understate total regulatory costs, include "investments in capital equipment, expenditures on O&M [operations and maintenance], payments to outside consultants, in-house employees devoted to compliance activities and so forth." For reference, the last column of Table 2 also depicts NAM's earlier 2014 estimate of \$2.029 trillion.

Other recent assessments find aggregate regulatory costs even higher than NAM's \$3.079 trillion reckoning.²⁶ Other studies explore sub-components of regulatory costs. For example, a report using 2002-2014 data on occupational tasks and firms' wage spending finds that the "average US firm spends between 1.3 and 3.3 percent of its total wage bill on regulatory compliance" and that the "wage bill devoted to regulatory compliance workers in 2014 was between \$79 billion and \$239 billion, depending on the stringency of the regulatory compliance measure employed, and up to \$289 billion when capital is also added."²⁷

In law but not in practice, OMB remains charged with publishing an annual survey of regulation known as the *Report to Congress on the Benefits and Costs of Federal Regulations and Agency Compliance with the Unfunded Mandates Reform Act*. The report invokes the Regulatory Right-to-Know Act, but the aggregate cost assessment that the law requires has not appeared in two decades. Those were replaced by a 10-year lookback, thereby conveniently omitting the first years of the 21st century and the entirety of the 20th.

In recent years, even the 10-year lookback vanished. Now the report itself has disappeared, with a fiscal year 2023 edition the newest available.²⁸ Even before this, cost-benefit analyses were few and largely self-reported by agencies, with OMB acknowledging that, “All estimates presented... are agency estimates of benefits and costs, or minor modifications of agency information performed by OMB.”²⁹

In 2023, the White House released three catch-up draft editions of the *Report to Congress* in a composite format encompassing fiscal years 2020–2022.³⁰ Like its predecessors, the *Report to Congress* contains a limited overview of executive agency major rules and partial monetary quantification of some costs and benefits. As the first three rows of Table 3 show, only 31 major rules featured both benefits and costs monetized. This category is what administrations point to when touting net benefits of the regulatory enterprise. However, another 56 major

rules had costs alone quantified, which OMB historically does not sum up.

Next, the aforementioned FY 2023 report appeared with 19 rules featuring both costs and benefits, and another 10 featuring costs only.³¹ These four reports remain the most recent available, within which OMB formally reports on a total of 330 major rules over the 2020–2023 roaring 20s period covered in Table 3. Meanwhile, 12,796 rules were finalized in the *Federal Register* during the same time frame, and untold numbers of sub-regulatory materials such as agency memoranda, guidance documents, bulletins, circulars, and manuals that appear neither in OMB’s annual assessments, nor the *Federal Register*.

Although the *Report to Congress* covers agencies’ compliance with the Unfunded Mandates Reform Act, the independent agencies, which include formidable regulators such as the Federal Communications Commission (FCC), the Federal Trade Commission (FTC) and financial regulatory bodies, have been exempt from OMB cost-benefit review until Trump’s EO 14215, “Ensuring Accountability for All Agencies.”³² Overall, as Table 3 also shows, about 35 percent of the reviewed major rule subset features quantitative cost estimates. Beyond designated major rules, the proportion of rules with cost analysis averages less than one percent. Historically, the ratios are similar.

Overall, Table 3 shows 50 rules with both benefits and costs quantified, adding \$29.1

Table 3. Executive Agency Major Rules Reviewed by OMB with and without Cost-Benefit Analysis

Draft Report	# of rules with costs and benefits	Annual costs	#of rules with costs only	Annual costs	Grand total, number of rules with costs	Costs absent	Total rules	“Budget” rules	Total OMB major rule reviews	*Federal Register final rules	“Costed” rules as % of major rule flow	“Costed” rules as % of finalized* rule flow
FY 2020	9	(\$16.123)	27	\$16.4	36	39	75	35	110	3,353	32.73%	1.07%
FY 2021	8	(\$0.341)	20	\$23.2	28	30	58	39	97	3,257	28.87%	0.86%
FY 2022	14	\$29.463	9	\$6.7	23	10	33	30	63	3,168	36.51%	0.73%
FY 2023	19	\$16.113	10	\$1.94	29	1	30	30	60	3,018	48.33%	0.96%
FY 2024	<i>Not Released</i>											
FY 2025	<i>Not Released</i>											
TOTAL	50	\$29.112	66	\$48.2	116	80	196	134	330	1,2796	35.15%	0.91%

Source: Compiled by W. Crews from OMB, various fiscal years' editions of *Report to Congress on Benefits and Costs of Regulation*, <https://www.whitehouse.gov/omb/information-regulatory-affairs/reports/>.

Notes: *Federal Register final rules are presented by calendar year; other data by fiscal year. Budget rules are “regulations implement[ing] or adjusting Federal budgetary programs, which primarily caused income transfers, usually from taxpayers to program beneficiaries.”

billion to annual regulatory costs. Those specific rules, itemized in Appendix A, cover vehicle fuel efficiency, building energy conservation, and industrial admissions standards, as well as deregulatory first Trump term moves on waters of the United States. That \$29.1 billion in costs accumulated during this brief 2020s timeframe is noteworthy, given that the first two of the four fiscal years represented Trump savings, and given that the first 20 years of the century found OMB's reports noting \$151 billion in annual costs added, averaging around \$7 billion annually.³³

The 66 rules noted for 2020–2023 in Table 3's fourth column with costs alone quantified add \$48.2 billion to ongoing annual costs. Appendix B details this category of rules for fiscal years 2020–2022, which included rules such as COVID-19 paid leave. During the 2002–2019 period, there were dozens of such cost-only rule disclosures, with high-end cost estimates of \$53.71 billion.³⁴

These latest official estimates and prior editions of this report serve as the basis for our new aggregate cost placeholder. The 2022 edition of *Ten Thousand Commandments* employed an estimate of \$1.927 trillion for annual regulatory costs that had incorporated OMB *Report(s) to Congress* through FY 2019, before these updates appeared, making it a touchpoint of sorts for dividing the first two decades of the 21st century. Incorporating OMB's 2020s reports' \$77 billion in incremental

annual costs, as well as increments for independent agency paperwork and a slight inflation adjustment for economic regulatory costs, allows us to adjust the 2025 aggregate estimate to \$2.155 trillion, which serves as our starting point for 2026.

The paperwork increment for independent agencies is worth noting. Mirroring the tardy *Report to Congress*, five laggard *Information Collection Budget of the US Government* (ICB) volumes appeared in 2023 in belated compliance with the Paperwork Reduction Act of 1980. An FY 2023 edition followed in July 2024, and reported that 10.5 billion hours were required to complete mandatory paperwork from 39 departments, agencies, and commissions.³⁵

The 10.5 billion annual hours Washington says it takes to complete its paperwork translates into the equivalent of 14,983 human lifetimes every year.³⁶ For our purposes, executive branch agencies' paperwork costs are assumed to have already been incorporated into the *Report to Congress*.

However, since independent agencies' costs are not included, the release of paperwork reports allowed the incorporation of a small amount of incremental paperwork "dead tape" costs here. Assuming \$35 per hour, independent agency costs stand at \$32.49 billion.³⁷

Costs are actually higher, though, since apart from the formal ICBs, paperwork is

tracked online and shows stark increases in recent years. As of January 23, 2026, OMB's website reported government-wide totals for Active Information Collections of 11.7 billion hours.³⁸ So paperwork costs are actually higher, but since independent agency breakdowns are not offered, the FY 2023 figure is retained here.

