

POLICY BRIEF

Bridging the gap between academic ideas and real-world problems

A Snapshot of Arizona Regulation in 2017

63,919 Restrictions, 5.6 Million Words, and 8 Weeks to Read

by James Broughel, Oliver Sherouse, and Daniel FrancisJune 2017

It would take an ordinary person over three years to read the entire US *Code of Federal Regulations* (CFR), which contained almost 112 million words in 2017. The sheer size of the CFR poses a problem not just for the individuals and businesses that want to stay in compliance with the law, but also for anyone interested in understanding the consequences of this massive system of rules. States also have sizable regulatory codes, which add an additional layer to the enormous body of federal regulation. A prime example is the 2017 version of the *Arizona Administrative Code*.²

A tool known as State RegData³—a platform for analyzing and quantifying state regulatory text—was developed by researchers at the Mercatus Center at George Mason University. State RegData captures information in minutes that would take an ordinary person hours, weeks, or even years. For example, the tool allows researchers to identify the industries most targeted by state regulation by connecting text relevant to those industries with restrictive word counts (also known as regulatory restrictions). These are words and phrases like "shall," "must," "may not," "prohibited," and "required" that can signify legal constraints and obligations.⁴ As shown in figure 1, the top three industries with the highest estimates of industry-relevant restrictions in the 2017 *Arizona Administrative Code* are chemical manufacturing, utilities, and ambulatory healthcare services.

^{1. &}quot;The QuantGov Regulatory Clock," QuantGov, accessed May 11, 2017.

^{2.} Arizona Secretary of State, Arizona Administrative Code, accessed May 11, 2017.

^{3.} State RegData is part of a broader project called QuantGov, which seeks to quantify legal text. See Patrick A. McLaughlin and Oliver Sherouse, "QuantGov—A Policy Analytics Platform," QuantGov, October 31, 2016.

^{4.} Restrictions can also occur in legal text for other purposes, such as for definitional purposes. At times, restrictions may relate to government employees, rather than the private sector.

State RegData also reveals that the *Arizona Administrative Code* contains 63,919 restrictions and roughly 5.6 million words. It would take an individual about 312 hours—or almost 8 weeks—to read the entire Arizona code. That's assuming the reader spends 40 hours per week reading and reads at a rate of 300 words per minute. For comparison, in 2017 there were over 1.15 million additional restrictions in the federal code.⁵ Individuals and businesses in Arizona must navigate all of these restrictions to remain in compliance.

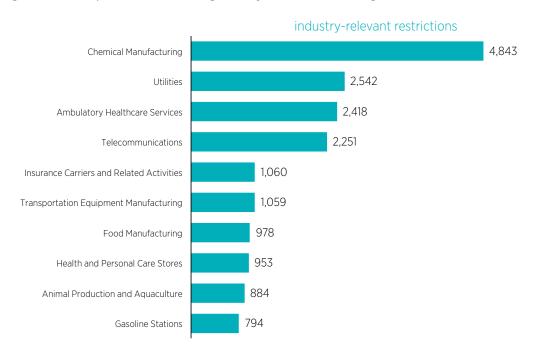


Figure 1. The Top 10 Industries Targeted by Arizona State Regulation in 2017

Source: "State Administrative Codes-Arizona," QuantGov, http://www.quantgov.org/data/.

The titles of the *Arizona Administrative Code* are assigned based on the type of regulation housed within those titles. Figure 2 shows that in 2017, rules related to environmental quality, which are found in Title 18, contained over 8,800 restrictions. This makes it the biggest title, in terms of restrictions, in the Arizona code. Coming in second is Title 4, which is related to professions and occupations and includes over 7,600 restrictions.

Federal regulation tends to attract the most headlines, but it is important to remember that the nearly 112 million words and over 1.15 million restrictions in the federal code are just the tip of the iceberg when it comes to the true scope of regulation in the United States. States like Arizona write millions of additional words of regulation and tens of thousands of additional restrictions. State-level requirements carry the force of law to restrict individuals and businesses just as federal ones do.

^{5. &}quot;The QuantGov Regulatory Clock," QuantGov.

Researchers are only beginning to understand the consequences of the massive and growing federal regulatory system on economic growth and other measures of well-being in the United States.⁶ Meanwhile, the effects of state regulation remain largely unknown. If this snapshot of Arizona regulation in 2017 is a good indicator, then the states are also active regulators, suggesting the true impact of regulation on society is far greater than that of federal regulation alone.

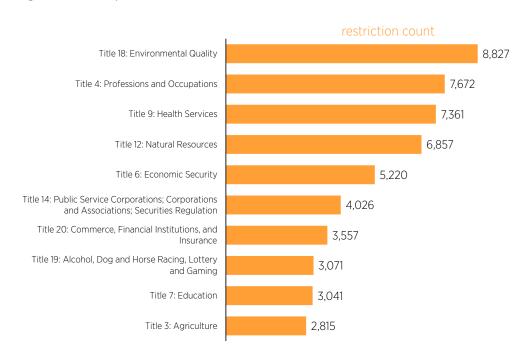


Figure 2. The Top 10 Titles in the 2017 Arizona Administrative Code

Source: "State Administrative Codes—Arizona," QuantGov, http://www.quantgov.org/data/.

6. Bentley Coffey, Patrick A. McLaughlin, and Pietro Peretto, "The Cumulative Cost of Regulations" (Mercatus Working Paper, Mercatus Center at George Mason University, Arlington, VA, 2016).

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