

POLICY BRIEF

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## A Snapshot of Utah Regulation in 2017

88,150 Restrictions, 5.4 Million Words, and 7.5 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 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 large body of federal regulation. A prime example is the online version of the 2017 *Utah Administrative Code* (UAC).²

Researchers at the Mercatus Center at George Mason University developed State RegData,<sup>3</sup> a platform for analyzing and quantifying state regulatory text. 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 UAC are chemical manufacturing, nursing and residential care facilities, and utilities.

State RegData also reveals that the UAC contains 88,150 restrictions and more than 5.4 million words. It would take an individual about 301 hours—or seven and a half weeks—to read

<sup>1.</sup> 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 et al., "Regdata 3.0 User's Guide" (working paper, 2017).

<sup>2.</sup> Utah Office of Administrative Rules, Utah Administrative Code, accessed October 31, 2017.

<sup>3.</sup> 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.

<sup>4.</sup> 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.

industry-relevant restrictions Chemical Manufacturing 5.489 Nursing and Residential Care Facilities 2,421 Utilities 2,091 Petroleum and Coal Products Manufacturing 2.000 Animal Production and Aquaculture 1,981 Ambulatory Health Care Services 1,954 Food Manufacturing 1,677 Transportation Equipment Manufacturing 1,606 Oil and Gas Extraction 1,433 Hospitals

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

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

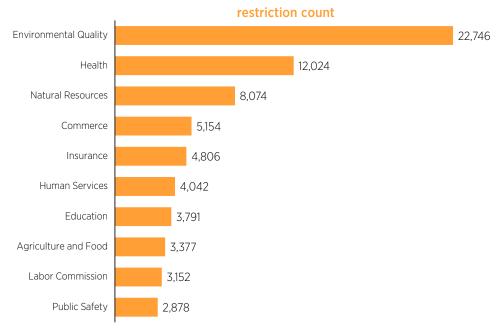
the entire UAC. That's assuming the reader spends 40 hours per week reading and reads at a rate of 300 words per minute. For comparison, there are more than 1.08 million additional restrictions in the federal code.<sup>5</sup> Individuals and businesses in Utah must navigate these different layers of restrictions to remain in compliance.

The sections of the UAC are organized by the types of regulations they contain. Figure 2 shows that the section of the UAC associated with environmental quality contains more than 22,000 restrictions. By this measure, this is the biggest section of the UAC. Coming in second is the section associated with health, with more than 12,000 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 Utah 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.

<sup>5. &</sup>quot;RegData 3.0"; McLaughlin et al., "Regdata 3.0 User's Guide."

Figure 2. Top 10 Sections of the *Utah Administrative Code* in 2017



Source: State RegData, "Utah," 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 Utah 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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