

Bridging the gap between academic ideas and real-world problems

A Snapshot of Iowa Regulation in 2017

160,306 Restrictions, 10.1 Million Words, and 14 Weeks to Read

by James Broughel and Daniel Francis January 2018

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 2016.¹ 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 *Iowa Administrative Code* (IAC).²

POLICY

BRIEF

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 IAC are food manufacturing, ambulatory healthcare services, and chemical manufacturing.

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.

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^{1.} This assumes the person reads 300 words per minute for 40 hours per week with two weeks of vacation per year. "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).

^{2.} Iowa Legislature, *Iowa Administrative Code*, accessed October 23, 2017.

State RegData also reveals that the IAC contains 160,306 restrictions and 10.1 million words. It would take an individual 563 hours—or more than 14 weeks—to read the entire IAC. That's assuming the reader spends 40 hours per week reading and reads at a rate of 300 words per minute. For comparison, there are more than 1.08 million additional restrictions in the federal code.⁵ Individuals and businesses in Iowa must navigate these different layers of restrictions to remain in compliance.

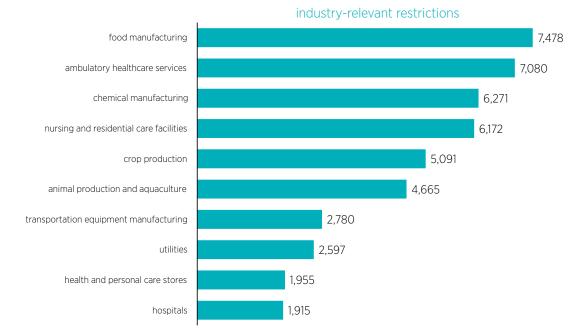


Figure 1. The Top 10 Industries Targeted by Iowa State Regulation in 2017

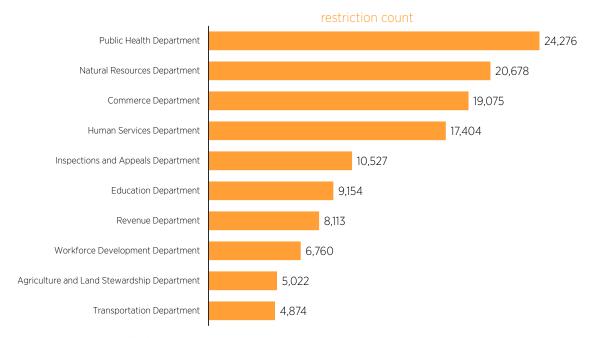
Source: State RegData, "Iowa," http://www.quantgov.org/data/.

The IAC organizes regulations by the regulatory agency or department overseeing the rules. Figure 2 shows that the section of the IAC associated with the Public Health Department contains more than 24,000 restrictions. By this measure, this is the biggest regulator in Iowa. Coming in second is the Natural Resources Department, with more than 20,000 restrictions.

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 Iowa write millions of additional words of regulation and hundreds of thousands of additional restrictions. Statelevel requirements carry the force of law to restrict individuals and businesses just as federal ones do.

^{5. &}quot;RegData 3.0"; McLaughlin et al., "RegData 3.0 User's Guide."

Figure 2. The Top 10 Regulators in Iowa in 2017



Source: State RegData, "Iowa," 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.⁶ Mean-while, the effects of state regulation remain largely unknown. If this snapshot of Iowa regulation in 2017 is a good indicator, then the states are also active regulators, suggesting that 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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