

POLICY BRIEF

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## A Snapshot of Maryland Regulation in 2017

121,741 Restrictions, 9.7 Million Words, and 13 Weeks to Read

by James Broughel and Daniel Francis

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It would take an ordinary person more than two and a half years to read the entire US *Code of Federal Regulations* (CFR), which contained more than 104 million words in 2016. 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 online version of the 2017 *Code of Maryland Regulations* (COMAR).<sup>2</sup>

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 to obtain. For example, the tool allows researchers to identify the industries that state regulation targets most by connecting text relevant to those industries with restrictive word counts. Known as regulatory restrictions, the words and phrases *shall*, *must*, *may not*, *prohibited*, and *required*, can signify legal constraints and obligations.⁴ As shown in figure 1, the three industries with the highest estimates of industry-relevant restrictions in the 2017 COMAR are chemical manufacturing, food manufacturing, and animal production and aquaculture.

State RegData also reveals that the COMAR contains 121,741 regulatory restrictions and roughly

<sup>1. &</sup>quot;RegData 3.0," QuantGov; Patrick A. McLaughlin, Oliver Sherouse, Daniel Francis, Michael Gasvoda, Jonathan Nelson, Stephen Strosko, and Tyler Richards, "RegData 3.0 User's Guide" (working paper, 2017).

<sup>2.</sup> Maryland Division of State Documents, Code of Maryland Regulations, accessed July 26, 2017.

<sup>3.</sup> State RegData is a 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.

<sup>4.</sup> 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.

9.7 million words. It would take an individual about 538 hours—or more than 13 weeks—to read the entire COMAR. 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 more than 1.08 million additional restrictions in the federal code.<sup>5</sup> Individuals and businesses in Maryland must navigate these different layers of restrictions to remain in compliance.

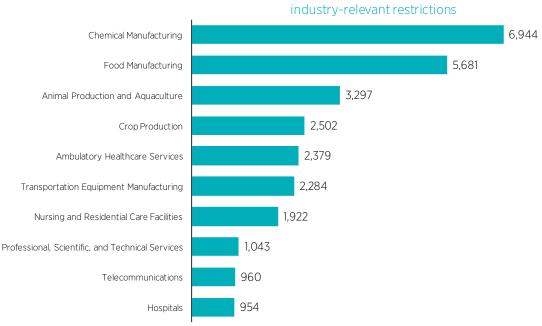


Figure 1. The Top 10 Industries Targeted by Maryland State Regulation in 2017

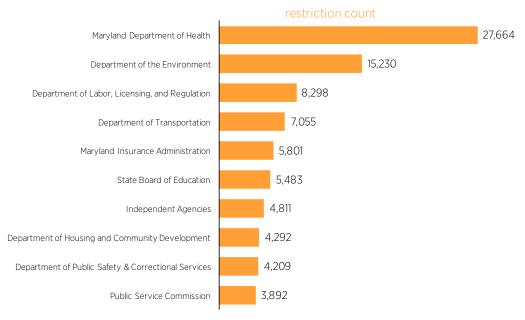
Source: State RegData, "Maryland," http://www.quantgov.org/data/.

The COMAR organizes regulations based on the regulatory agency, department, or board overseeing particular rules. Figure 2 shows that the title of the COMAR associated with the Maryland Department of Health contains more than 27,000 restrictions. By this measure, this is the biggest regulator in Maryland. Coming in second is the Department of the Environment, with more than 15,000 restrictions. These two regulators together account for more than one-third of all restrictions in the COMAR.

Federal regulation tends to attract the most headlines, but it is important to remember that the more than 104 million words and 1.08 million restrictions in the federal code significantly understate the true scope of regulation in the United States. States like Maryland write millions of additional words of regulation and hundreds of thousands of additional restrictions. State-level requirements carry the force of law to restrict individuals and businesses just as federal ones do.

<sup>5. &</sup>quot;RegData 3.0"; McLaughlin et al., "RegData 3.0 User's Guide."

Figure 2. The Top 10 Regulators in Maryland in 2017



Source: State RegData, "Maryland," http://www.quantgov.org/data/.

Researchers are only beginning to understand the consequences of the massive and growing federal regulatory system on economic growth and well-being in the United States.<sup>6</sup> Meanwhile, the effects of state regulation remain largely unknown. If this snapshot of Maryland 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.

6. See, for example, 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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