So far then, the \$2.155 placeholder stands pat as the public awaits FY 2024 and 2025 OMB cost updates. We next adjust slightly for legacy economic costs that OMB's reports do not cover. Given that the NAM report's economic cost component alone exceeds \$2 trillion and building from the legislative interventions of the past two decades, it is appropriate to cautiously recognize higher economic costs than we have pointedly left flat since OMB referenced some \$487 billion in 2001 dollars (Table 2). This is in keeping with the imperative to have official federal reports occupy center stage and to have their own inadequacy spur upgrades and reform.

Earlier editions of this report incorporated a cautious \$399 billion baseline in 2013 dollars³⁹ rather than OMB's \$487 billion. Updating that government-rooted but downsized figure to 2024 dollars yields a \$552 billion marker we employ.⁴⁰ (The figure in this report's 2025 edition was \$539 billion) That is far below NAM's \$2.067 trillion figure for economic regulation alone, but it serves our purpose of establishing something like an official legacy baseline and of appealing to Congress to enforce OMB compliance with

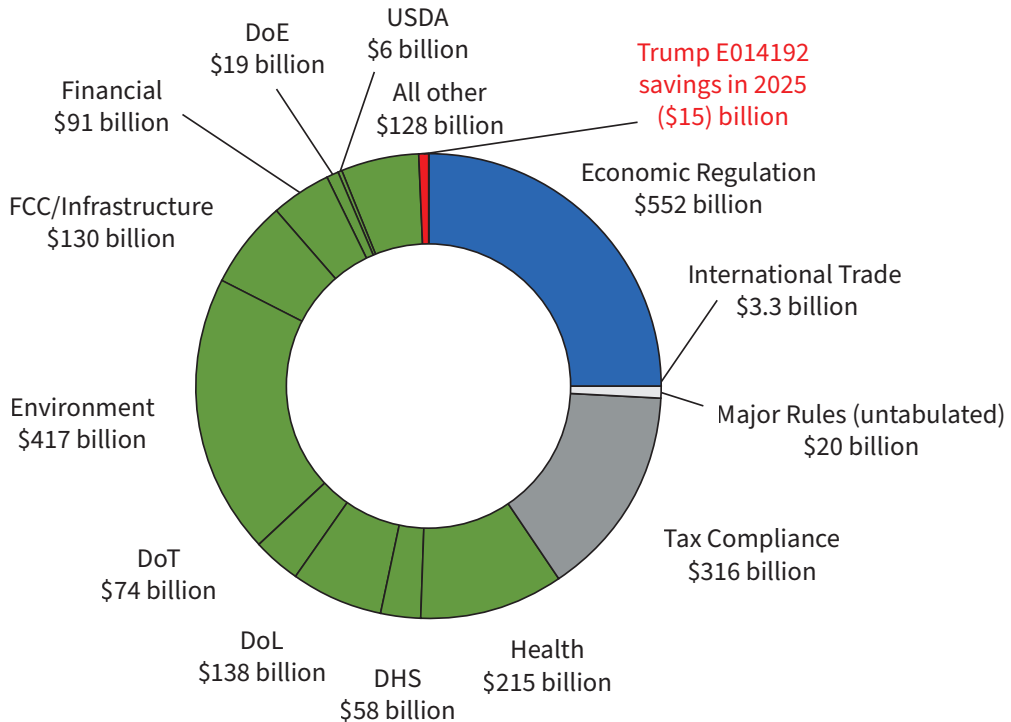
the Regulatory Right-to-Know Act. That brings us to \$2.168 trillion.

Now we make a slight adjustment based upon the Trump administration's *Final Accounting* for 2025, in lieu of the formal OMB reports for 2024-2025 needed to formally fill the gap. Rather than adding costs, this adjustment will reflect the Trump administration's year-end assertion of regulatory cost savings.

As noted, the Trump administration claims agencies issued 646 deregulatory actions and five significant regulatory actions, and that those eliminations save approximately \$212 billion in present-value costs across government. In the section "Annualized Value v. Present Value" in the *Final Accounting*, the White House notes that with a "perpetual time horizon and a 7 percent discount rate, a present value can be transformed into its contemporaneous annualized value by multiplying by 0.07." Performing that simple calculation yields an annual savings of \$14.830 billion.

Incorporating this figure into our overall placeholder brings it to \$2.153 trillion, as reflected in Figure 1, which is nearly unchanged from last year's \$2.155 trillion.⁴¹ Trump's \$15 billion savings don't belong in a pie chart featuring regulatory costs, of course, but are depicted in Figure 1 to illustrate the small relative amount of savings compared to overall costs, and the scale necessary to substantially shrink the regulatory state. What Trump saved

Figure 1. Annual Cost of Federal Regulation and Intervention, 2026 Estimate



Sources: C. W. Crews, *Tip of the Costberg: On the Invalidity of All Cost of Regulation Estimates and the Need to Compile Them Anyway*, 2017 Edition, available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2502883; and editions of OMB Reports to Congress on regulatory costs and benefits, <https://bidenwhitehouse.archives.gov/omb/information-regulatory-affairs/reports/>.

Note: DHS = Department of Homeland Security; DOE = Department of Energy; DOL = Department of Labor; DOT = Department of Transportation; FCC = Federal Communications Commission; USDA = U.S. Department of Agriculture.

in cuts, inflation everywhere else took away. This figure serves as a conservative baseline to compare with metrics such as federal spending aggregates.

\$212 billion of cost savings in the administration’s *Completed Actions for Fiscal Year 2025 under Executive Order 14192* (a report accompanying the *Final Accounting*).⁴² The largest, roughly \$129 billion, derives from the Treasury Department’s

Financial Crimes Enforcement Network’s revision to its Beneficial Ownership Information reporting rule rooted in the 2020 Corporate Transparency Act.⁴³ This change eliminated the requirement that certain US LLCs and corporations disclose personal information about owners and controllers.

The other two outsized contributors were the Transportation Security

Administration's decision to permit airline passengers to keep their shoes on during security screening (\$25 billion claimed), and the Food and Drug Administration's rollback of a rule that had treated laboratory-developed tests as medical devices subject to extensive review and reporting requirements (\$20 billion).

These cuts are not what anyone could seriously envision as deconstructing the administrative state, but it is the case that major regulatory initiatives of the conventional sort that appear in the *Federal Register* are not being added. The *Final Accounting* is a bridge for present purposes. Should OMB release overdue cost-benefit reports, these will be included in Table 3 in next year's *Ten Thousand Commandments*.

OMB transparency, while useful, has three serious problems. One, official figures from a quarter century ago are sketchy and detached from modern reality. Two, they are incomplete and miss large swathes of the overarching regulatory state. Three, they were never replaced and regularly updated as required by law.

Critics of cost-benefit analysis claim that many old rules like those in the legacy federal reports no longer impose costs because of technological change or adaptation. The compounding distortions of regulation over time make that assertion untrue. Nonetheless, retaining legacy government-reported regulatory categories

keeps the inadequacy of official government reporting front and center, and can spur change enforced by some future Congress. This report's embedded \$418 billion annual estimate for legacy environmental costs,⁴⁴ for example, like our economic cost placeholder, stands well below NAM's \$588 billion tabulation for that category.

Indeed, an extraordinary amount of federal economic and social intrusion is not captured as costs of regulation or coercive intervention whatsoever in any of the formats that purport to address or score them. Even mere numbers of rules were not tabulated before 1976. Like the NAM report, other assessments acknowledge regulatory costs far beyond official reckonings, including former White House Council of Economic Advisers chief economist Casey Mulligan's report, *Burden Is Back: Comparing Regulatory Costs Between Biden, Trump, and Obama*.⁴⁵

As the Competitive Enterprise Institute's founder Fred L. Smith, Jr. framed this dilemma, "The genius of the Progressives in the late 19th century was to preempt or push large sectors of the emerging future (the environment, schools, electromagnetic spectrum, infrastructure, welfare, the medical world) into the political world."⁴⁶ In that vein, this report's Appendix C: A Partial Compilation of Unmeasured and Disregarded Costs of Federal Intervention presents samples of more than a century and a half of economic consolidations and administrative

state escalations that escape reckoning altogether.

