

Federal regulations affecting small business

The National Association of Manufacturers report reaffirmed that average annual per-employee regulatory costs vary by firm size. The smaller the organization, the higher the per-employee regulatory costs, particularly in manufacturing. As shown in Table 9, NAM found that per-employee regulatory costs for firms with fewer than 50 workers can be substantially higher than those for larger firms—\$50,100 compared with \$24,800.

The Regulatory Flexibility Act (RFA) directs federal agencies to consider their rules' effects on small entities.⁸⁵ Figure 21 depicts active, completed, and long-term rules in the spring *Unified Agenda* that require RFA analysis, as well as rules that do not require RFA scrutiny but that agencies still believe will affect small businesses. Of the 655 rules affecting small business in the 2025 spring *Agenda*,

310 required an RFA analysis, which is the lowest level seen in Figure 21. Earlier Obama-era overall tallies were higher, occasionally exceeding 800.⁸⁶ The total count fell to 590 in 2017 under the Trump administration.

The following are averages of the number of rules requiring RFA analysis in fall *Unified Agenda* snapshots of completed, active, and long-term rules during recent administrations:

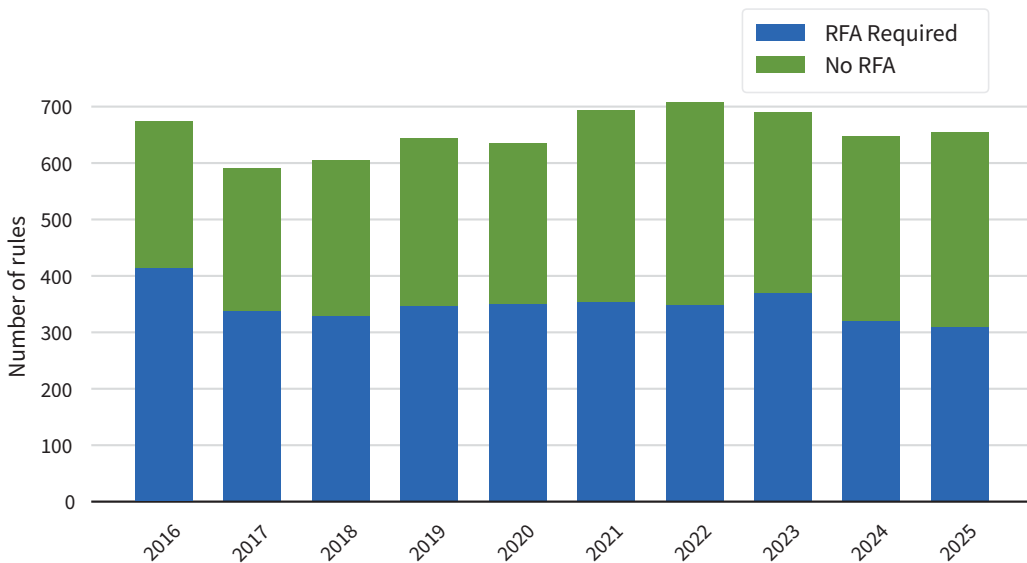
- ▶ George W. Bush: average of 377 rules requiring small-business RFA analysis.
- ▶ Barack Obama: average of 406 rules.
- ▶ Donald Trump: average of 341 rules (including dozens deemed deregulatory).
- ▶ Joe Biden: average of 348 rules.

Table 9. Distribution of Regulatory Costs in Small, Medium, and Large Manufacturing Firms, (2022)

	All Firms	< 50 employees	50-99 employees	> 100 employees
All federal regulations	\$29,100	\$50,100	\$28,000	\$24,800
Economic	\$10,400	\$7,600	\$10,900	\$11,000
Environmental	\$17,200	\$40,700	\$15,200	\$12,500
Tax compliance	\$500	\$500	\$800	\$400
Occupational/ homeland security	\$1,000	\$1,300	\$1,100	\$900

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.

