



## A Snapshot of Wisconsin Regulation in 2017

159,253 Restrictions, 12 Million Words, and 17 Weeks to Read

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.<sup>1</sup> 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 *Wisconsin Administrative Code* (WAC).<sup>2</sup>

A tool known as State RegData<sup>3</sup>—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.<sup>4</sup> As shown in figure 1, the three industries with the highest estimates of industry-relevant restrictions in the 2017 WAC are utilities, food manufacturing, and chemical manufacturing.

State RegData also reveals that the WAC contains 159,253 regulatory restrictions and roughly 12.0 million words. It would take an individual about 667 hours—or almost 17 weeks—to read the entire WAC. That’s assuming the reader spends 40 hours per week reading and reads at a

1. “The QuantGov Regulatory Clock,” QuantGov, accessed July 14, 2017.

2. Wisconsin State Legislature, *Wisconsin Administrative Code*, accessed July 10, 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.

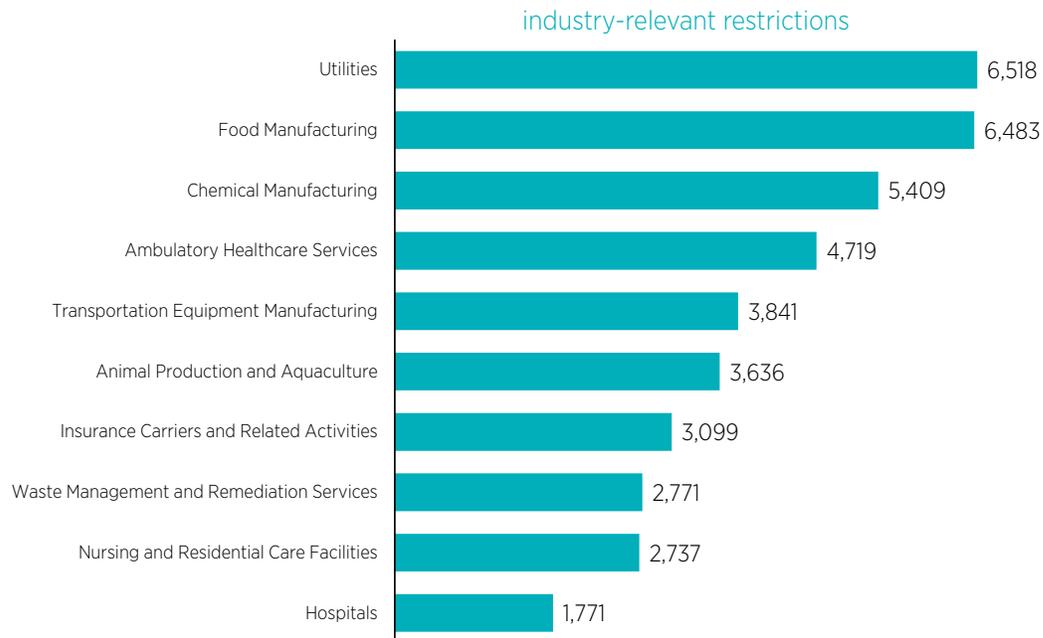
4. Restrictions can also occur in legal text for other purposes, such as for definitional purposes. At times, restrictions may relate to government employees rather than the private sector.

For more information, contact

Bryce Chinault, Outreach Associate, 703-993-8148, bchinault@mercatus.gmu.edu  
Mercatus Center at George Mason University, 3434 Washington Blvd., 4th Floor, Arlington, VA 22201

rate of 300 words per minute. For comparison, in 2017 there were more than 1.15 million additional restrictions in the federal code.<sup>5</sup> Individuals and businesses in Wisconsin must navigate these different layers of restrictions to remain in compliance.

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



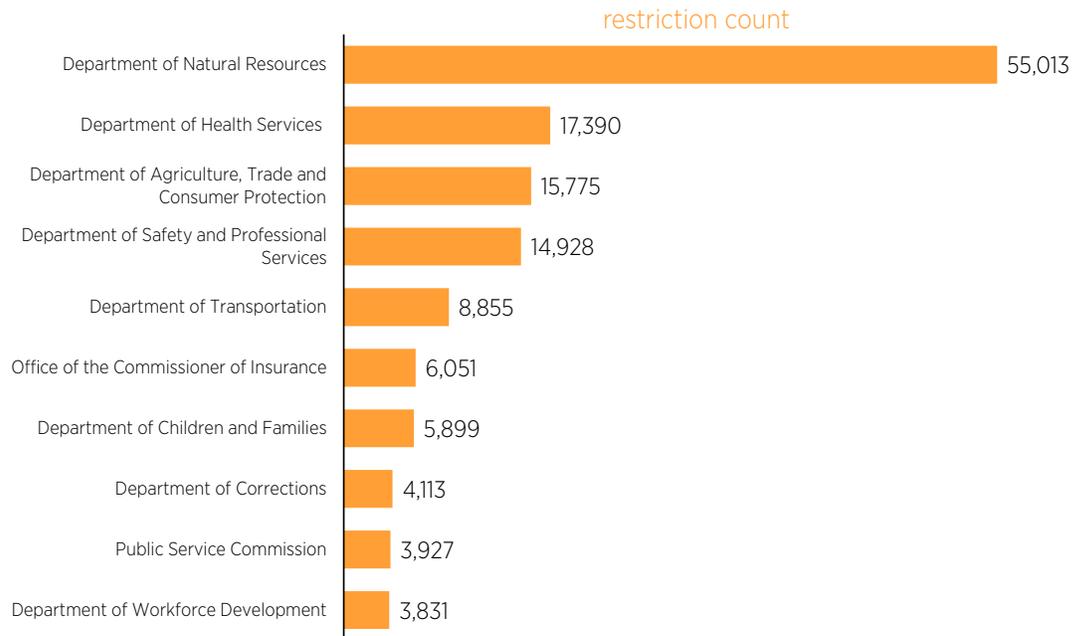
Source: State RegData, "Wisconsin," <http://www.quantgov.org/data/>.

The WAC organizes regulations based on the regulatory department, commission, or board overseeing the rules. Figure 2 shows that the section of the WAC associated with the Department of Natural Resources contains more than 55,000 regulatory restrictions. By this measure, this is the biggest regulator in Wisconsin. Coming in second is the Department of Health Services, with more than 17,000 restrictions. These two regulators alone account for about 45 percent of all restrictions in the WAC.

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 Wisconsin 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.

5. "The QuantGov Regulatory Clock," QuantGov.

Figure 2. The Top 10 Regulators in Wisconsin in 2017



Source: State RegData, “Wisconsin,” <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 Wisconsin 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).

#### ABOUT THE AUTHORS

James Broughel is a research fellow for the State and Local Policy Project at the Mercatus Center at George Mason University. Broughel has a PhD in economics from George Mason University. He is also an adjunct professor of law at the Antonin Scalia Law School.

Daniel Francis is a research programmer at the Mercatus Center. He received his BS in economics and mathematics from Florida State University.

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