These outside-the-framework costs appear in numerous policy areas: anti-trust regulation; federally steered public-private partnerships (local tap water, electric vehicle charging networks, hydrogen hubs,⁴⁷ regional technology hubs,⁴⁸ artificial intelligence, and so on); subsidies and grants; common carriage approaches that derail property rights evolution;⁴⁹ resource-use restrictions on western lands; and the too-big-to-fail stance toward large financial institutions.

To the extent people regard tariffs as costs rather than the benefits Trump claims they comprise, one could conceivably double this report's cost estimate. At a January 29, 2026 cabinet meeting, Trump remarked, "we've taken in hundreds of billions, even trillions of dollars," attributing some of that to companies returning to the US.⁵⁰

Administrative state convention routinely disregards political failure, underplays the importance of private property, and even fails to appreciate its own role in aggravating inequality.⁵¹ Even the 134 budgetary and funds-transfer rules noted in Table 3 displace what would have been private activity in, for example, retirement and health care funding, distorting those markets in perpetuity. Washington's inducement of dependency on federal government transfers is as fundamental as social regulation and the custodial

administrative state can possibly get, yet it is not counted among costs.

These are some of the many ways this report's \$2 trillion in costs of regulatory intervention understates the scale of federal involvement in the economy. This gives us a rough idea of how much agencies understate or ignore the costs they impose.

Regulatory costs have only compounded since the government bothered to tabulate aggregate social, environmental, and economic costs two decades ago. Table 3 and Appendices A and B depict tens of billions of dollars added in only the most recent four years by a handful of more than 400 federal agencies and subunits.⁵²

Regulation, spending, and deficits

Having laid some groundwork and perspective, comparing regulatory costs with federal taxation and spending helps better gauge the size and scope of the federal government. According to the newly released Congressional Budget Office (CBO) *Budget and Economic Outlook*, covering FY 2025 and projections for FY 2026–FY 2036, the federal government posted \$7.010 trillion in outlays on revenues of \$5.235 trillion in 2025, for a deficit of \$1.775 trillion.⁵³

According to the CBO, outlays are expected to cross the \$8 trillion mark in 2028 and top \$10 trillion annually by 2033.

Deficits will again exceed \$2 trillion by 2028 and are projected to grow as far as the eye can see, passing \$3 trillion in 2036.

Figure 2 compares deficits and outlays for fiscal years 2024 and 2025, and projected amounts for FY 2026, along with regulation. Regulation of \$2.153 trillion now stands at about 31 percent of outlays and easily exceeds 2025's \$1.775 trillion deficit. For additional perspective, the NAM regulatory aggregate cost figure of \$3.079 trillion equals 44 percent of 2025 outlays.

Regulatory costs compared with taxes and profits

Figure 3 provides a snapshot of the \$2.153 trillion US regulatory burden compared with taxes and corporate profits. Individual income tax revenues stood at \$2.426 trillion for 2024, while corporate income tax revenue was \$529.9 billion for 2024.⁵⁴

Regulatory costs are four times corporate income taxes and 89 percent the level of individual income taxes. The NAM annual regulatory cost figure of \$3.1 trillion, on the other hand, exceeds both corporate and individual taxes combined (\$2.956 trillion).

In addition, this report's \$2.153 trillion regulatory cost estimate equals 51 percent of 2024 corporate pretax profits of \$4.179 trillion,⁵⁵ while NAM's \$3.1 trillion regulatory estimate would consume 74 percent of corporate profits.

Regulatory costs compared with US GDP

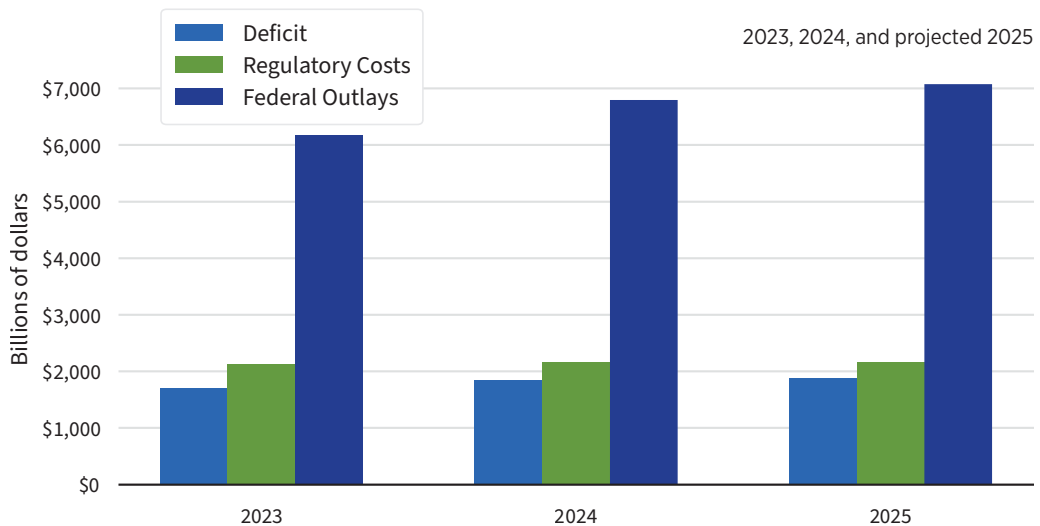
In January 2026, the Commerce Department's Bureau of Economic Analysis estimated 2025's US current-dollar GDP at \$31.1 trillion.⁵⁶ Our \$2.153 trillion regulatory cost figure is equivalent to approximately 7 percent of GDP. NAM's \$3.067 trillion reckoning would put regulatory costs at just under 10 percent of GDP. Combining \$2.153 trillion in regulatory costs with federal FY 2024 outlays of \$7.01 trillion, the federal government's share of the economy stood at \$9.163 trillion in 2025, or 30 percent of GDP (see Figure 4). None of these metrics include state and local spending and regulation.

US regulation compared with global economies

If US regulatory costs of \$2.153 trillion were a country, it would be the world's eleventh-largest economy, ranking just ahead of the Korean Republic with its \$1.875 trillion 2024 GDP, and behind the Russian Federation at \$2.174 trillion (see Figure 5).⁵⁷ Using NAM's cost estimate, federal regulation would be the world's seventh-largest economy, just behind France's \$3.16 trillion GDP.

The US regulatory figure of \$2.153 trillion not only exceeds the output of many of the world's major economies, but also greatly outstrips even those ranked as the freest economically by two prominent annual surveys of global economic

Figure 2. Federal Outlays and Deficits Compared With Federal Regulation



Sources: Deficit and outlays from Congressional Budget Office, *The Budget and Economic Outlook*, “CBO’s Baseline Budget Projections, by Category,” various years, [cbo.gov](https://www.cbo.gov/). and White House Office of Management and Budget, Historical Tables, Table 1.1—Summary of Receipts, Outlays, and Surpluses or Deficits: 1789–present, <https://www.whitehouse.gov/omb/historical-tables/>. Regulatory cost placeholder from Crews, *Tip of the Costberg*, Working Paper, 2017 Edition (Available on SSRN at <http://ssrn.com/abstract=2502883>); table maintained at <http://bit.ly/1BMjL5>; and prior editions of *Ten Thousand Commandments*.

liberty. Figure 6 depicts the 2024 GDPs of the seven nations ranked in the top 10 common to both the Heritage Foundation’s *Index of Economic Freedom* and the Fraser Institute and Cato Institute’s *Economic Freedom of the World* report.⁵⁸ The Fraser/Cato index ranks the United States 5th, whereas the Heritage report ranks the United States 26th.