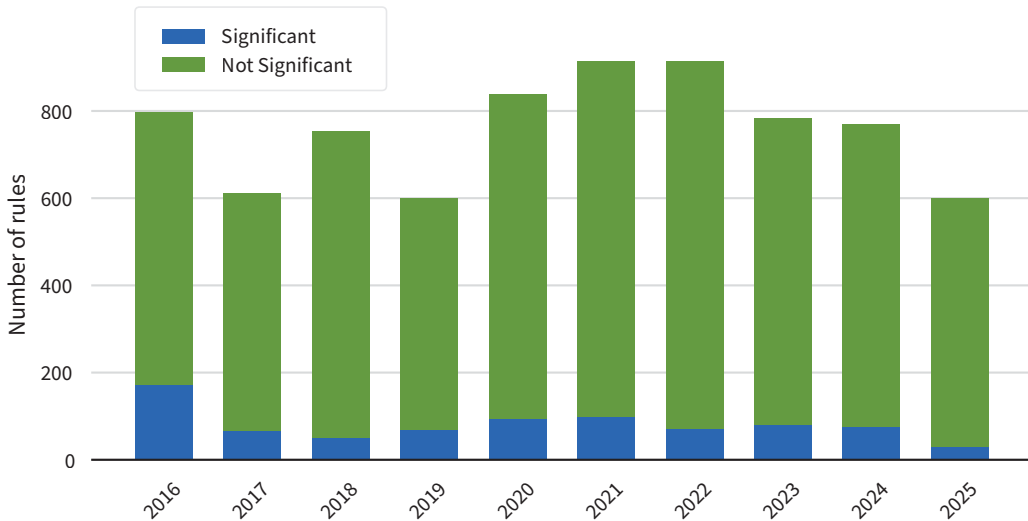
Figure 21. Rules in the Unified Agenda Pipeline Affecting Small Business



Source: Compiled by the author from “The Regulatory Plan and Unified Agenda of Federal Regulatory and Deregulatory Actions,” *Federal Register*, fall edition, various years and spring 2025 edition.

Note: RFA = regulatory flexibility analysis.

Figure 22. Number of Final and Significant Final Rules in the *Federal Register* Affecting Small Business



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

Table 10 breaks out the spring 2025 *Unified Agenda*'s 655 rules affecting small business by department, agency, and commission. The top five—the FCC; the Departments of Commerce, Health and Human Services, and the Treasury; and the Environmental Protection Agency—are the standouts, accounting for 361 rules, or 55 percent of the 655 rules affecting small business.

The FCC alone contributes 93 long-term rules deemed to require RFA analysis. The overall proportion of total rules affecting small business in the *Unified Agenda* stands at 17 percent but varies among agencies. Of the 655 rules affecting small business, 60 are deemed economically significant, compared to 76 Section 3(f) (1) Significant rules in 2024 under Biden.

These significant rules are broken out at the bottom of Table 10.

To complement the *Unified Agenda* snapshots, we return to the *Federal Register* and its calendar-year depictions of finalized small-business rules. Figure 22 depicts completed final rules in the *Federal Register* deemed to affect small business, as well as the subset of such rules classified as significant under EO 12866. The 599 small-business final rules and the subset of 30 significant rules both stand at the lowest levels of all time, again with unrules notable among them.⁸⁷

Trump's rule counts are substantially below recent averages, particularly with deregulatory or streamlining moves taken into account. Once again recognizing

Table 10. Rules in the Unified Agenda that Affect Small Business by Department, Agency, and Commission, Spring 2025 Edition (page 1 of 5)

	Total Rules	Number Affecting Small Business										Affecting Small Business Top 5	
		RFA Required					RFA Not Required						
		Active	Completed	Long-term	Completed	Active	Completed	Long-term	Completed	Active	Completed		Long-term
		Total	Total	Total	Total	Total	Total	Total	Total	Total	Total		Total
Dept. of Agriculture	177	8	5	3	1	4	4	4	1	4	25	14.1%	
Dept. of Commerce	292	25	5	10	8	33	8	81	27.7%	81			
Dept. of Defense	130	1			13	3	17	13.1%					
Dept. of Education	10						0	0.0%					
Dept. of Energy	111		4		2	6	5.4%						
Dept. of Health and Human Services	190	11	5	6	3	22	3	50	26.3%	50			
Dept. of Homeland Security	117	4	4	5	1	3	17	14.5%					
Dept. of Housing and Urban Development	61						0	0.0%					
Dept. of the Interior	402	7		1	3	8	3	24	6.0%				
Dept. of Justice	129		1	1	11	2	5	20	15.5%				
Dept. of Labor	152	6	4	3	2	9	2	28	18.4%				
Dept. of State	52				4	6	4	11	21.2%				
Dept. of Transportation	472	2	2	5	3	20	3	35	7.4%				
Dept. of Treasury	363	2	11	1	5	31	5	53	14.6%	53			
Dept. of Veterans' Affairs	69							0	0.0%				
Environmental Protection Agency	233	2	3	2	7	15	7	43	18.5%	43			

