

A Snapshot of Nevada Regulation in 2019

63,735 Restrictions, 4.9 Million Words, and 7 Weeks to Read

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Data Analysis by Thurston Powers

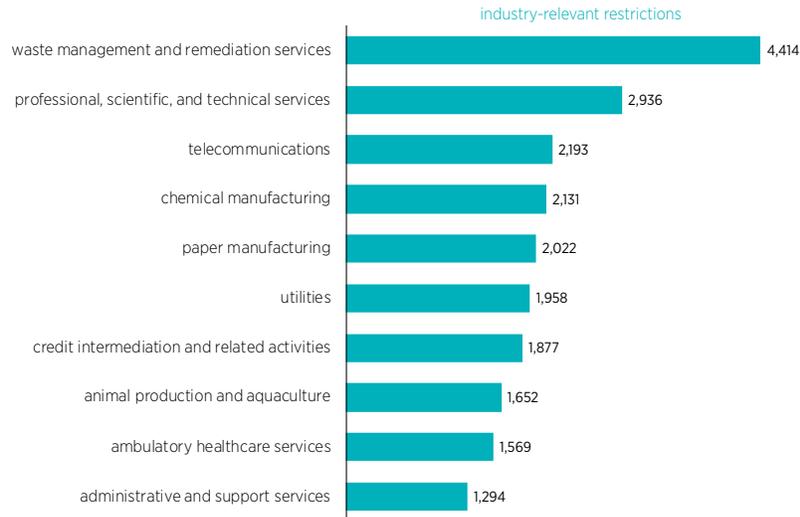
August 2019

It would take an ordinary person almost three years to read the entire US *Code of Federal Regulations* (CFR), which contained nearly 104 million words in 2017.¹ 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 large body of federal regulation. A prime example is the online version of the 2019 *Nevada Administrative Code* (NAC).²

Researchers at the Mercatus Center at George Mason University developed State RegData, a platform for analyzing and quantifying state regulatory text.³ State RegData captures information in minutes that would take hours, weeks, or even years to obtain by reading and counting. 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. These regulatory restrictions are instances of the words and phrases *shall*, *must*, *may not*, *prohibited*, and *required*, and they 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 2019 NAC are waste management and remediation services; professional, scientific, and technical services (which includes legal services, accounting and tax preparation, and a variety of other professional services); and telecommunications.

State RegData also reveals that the 2019 NAC contains 63,735 restrictions and 4.9 million words. It would take an individual 274 hours—or almost seven weeks—to read the entire NAC. That’s assuming the reader spends 40 hours per week reading and reads at a rate of 300 words per minute.

Figure 1. Top 10 Industries Targeted by Nevada State Regulation in 2019



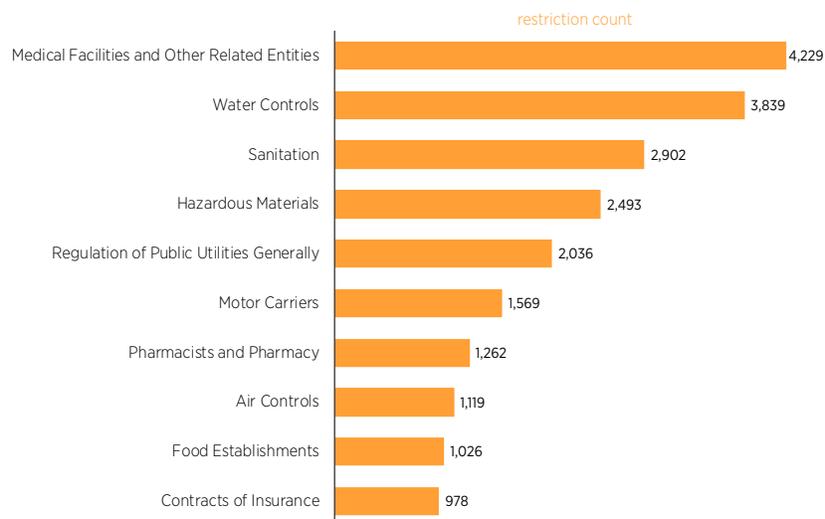
Note: Industries are classified using the RegData 3.0 industry classifier. Some previous state regulatory snapshots used earlier versions of the RegData industry classifier.

Source: State RegData (Nevada data), <https://quantgov.org/state-regdata/>.

By comparison, there are 1.09 million additional restrictions in the federal code.⁵ Individuals and businesses in Nevada must navigate these different layers of restrictions to remain in compliance.

The chapters of the NAC are organized by subject matter area. Figure 2 shows that the chapter associated with medical facilities and other related entities contains 4,229 restrictions. By this

Figure 2. Top 10 Chapters in the Nevada Administrative Code in 2019



Source: State RegData (Nevada data), <https://quantgov.org/state-regdata/>.

measure, this is the biggest chapter in the NAC. Coming in second is the chapter related to water controls, with 3,839 restrictions.

Federal regulation tends to attract the most headlines, but it is important to remember that the nearly 104 million words and 1.09 million restrictions in the federal code significantly understate the true scope of regulation in the United States. States like Nevada 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.

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 Meanwhile, the effects of state regulation remain largely unknown. If this snapshot of Nevada regulation in 2019 is a good indicator, then the states are also active regulators, suggesting that the full impact of regulation on society is far greater than that of federal regulation alone.

ACKNOWLEDGMENT

The author would like to thank A. J. Nye and Michael Kotrous for helpful research and programming assistance that contributed to this report.

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This regulatory snapshot was produced in part using **QuantGov**, a policy analytics platform that facilitates analysis of the causes and effects of various government actions. The QuantGov project treats policy text as data, allowing researchers to quickly and effectively examine broad policies (as articulated in bodies of text) by using some of the latest advances from data science, such as machine learning and other artificial intelligence technology. The Mercatus Center's team of data engineers, analysts, and developers created this platform and continually utilize and update it to produce data that support a variety of research products and to provide policymakers with data that inform positive policy change. More information is available at quantgov.org.

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NOTES

1. This assumes the person reads 300 words per minute for 40 hours per week with two weeks of vacation per year. “RegData 3.1,” QuantGov; Patrick A. McLaughlin, Oliver Sherouse, Daniel Francis, Michael Gasvoda, Jonathan Nelson, Stephen Strosko, and Tyler Richards, “RegData 3.0 User’s Guide,” accessed February 15, 2018, <https://quantgov.org/regdata/users-guide/>.
2. Nevada Legislature, “Nevada Administrative Code,” accessed July 16, 2019, <https://www.leg.state.nv.us/NAC/>.
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, December 20, 2017. Data for Nevada are available at <https://quantgov.org/state-regdata/>.
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.
5. “RegData 3.1”; McLaughlin et al., “RegData 3.0 User’s Guide.”
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).