



## A Snapshot of Nebraska Regulation in 2017

100,627 Restrictions, 7.5 Million Words, and 10 Weeks to Read

by James Broughel and Daniel Francis

July 2017

It would take an ordinary person more than three years to read the entire *US Code of Federal Regulations* (CFR), which contained more than 112 million words in 2017.<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 Nebraska Administrative Code* (NAC).<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. For example, the tool allows researchers to identify the industries most targeted by state regulation by connecting text relevant to those industries with counts of words known as regulatory restrictions. These are words and phrases like “shall,” “must,” “may not,” “prohibited,” and “required” that can signify legal constraints and obligations.<sup>4</sup> As shown in figure 1, the top three industries with the highest estimates of industry-relevant restrictions in the 2017 NAC are ambulatory healthcare services, nursing and residential care facilities, and chemical manufacturing.

State RegData also reveals that the NAC contains 100,627 restrictions and roughly 7.5 million words. It would take an individual about 418 hours—or more than 10 weeks—to read the

1. “The QuantGov Regulatory Clock,” QuantGov, accessed May 24, 2017.

2. Nebraska Secretary of State, *Nebraska Administrative Code*, accessed June 7, 2017.

3. State RegData is a 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.

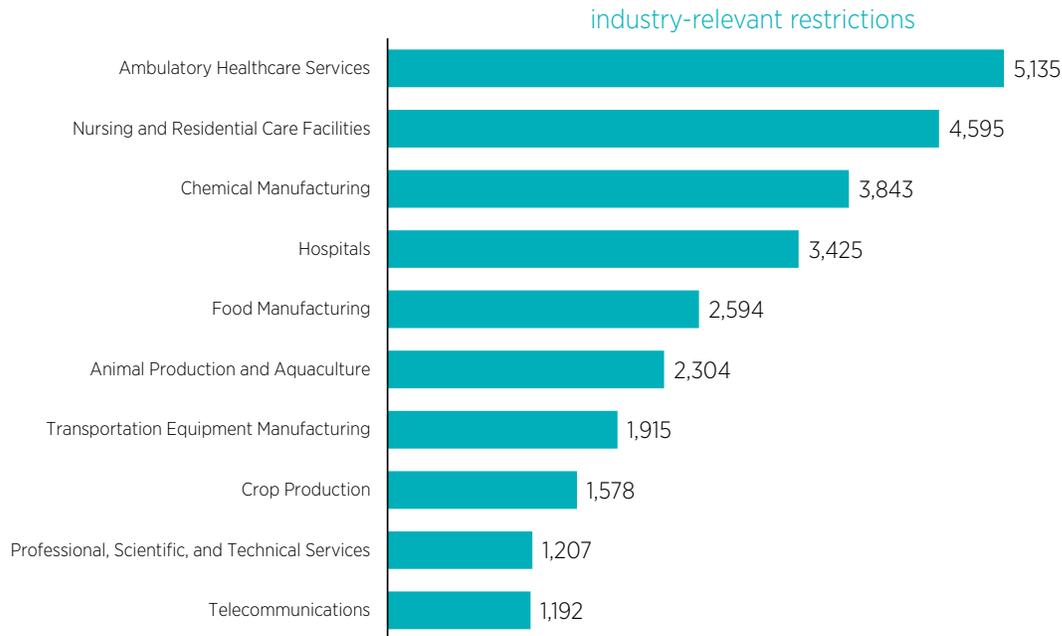
4. Restrictions can also occur in legal text for other purposes, such as for definitional purposes. At times, restrictions may relate to government employees, rather than the private sector.

For more information, contact

Sam Pfister, Associate Director of State Outreach, 217-836-6802, [spfister@mercatus.gmu.edu](mailto:spfister@mercatus.gmu.edu)  
Mercatus Center at George Mason University, 3434 Washington Blvd., 4th Floor, Arlington, VA 22201

entire NAC. 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.<sup>5</sup> Individuals and businesses in Nebraska must navigate all of these restrictions to remain in compliance.

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



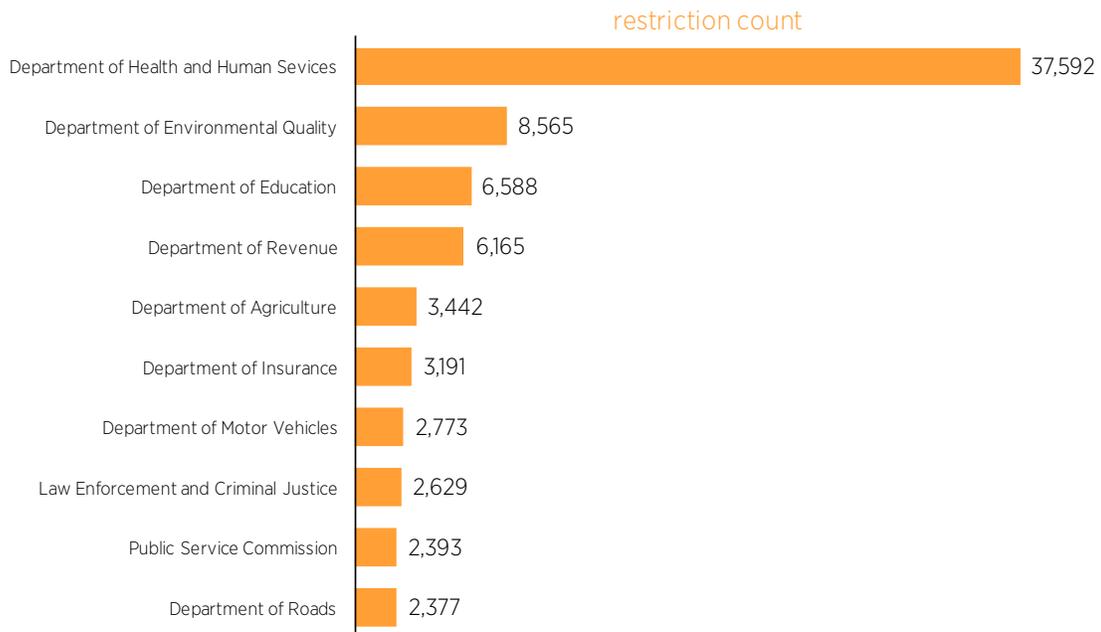
Source: “State Administrative Codes—Nebraska,” QuantGov, <http://www.quantgov.org/data/>.

The rules in the online NAC are organized based on the state agency, department, or commission that has written them. Figure 2 shows that in 2017, rules from the Department of Health and Human Services contained more than 37,000 restrictions. By this measure, this is the biggest regulator in Nebraska. The Department of Environmental Quality is the second biggest regulator with more than 8,500 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 are just the tip of the iceberg when it comes to the true scope of regulation in the United States. States like Nebraska 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 Nebraska in 2017



Source: “State Administrative Codes—Nebraska,” QuantGov, <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 Nebraska 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. For example, see 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.

#### ABOUT THE MERCATUS CENTER

The Mercatus Center at George Mason University is the world’s premier university source for market-oriented ideas—bridging the gap between academic ideas and real-world problems.

A university-based research center, Mercatus advances knowledge about how markets work to improve people’s lives by training graduate students, conducting research, and applying economics to offer solutions to society’s most pressing problems.

Our mission is to generate knowledge and understanding of the institutions that affect the freedom to prosper and to find sustainable solutions that overcome the barriers preventing individuals from living free, prosperous, and peaceful lives.

Founded in 1980, the Mercatus Center is located on George Mason University’s Arlington and Fairfax campuses. [www.mercatus.org](http://www.mercatus.org)