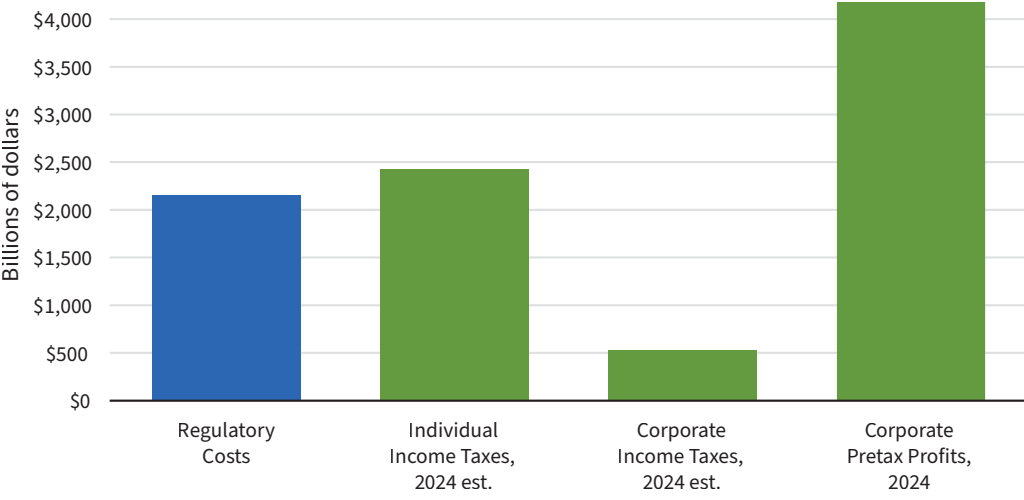
A hidden tax on household budgets

Regulation is sometimes called a hidden tax for good reason. Ordinary income and FICA taxes are itemized on pay stubs and

calculated on tax returns. Most regulatory costs are instead embedded in prices of goods and services or reflected indirectly in slower economic growth, never showing up on a receipt or an annual statement. Businesses pass regulatory costs on to consumers, just as they do the corporate income tax.⁵⁹ Other regulatory costs may find their way to households in the form of lower returns on retirement funds and other investments, as well as fewer investment opportunities and more paperwork.

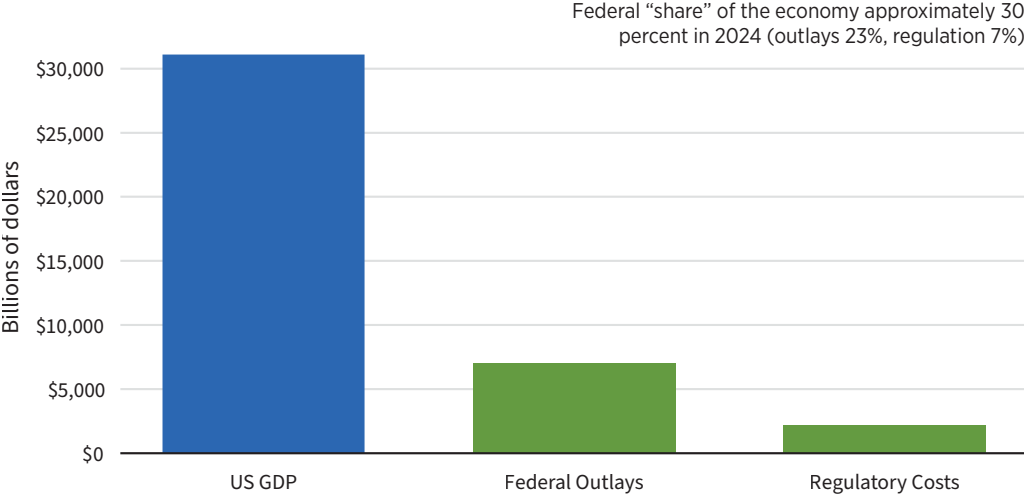
The true incidence of regulatory costs is of course impossible to precisely calculate. But by assuming a full pass-through

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



Sources: Regulatory cost placeholder from C. W. Crews, *Tip of the Costberg*, Working Paper, 2017 Edition, <http://ssrn.com/abstract=2502883>. 2024 tax figures from OMB, *Historical Tables*, Table 2.1, “Receipts by Source,” <https://www.whitehouse.gov/omb/historical-tables/>. 2024 corporate pretax profits from Bureau of Economic Analysis, *National Income and Product Accounts Tables*, Table 6.17D, “Corporate Profits before Tax by Industry.”

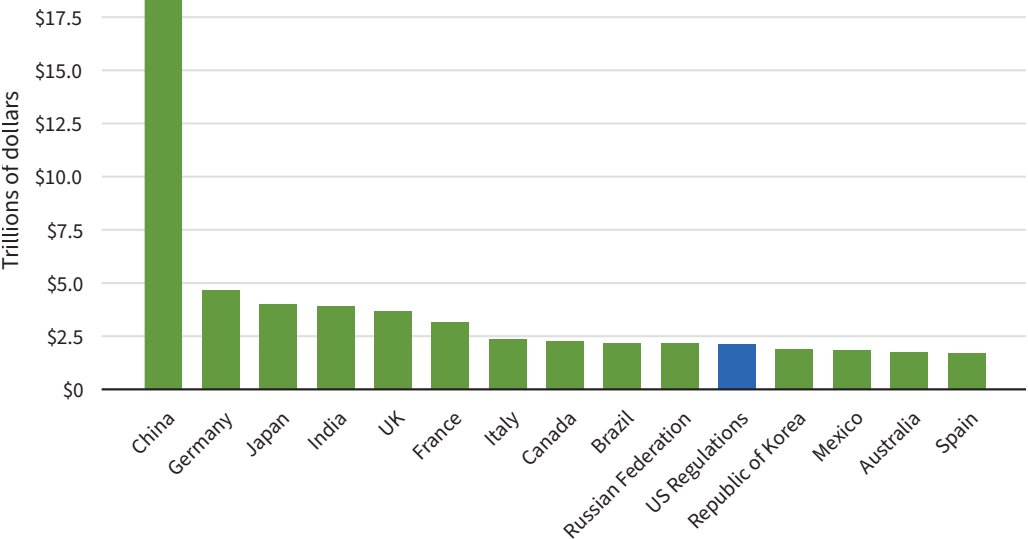
Figure 4. Estimated 2025 GDP Compared with Federal Outlays and Regulation



Sources: C. W. Crews, *Tip of the Costberg*, 2017 Edition, <http://ssrn.com/abstract=2502883>; and 2017–2020 editions of OMB *Report to Congress on regulatory costs and benefits*. GDP from U.S. Department of Commerce, Bureau of Economic Analysis. Outlays from CBO and/or White House OMB.

Figure 5. 2026 US Regulatory Costs Compared to 2024 GDP of the World's Largest Economies

If US regulation were a “country,” it would be the world’s 11th largest under most conservative reckoning. NAM cost figure of \$3.079 trillion would make U.S. regulations 7th largest “nation.”



Sources: Gross Domestic Product data from World Bank, GDP Data, <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD/countries> and <https://datacatalogfiles.worldbank.org/ddh-published/0038130/DR0046441/GDP.pdf> text and C. W. Crews, *Tip of the Costberg*, 2017 Edition.

Note: U.S. 2022 GDP of \$28.751 trillion per World Bank not shown.

