

Volumes Of Federal Regulations Set Record In 2016

Regulations are a burden on consumers, businesses, and the economy, according to a new study by the Competitive Enterprise Institute entitled "Ten Thousand Commandments." The financial burden has become so large - \$1.9 trillion annually for regulatory compliance and economic impact – that if U.S. regulation was a country, it would be the world's seventh-largest economy, ranking behind India and ahead of Italy. The federal government spent \$63 billion in fiscal year 2016 just to administer the federal regulatory state.

Even though many believe Congress passed very few laws last year, Congress enacted 214 laws. That is more than one per day in the 146 days the House was in session in 2016. For each law passed there must be at least one, two, three, or more new regulations to tell the public what must be done to comply with each new law. Federal agencies issued 3,853 regulations, which comes to 18 rules issued for every law enacted. Each new regulation must be published in the Federal Register, which printed 95,894 pages in 2016 the highest volume in history.

The Environmental Protection Agency was one of the leading regulation producers, and the oil and gas industry was its primary target.

President Trump understands the drain on America from overregulation, and he has vowed to cut red tape. "We must eliminate every outdated, unnecessary, or ineffective federal regulation, and move aggressively to build regulatory frameworks that stimulate—rather than stagnate—job creation," Trump writes in his budget message. "Even for those regulations we must leave in place, we must strike every provision that is counterproductive, ineffective, or outdated."

The President sent a message to Congress recently in his budget proposal to decrease spending for the Environmental Protection Agency, the Department of Energy, and the Department of Interior in an effort get America moving in a direction that will ultimately result in "energy independence."

Here's a summary of some of the President's budget:

- Reduce EPA's budget by \$2.6 billion to \$5.7 billion (31%), close 50 programs and lay off about 20% of the agency's 15,000 employees. Also, discontinue funding for the Clean Power Plan, international climate change programs, and climate change research and partnership programs with estimated savings of \$100 million.
- DOE's Office of Energy Efficiency and Renewable Energy would see a 69% budget cut compared with 2016 levels, the Office of Fossil Energy budget would be reduced 44%, and the Office of Nuclear Energy budget would decline by about 30%.
- DOE's funding of programs focused on renewables, nuclear, fossil fuels, and carbon capture and storage would decline about 84%.

The President's message is loud and clear: The federal government has overregulated the energy industry for decades.

Last week, the Texas Legislature adopted a resolution sponsored by State Senator Craig Estes (R-Wichita Falls), Chairman of the Natural Resources and Business Development Committee, and Rep. Drew Darby (R-San Angelo), Chairman of the Energy Resources Committee, calling on federal policymakers to repeal, or revise, or delegate back to the states regulations that should not be implemented by the federal government. Indeed, the burden of massive federal regulation is a drain on all Americans. Congress now has the opportunity to reduce those regulatory hurdles as it enters the budget process.



Alex Mills, President
Texas Alliance of Energy Producers
900 8th Street, Suite 400
Wichita Falls, Texas 76301
(940) 723-4131