



A Snapshot of Colorado Regulation in 2017

151,860 Restrictions, 11.5 Million Words, and 16 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 currently contains more than 103 million words.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 Code of Colorado Regulations* (CCR).²

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 CCR are ambulatory healthcare services, chemical manufacturing, and utilities.

State RegData also reveals that the CCR contains 151,860 regulatory restrictions and roughly 11.5 million words. It would take an individual 640 hours—or about 16 weeks—to read the entire CCR. That’s assuming the reader spends 40 hours per week reading and reads at a rate

1. “The QuantGov Regulatory Clock,” QuantGov, accessed October 2, 2017.

2. Colorado Secretary of State, *Code of Colorado Regulations*, accessed August 31, 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.

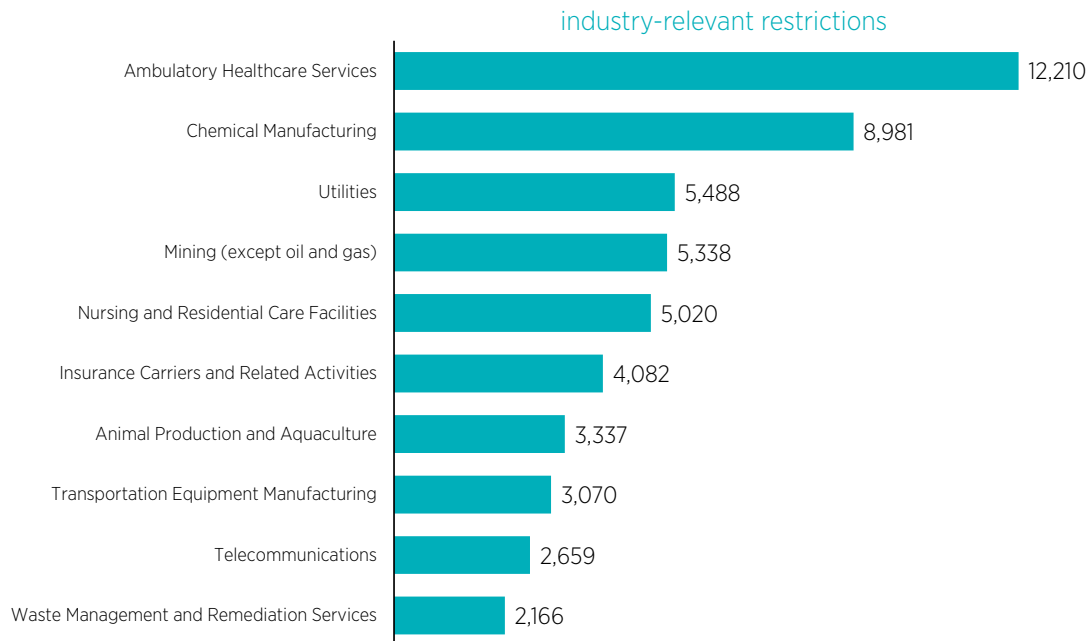
4. Restrictions can also occur in legal text for other purposes, such as for definitional purposes. At times, restrictions may relate to government employees rather than the private sector.

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of 300 words per minute. For comparison, in 2017 there are slightly more than one million additional restrictions in the federal code.⁵ Individuals and businesses in Colorado must navigate these different layers of restrictions to remain in compliance.

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



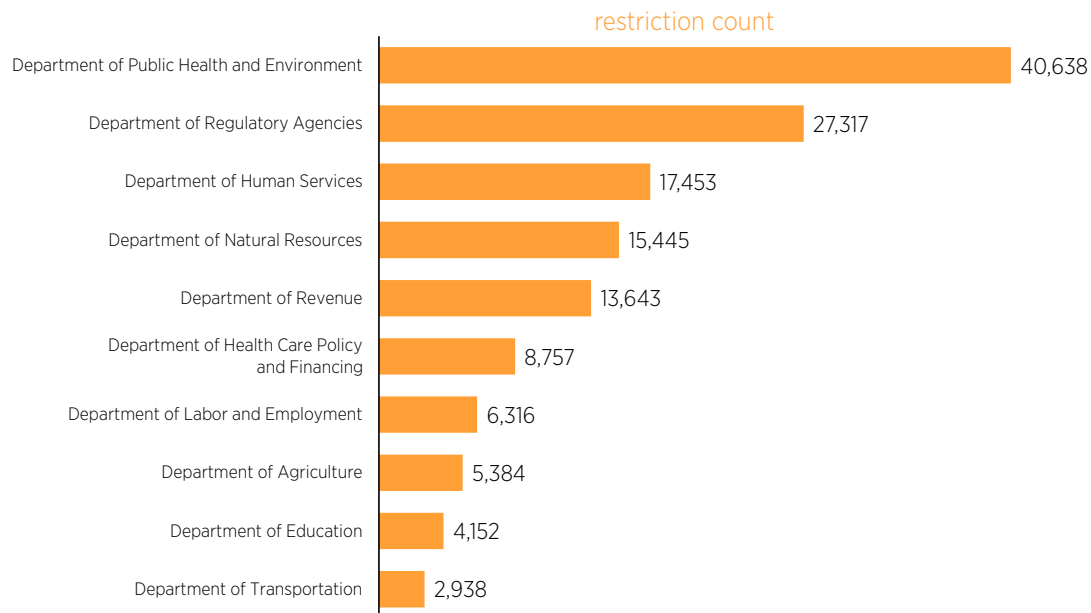
Source: State RegData, “Colorado,” <http://www.quantgov.org/data/>.

Rules in the CCR are organized by regulatory department, board, or commission. Figure 2 shows that the Department of Public Health and Environment oversees more than 40,000 restrictions. By this measure, this is the biggest regulator in Colorado. Coming in second is the Department of Regulatory Agencies—which includes many of the state’s occupational licensing boards—with more than 27,000 restrictions. These two departments combined are responsible for about 45 percent of all the restrictions in Colorado.

Federal regulation tends to attract the most headlines, but it is important to remember that the more than 103 million words and one million restrictions in the federal code significantly understate the true scope of regulation in the United States. States like Colorado 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 Colorado in 2017



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