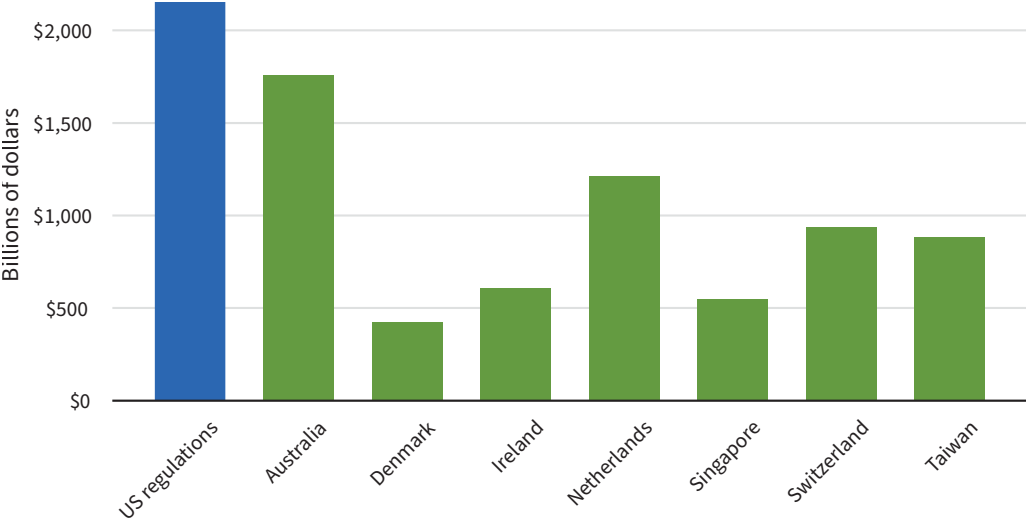
of all regulatory costs to consumers, one can look at American households’ share of regulatory costs and compare it with total annual expenditures at the household level, as measured by the Department of Labor’s Bureau of Labor Statistics.⁶⁰

For America’s 135.766 million households, average 2024 pretax income was \$104,207.⁶¹ Assuming full pass-through to individuals of \$2.153 trillion in federal regulatory costs, US households pay \$15,859 annually in embedded costs (\$2.153 trillion in regulation divided by 135,760,000 households (consumer units

in BLS parlance). This is roughly 15 percent of average income before taxes, and more than that as a share of after-tax income. NAM’s \$3.079 trillion regulatory assessment implies costs of \$22,679 per household, or 22 percent of income.

Federal regulatory costs amount to up to 20 percent of the typical household’s expenditure budget of \$78,535. At \$15,859, the hidden regulatory tax exceeds every annual household expenditure item except housing (see Figure 7). The average US household spends more on hidden regulation than on health care, food,

Figure 6. 2026 US Regulation Compared with 2024 GDP of World Economies Regarded as Most Free



Sources: C. W. Crews, *Tip of the Costberg*, 2017 Edition. Gross Domestic Product data from World Bank, Washington, DC, GDP Data, <https://datacatalogfiles.worldbank.org/ddh-published/0038130/DR0046441/GDP.pdf>.

Note: “Free” economies consist of those appearing in the top ten of both the Heritage Foundation *Index of Economic Freedom* and the Cato Institute *Economic Freedom of the World* report.

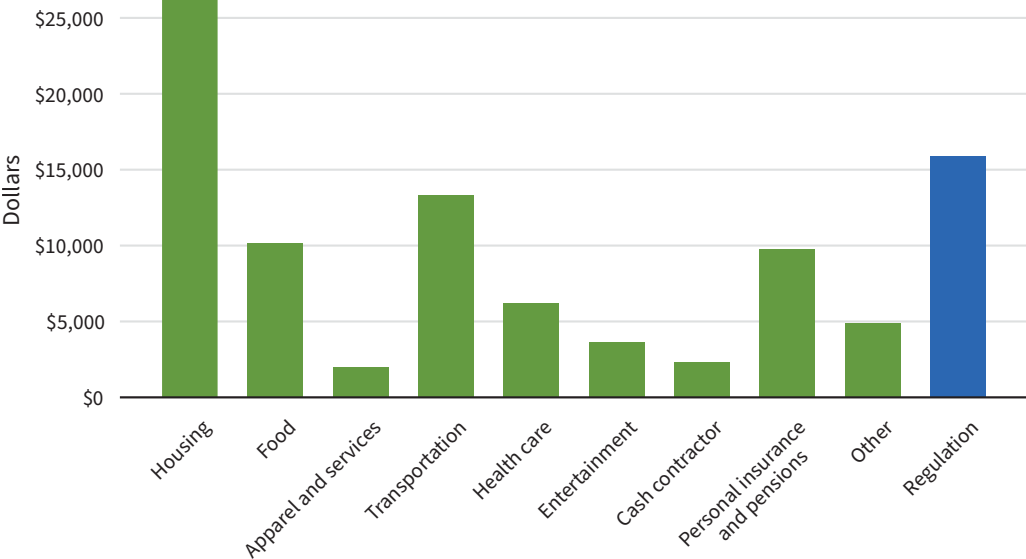
transportation, entertainment, apparel, services, or savings. NAM’s \$3.079 trillion regulatory cost translates into \$22,680, or 29 percent of household expenditures.

Examining and reflecting upon costs is one way to assess the size and scope of

federal regulation. Another is to assess the amount of regulatory material that agencies publish each year in sources like the *Federal Register* and the *Unified Agenda of Federal Regulatory and Deregulatory Actions*.

Figure 7. US Household Expense Budget Compared with Regulatory Burdens

Societal hidden tax is equivalent to 20% of 2024 household budget, more than every item except housing, which is 15% of average household pre-tax income of \$104,207.



Sources: Bureau of Labor Statistics (BLS), author calculations.

Note: Proxy for “households” here is BLS depiction of 135,760,000 “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.”

Numbers of rules and page counts in the *Federal Register*

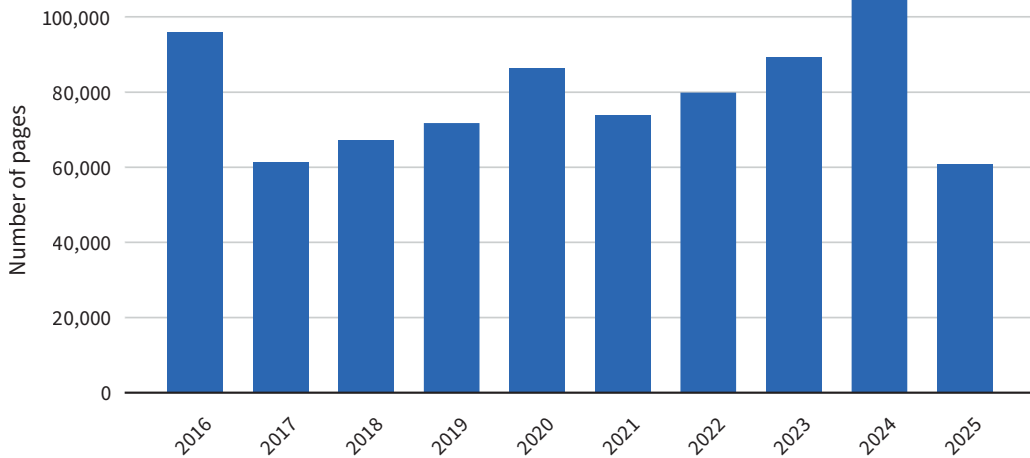
The *Federal Register* is the daily repository of all proposed and final federal rules and regulations. Although its page counts are often cited as a measure of regulatory activity, it is hardly a perfect one. A short rule may be costly, whereas a lengthy one may be relatively cheap. The *Federal Register* also contains many administrative notices, corrections, rules relating to the governance of federal programs and budgets, presidential statements, and other materials. These contribute bulk and bear some relation to the flow of regulation, but are not strictly regulations. Blank pages, skips, and corrections also affect page counts. Shortcomings notwithstanding, it remains worthwhile to track the *Federal Register's* page counts as a proxy for federal activism.

