

POLICY BRIEF

Bridging the gap between academic ideas and real-world problems

A Snapshot of Minnesota Regulation in 2017

98,321 Restrictions, 5.7 Million Words, and 8 Weeks to Read¹

by James Broughel and Daniel Francis

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It would take an ordinary person more than three years to read the entire US Code of Federal Regulations (CFR), which currently contains more than 112 million words.² 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 *Minnesota Administrative Rules* (MAR).³

A tool known as State RegData⁴—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.⁵ As shown in figure 1, the three industries with the highest estimates of industry-relevant restrictions in the 2017 MAR are chemical manufacturing, food manufacturing, and animal production and aquaculture.

^{1.} Data note: Some individual regulatory restrictions appear under more than one regulator in the *Minnesota Administrative Rules*. As a result, total regulator restrictions will sum to more than the 98,321 total in the MAR. Thus, there is some double counting of restrictions across (but not within) agencies in figure 2. Double counting has been avoided for the aggregate restriction count and the estimates of industry-relevant restrictions.

^{2. &}quot;The QuantGov Regulatory Clock," QuantGov, accessed July 28, 2017.

^{3.} Office of the Revisor of Statutes, Minnesota Administrative Rules, accessed July 26, 2017.

^{4.} 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.

^{5.} 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 MAR contains 98,321 restrictions and more than 5.7 million words. It would take an individual roughly 317 hours—or about 8 weeks—to read the entire MAR. 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 1.15 million additional restrictions in the federal code.⁶ Individuals and businesses in Minnesota must navigate these different layers of restrictions to remain in compliance.

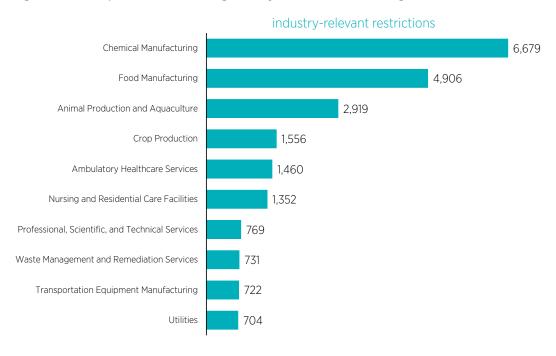


Figure 1. The Top 10 Industries Targeted by Minnesota State Regulation in 2017

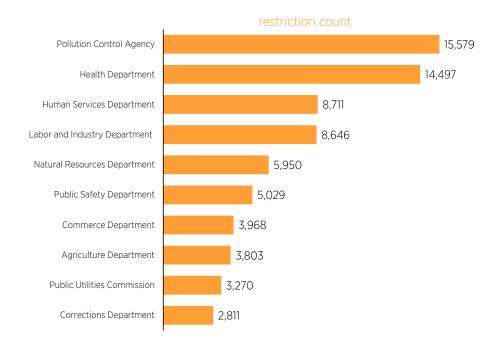
Source: State RegData, "Minnesota," http://www.quantgov.org/data/.

The MAR organizes regulations based on the regulatory agency, commission, or department that relates to those rules. Figure 2 shows that the section of the MAR associated with the Minnesota Pollution Control Agency contains more than 15,000 restrictions. By this measure, this is the biggest regulator in Minnesota. Coming in second is the Minnesota Health Department, with more than 14,000 restrictions.

Federal regulation tends to attract the most headlines, but it is important to remember that the more than 112 million words and 1.15 million restrictions in the federal code significantly understate the true scope of regulation in the United States. States like Minnesota 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.

^{6. &}quot;The QuantGov Regulatory Clock," QuantGov.

Figure 2. The Top 10 Regulators in Minnesota in 2017



Source: State RegData, "Minnesota," 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.⁷ Meanwhile, the effects of state regulation remain largely unknown. If this snapshot of Minnesota 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.

7. 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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