Table 10. Rules in the Unified Agenda that Affect Small Business by Department, Agency, and Commission, Spring 2025 Edition (page 2 of 5)

	Total Rules	Number Affecting Small Business								Affecting Small Business Top 5
		RFA Required				RFA Not Required				
		Active	Completed	Long-term	Total	Active	Completed	Long-term	Total	
Advisory Council on Historic Preservation	2								0	0.0%
Agency for International Development	13				1		2	3		23.1%
Architectural and Transportation Barriers Compliance Board	3							0		0.0%
CPBSD*	6							0		0.0%
Commodity Futures Trading Commission	35							0		0.0%
Consumer Financial Protection Bureau	39	1			3	7		11		28.2%
Corp. for National & Community Service	8							0		0.0%
Council on Environmental Quality	3							0		0.0%
Court Services/Offender Supervision, D.C.	4							0		0.0%
Federal Acquisition Regulation	41	7	2		10	21		40		97.6%
Defense Nuclear Facilities Safety Board	1							0		0.0%
Farm Credit Administration	13							0		0.0%
Farm Credit System Insurance Corporation	1							0		0.0%
Federal Communications Commission	134	1	15	93			4	113		84.3%
Federal Deposit Insurance Corporation	24						1	1		4.2%

Table 10. Rules in the Unified Agenda that Affect Small Business by Department, Agency, and Commission, Spring 2025 Edition (page 3 of 5)

	Total Rules	Number Affecting Small Business								Affecting Small Business Top 5
		RFA Required				RFA Not Required				
		Active	Completed	Long-term	Total	Active	Completed	Long-term	Total	
Federal Energy Regulatory Commission	29								0	0.0%
FFIEC^ Appraisal Subcommittee	5								0	0.0%
Federal Election Commission	4								0	0.0%
Federal Housing Finance Agency	33								0	0.0%
Federal Maritime Commission	8				1				1	12.5%
Federal Mediation and Conciliation Service	2								0	0.0%
Federal Mine Safety & Health Rev Comm	1								0	0.0%
Federal Permitting Imprmt Steering Council	2								0	0.0%
Federal Reserve System	29						1		1	3.4%
Federal Trade Commission	22	1	1			15	3		20	90.9%
General Services Administration	25		9	3		2	9		23	92.0%
Merit Systems Protection Board	2								0	0.0%
National Aeronautics & Space Administration	4					1			1	25.0%
National Archives & Records Administration	16								0	0.0%
National Credit Union Administration	24						1		1	4.2%
National Endowment for the Arts	2								0	0.0%

Table 10. Rules in the Unified Agenda that Affect Small Business by Department, Agency, and Commission, Spring 2025 Edition (page 4 of 5)

	Total Rules	Number Affecting Small Business								Affecting Small Business Top 5
		RFA Required				RFA Not Required				
		Active	Completed	Long-term	Total	Active	Completed	Long-term	Total	
National Indian Gaming Commission	10							0	0	0.0%
National Labor Relations Board	2							0	0	0.0%
National Mediation Board	1							0	0	0.0%
National Science Foundation	7							0	0	0.0%
National Transportation Safety Board	4							0	0	0.0%
Nuclear Regulatory Commission	60	3	1					4	4	100.0%
Office of Government Ethics	8							0	0	0.0%
Office of Management & Budget	6							0	0	0.0%
Office of the National Cyber Director	1							0	0	0.0%
Office of Personnel Management	46							0	0	0.0%
Peace Corps	4							0	0	0.0%
Pension Benefit Guaranty Corporation	10							0	0	0.0%
Postal Regulatory Commission	5							0	0	0.0%
Presidio Trust	3							0	0	0.0%
Railroad Retirement Board	13							0	0	0.0%
Securities and Exchange Commission	54	10	11					21	21	38.9%

Table 10. Rules in the Unified Agenda that Affect Small Business by Department, Agency, and Commission, Spring 2025 Edition (page 5 of 5)