The 2025 *Federal Register* closed out at 60,917 pages. The Biden administration issued 7,648 of those before Trump's inauguration, giving Trump a net of 53,269 pages. This represents a 43 percent drop from 2024's record-high 106,109 pages under Biden (see Figure 8).⁶² The 2025 *Federal Register* page tally is the lowest seen since 1992, when page counts stood at 57,003 under George H.W. Bush. It also bests Trump's own record low of 61,314 in 2017⁶³ that followed Barack Obama's then-record high of 95,913.

A drop in page counts between administrations is typical, as incoming presidents freeze the pipeline temporarily and launch their own priorities. Figure 8, for example, captures the substantial

Figure 8. 106,109 Federal Register Pages at End of Biden’s Fourth Year

Biden’s count swamps Obama’s record of 95,913 pages



Source: National Archives and Records Administration, Office of the *Federal Register*.

drops in each instance between Obama and Trump; Trump and Biden,⁶⁴ and Biden and Trump.

Of the 20 all-time high *Federal Register* page counts, seven occurred during the Obama administration, as Table 4 shows. Biden and Bush both have four in the top 20. For the history of *Federal Register* page totals since 1936, see Appendix D.

Federal Register pages devoted to final rules

Isolating the pages devoted to final rules rather than gross page counts removes pages dedicated to proposed rules and also non-rule material such as agency notices, corrections, and presidential documents, although those can also have regulatory effects.

Biden’s fourth year concluded with 45,028 pages devoted to final rules, the highest on record and a 71 percent increase over 2023. Under Trump, pages fell 63 percent to 16,461. The last time pages were that low was 1992 when they stood at 15,491 (see Figure 9).

As Biden’s record might imply, final rule page counts can sometimes tend to surge as presidential terms near their end and midnight rules are issued as agencies rush to implement as much of the outgoing administration’s unfinished policies as possible. The previous page count record for final rules was 38,639 pages in Obama’s final year of 2016. This declined to 18,214 pages in 2018 after the first-term Trump streamlining got under way. Obviously, some rules are bulkier than others and affect final rule page tallies.

Table 4. Top 20 Federal Register Page Counts

Rank	Year	Count	POTUS
1	2024	106,109	Biden
2	2016	95,913	Obama
3	2023	89,368	Biden
4	2020	86,357	Trump
5	2010	81,509	Obama
6	2011	81,360	Obama
7	2015	80,964	Obama
8	2022	79,856	Biden
9	2013	79,444	Obama
10	2008	78,965	Bush
11	2014	78,084	Obama
12	2012	76,285	Obama
13	2021	73,771	Biden
14	1980	73,258	Carter
15	2002	72,412	Bush
16	2004	72,280	Bush
17	2006	71,914	Bush
18	2019	71,726	Trump
19	1979	71,191	Carter
20	1999	71,161	Clinton

Source: Author tallies from National Archives and Records Administration, Office of the *Federal Register*.

Note: Values sometimes fluctuate. POTUS = president of the United States.

In Trump’s first term, for example, his streamlining-oriented Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule for model years 2021-2026 clocked in at 1,105 pages.

Alongside these final-rule pages, the page counts for proposed rules in the regulatory pipeline are noteworthy given their implications for future regulatory costs. They are also a leading indicator for possible growth or decline in future final rules.

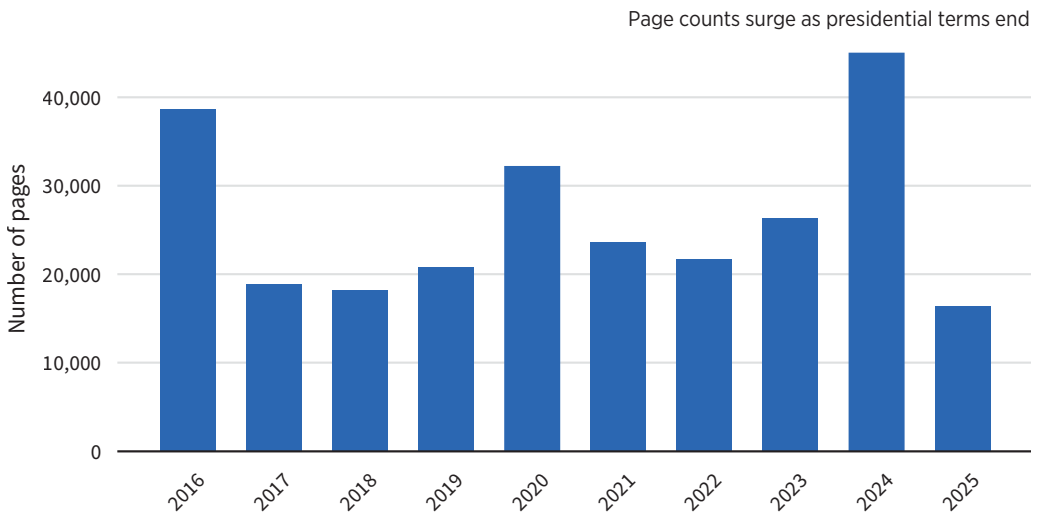
Federal Register pages devoted to proposed rules fell 39 percent from 19,952 to 12,920 in 2025. Biden’s 2023 count of 28,892 stands as the all-time high (see Figure 10), although Biden’s number of proposed rules was relatively low. Before Biden, the number of pages devoted to proposed rules peaked at 23,102 in 2011 under Obama. The 10,704 in 2017 during Trump’s first term were the lowest since 1981.

Federal Register pages published by decade

Calculating *Federal Register* pages per decade provides one more way to characterize the *Federal Register* and longer-term trends (see Figure 11). The results suggest that a million pages per decade may become the norm.

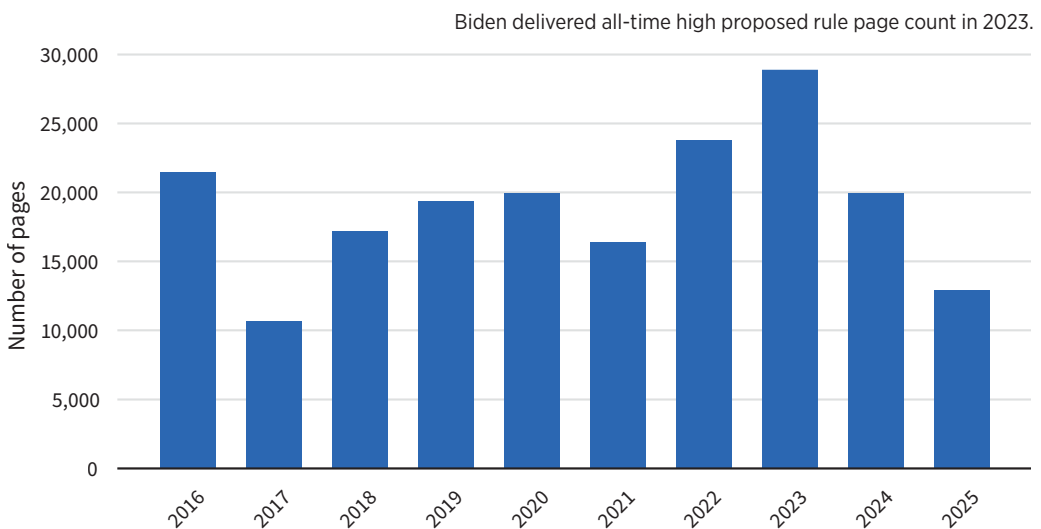
During the 2010s, 775,734 pages were added to the *Federal Register* (for a simple average of 77,573 pages each year). Six years into the 2020s, including Trump’s first-term final calendar year and Biden’s four, the average is 82,730 annually. Figure 11’s extrapolation for the remainder of the 2020s implies an expected inventory of 827,297 pages, approaching twice the level of the 1970s when

Figure 9. Number of Federal Register Pages Devoted to Final Rules



Source: National Archives and Records Administration, Office of the *Federal Register*.

Figure 10. Number of Federal Register Pages Devoted to Proposed Rules



Source: National Archives and Records Administration, Office of the *Federal Register*.

overregulation surfaced as a concern and liberalization in transportation and financial services occurred.

Federal Register final and significant final rules

A trend toward fewer but costlier and larger rules may be underway. It is supplemented by guidance documents and sub-regulatory decrees that can substitute for formal rulemaking, which we call regulatory dark matter.⁶⁵ The 2023 and 2024 editions of this report detailed this regulatory dark matter phenomenon. For the year 2023, for example, Biden could have, had he been so inclined, freely claimed that his was the lowest final rule count of any president apart from Trump. But that is not the same as being less of a regulator than predecessors. As is common, Biden sported an affinity for antitrust, trade, energy, and tech interventions; plus family leave, health, and other social policy pursuits that may never appear as rules in the *Federal Register* and thus are not readily tracked in OMB rule reviews.

Sticking with conventional rules for now, the 60,917-page *Federal Register* of 2025 contained 2,441 rules, which is the lowest rule count of all time, besting Trump's own record-low 2,964 rules in 2019 (see Figure 12). These stand as the only sub-3,000 annual rule counts since recordkeeping began in the 1970s. Moreover, of the 2,441 rules, 243 belong to Biden, leaving Trump a net of 2,198.

Further still, a number of these consist of unrules in pursuit of Trump's streamlining agenda.⁶⁶ For comparison, Biden's 106,109-page *Federal Register* of 2024 contained 3,248 final rules. In 2016, the final full year of the Obama administration, the number of final rules reached 3,854, the highest count since 2005.

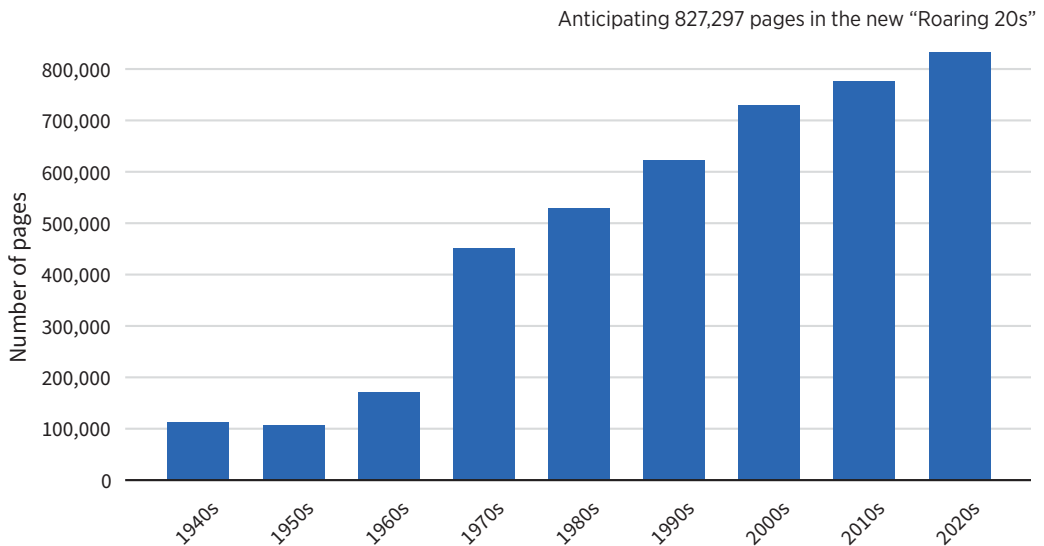
Rule counts were routinely higher in the past. Before 2005, rule counts exceeded 4,000 for all years. The annual average in the 1990s was 4,596, and stood even higher in the decades prior. The seeming paradox of fewer rules but a fatter *Federal Register* may be explained in part by rules getting longer or more detailed, as may be observed in Appendix E.

The subset of the total final rules deemed significant under EO 12866 is also presented in Figure 12. Just 155 significant rules, many deregulatory in character, were logged in 2025, as distinct from 342 such rules under Biden in 2024. While Biden's significant rules clearly exceed those of Trump, they did not resume Obama-era levels, when significant rules topped 400 three times (see Appendix E in earlier editions of this report).

In recognition that overlap occurs in transition years, here are calendar-year breakdowns of final and significant final rules published in the *Federal Register* during recent administrations:

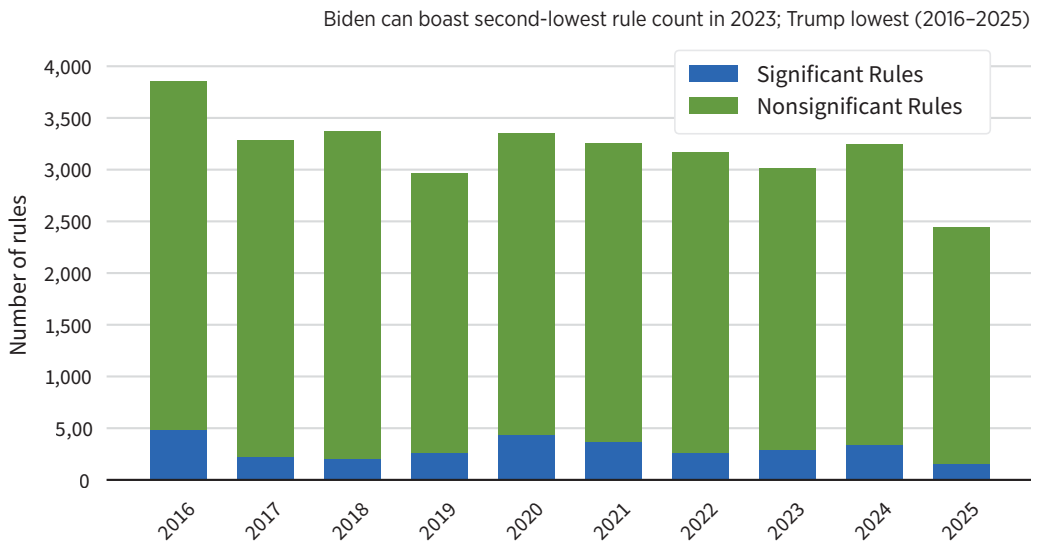
- ▶ Barack Obama (eight years): 3,038 significant rules, average 380 per year.

Figure 11. *Federal Register* Pages per Decade—Approaching Twice the Level of the 1970s



Source: Compiled from National Archives and Records Administration, Office of the *Federal Register*.

Figure 12. Number of Final and Significant Final Rules in the *Federal Register*



Source: Compiled by the author using the National Archives. Significant rule tallies from *FederalRegister.gov* online database, which fluctuates. Final rules from National Archives compilations maintained under “*Federal Register* Statistics” at <https://www.federalregister.gov/reader-aids/understanding-the-federal-register>.

- ▶ Donald Trump first term (four years): 1,121 significant rules, average 280 per year (some deregulatory).
- ▶ Joe Biden (four years): 1,273 significant rules, average 318 per year.