	Total Rules	Number Affecting Small Business							Affecting Small Business Top 5	
		RFA Required			RFA Not Required			Total		
		Active	Completed	Long-term	Active	Completed	Long-term			
Selective Service System	2							0	0.0%	
Small Business Administration	60	3						3	5.0%	
Social Security Administration	17							0	0.0%	
Surface Transportation Board	5							0	0	
Tennessee Valley Authority	2				1	1		2	100.0%	
U.S Agency for Global Media	1							0	0	
Totals	3,816	93	84	133	197	92	56	655	17.2%	361
			310			345				55% of Total
“Section 3(f)(1) Significant” subset	2023	53	14	10	22	2	4	105		
“Section 3(f)(1) Significant” subset	2024	36	14	13	9	3	1	76		
Economically Significant subset	2025	31	16	4	7		2	60		

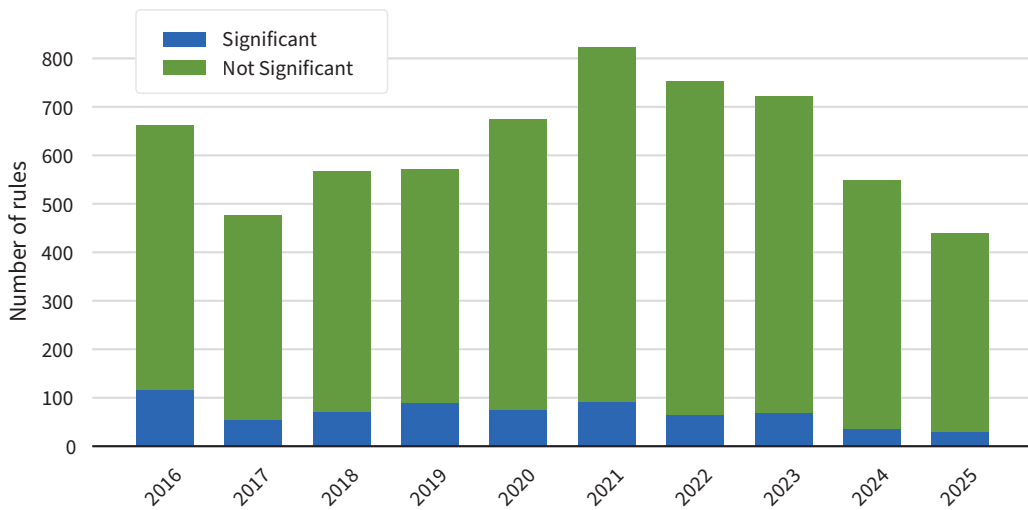
Source: Compiled from “The Regulatory Plan and Unified Agenda of Federal Regulatory and Deregulatory Actions,” and from online edition at www.reginfo.gov.

Note: L-T = long term; RFA = regulatory flexibility analysis.

*Committee for Purchase from People Who are Blind or Severely Disabled (CPBSD)

^Federal Financial Institutions Examination Council (FFIEC)

Figure 23. Number of Proposed and Significant Proposed Rules in the *Federal Register* Affecting Small Business



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

the transition-year overlap caveat, the following are calendar-year averages of the number of final and final significant rules in the *Federal Register* affecting small business during recent administrations:

- ▶ Barack Obama (eight years): average 694 rules per year affecting small business, 117 significant.
- ▶ Donald Trump (four years): average 701 rules per year affecting small business, 70 significant (including deregulatory).
- ▶ Joe Biden (four years): average 846 rules per year, 82 significant.

Mirroring final rules, total proposed rules in the *Federal Register* affecting small business fell to a low of 440 in 2025 after peaking at 823 in 2021, as seen in Figure

23. Counts for significant proposed rules deemed to affect small business fell to a low of 30.

Transition-year caveat in mind yet again, the following are calendar-year averages of the number of proposed and significant proposed rules affecting small business during recent administrations; Trump’s 2025 results, even including Biden rules issued in January, remain well below recent historical averages:

- ▶ Barack Obama (eight years): average 612 proposed rules per year affecting small business, 128 significant.
- ▶ Donald Trump first term (four years): average 572 proposed rules per year, 72 significant (including deregulatory).

- ▶ Joe Biden (four years): average 711 rules per year, 66 significant.

As firms grow, they encounter a regulatory regime that expands mechanically with employee headcount. Federal workplace regulation features a sequence of statutory triggers, each imposing

new mandates once a firm crosses a specified size threshold. Appendix K documents this accumulation by listing major non-sector-specific federal laws whose regulatory requirements attach incrementally as businesses add workers, creating compliance hurdles that can discourage hiring and distort firm growth.