Box 1 in the later section on the *Unified Agenda* will inventory the costliest tier of these significant rules for 2025.

Cumulative final rules in the *Federal Register*

The annual outflow of over 3,000 final rules (apart from Trump's 2,441 rules in 2025 and 2,964 in 2019) has resulted in 126,536 total new rules since the first edition of *Ten Thousand Commandments* was published in 1993. Since 1976, when the *Federal Register* first began itemizing rules, 223,626 final rules have been issued. Since 1996, the year the Congressional Review Act (CRA) passed, 107,650 rules have been issued (see again Appendix E for these milestones). Given that only 42 CRA resolutions of disapproval have been enacted to revoke final rules,⁶⁷ that yields a rather uninspiring overturn success ratio of just 0.0004 percent. If deconstruction of the administrative state happens, it will not be coming by means of the CRA.

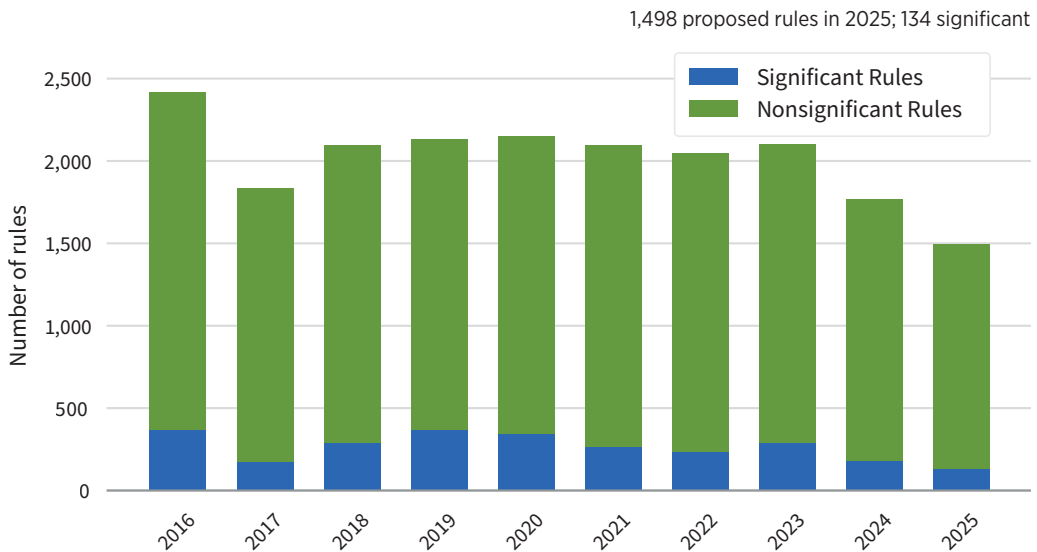
Proposed rules

Proposed rules stand at 1,498 for 2025, the lowest tally since recordkeeping began (see Figure 13). Joe Biden issued 109 of them before he left office in January, yielding Trump a net of 1,389

proposed rules. Interestingly enough, the 1,769 proposed rule count in Joe Biden's record-breaking 2024 *Federal Register* itself set an all-time low, illustrating the trend of fewer but more substantive regulations taking up more page space. Trump's 1,837 proposed rules in the first year of his first term is the previous all-time low, despite having included more than 150 Obama proposals issued during the first weeks of 2017. As observable in Appendix E, the average number of proposed rules in the 1990s was 3,164 per year. The average from 2000 to 2010 was 2,692 annually.

In addition, 134 proposed rules in 2025 are deemed significant. Like Trump's 2025 overall number of proposed rules, this stands as the lowest count for this subset since compilations began in 1995. A number of Trump's significant deregulatory proposed rulemakings populate these already low flows. These include the Environmental Protection Agency's proposals on reconsideration of the Obama-era 2009 Endangerment Finding on carbon emissions, repeal of certain gas emission standards, fossil-fuel powered power generating usings, and partial waivers in the Renewable Fuel Standard program; the Department of Housing and Urban Development's removal of its Affirmatively Furthering Fair Housing rule; and the National Highway Traffic Safety Administration vehicle Corporate Average Fuel Economy standards. Conversely, Trump does have some costly proposed rules of which to take note, including Department of Homeland Security Trade

Figure 13. Number of Proposed and Significant Proposed Rules in the Federal Register



Source: Compiled by the author from the *Federal Register*.

rules and Food and Drug Administration nicotine-yield regulation.⁶⁸

The expanding Code of Federal Regulations

The *Code of Federal Regulations* (CFR) is where the *Federal Register's* rules come to rest in small print in bound volumes of magenta, teal, and fuchsia. It is not as dramatic as the yearly flow of tens of thousands of pages in the *Federal Register*, but is still a sight to behold.

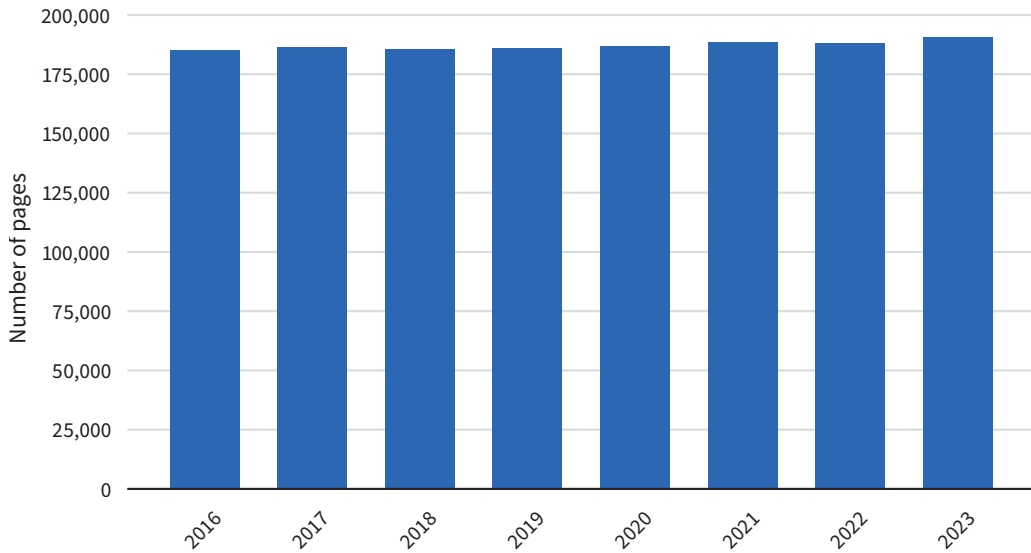
In 1960, the CFR contained 22,877 pages. By 1975, that count, including the CFR's index, had surged to 71,224. As of year-end 2023 (2024 figures have not been logged yet at the National Archives), the

count stood at 190,627, as seen in Figure 14. That is a 168 percent increase in the CFR since 1975. In 2008, George W. Bush's final full year in office, the count stood at 157,974.

The number of CFR bound volumes now stands at 244, compared with 133 in 1975. Appendix F has a detailed breakdown of numbers of pages and volumes in the CFR since 1975.

The CFR archives agency rulemakings, just as the *United States Code* does for statutes. But no official archive adequately accounts for executive actions and sub-regulatory guidance documents. The closest approach to an official government-wide archive was Trump's

Figure 14. Code of Federal Regulations—190,627 Total Pages in 2023



Source: National Archives and Records Administration, Office of the *Federal Register*.

2019 EO 13891, “Promoting the Rule of Law Through Improved Agency Guidance Documents,” which established online inventories on agency websites and required formal rulemakings

on public-fairness procedures. Biden revoked it, and Trump has not yet formally reinstated it. We next turn to consideration of such regulatory dark matter.