# II CICERO INSTITUTE

Regular, Transparent, and Mandatory Regulatory Review is a Crucial First Step to Address Overregulation



The average state has some 135,000 regulatory restrictions on the books.

And these regulations are stacked atop the more than 1 million federal regulatory restrictions.

The Mercatus Center concluded that nearly seven million more people were thrust into poverty in 2019 due to compounding federal regulations.





The National
Association of
Manufacturers
estimated that
complying with
federal regulations
cost businesses
more than
\$3 trillion in 2023.

# Why are regulations piling up?

They are antiquated or cite expired laws.

The problem they seek to address no longer exists.

Voters have rejected a policy, in conflict with an agency's preference.



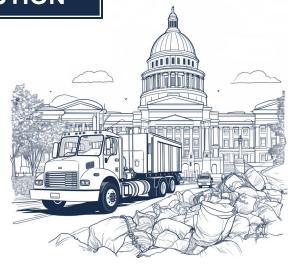
As a result, bureaucratic agencies are claiming broad authority from unclear laws.

Yet, no efficient mechanism exists to remove them from the book—even when a regulation's economic costs exceed its benefits.

## THE SOLUTION

In the tech world, a "garbage collector" regularly reviews a computer's memory to determine whether any of that memory's space is being wasted on items no longer in use—and then cleans it up.

Regulations at the state and federal levels could also use a garbage collector.



Good regulatory review policies are:

### ✓ STREAMLINED

- Technology would streamline review processes to prevent bogging agencies down.
- Computer programs can automatically flag unnecessary and contradictory regulations for review.
- Employing automation would help regulatory garbage collectors quickly delete or prevent the enforcement of expired rules.
- Algorithms to predict a regulation's economic impact would help business owners understand the true costs and consequences before it goes into effect so they know when to challenge an agency's projections.



#### ✓ TRANSPARENT

- The public should be able to easily access information about the criteria for renewal, any proposed changes, and the date of the review.
- Mandatory online reporting would increase transparency by giving citizens full access to data used to support an agency's rules.
- State and federal bureaucrats should have to show their work and make every study they cite and all underlying data available to the public when reviewing, proposing, or changing regulations.
- Regulatory reviews, processes, and outcomes should be easily accessible to the public via the Internet.

#### ✓ ACCOUNTABLE

- The public should have a voice in the process, and agencies must be required to respond to public comments before proceeding with creating or changing rules.
- The public should have a right to know which bureaucratic agency and under whose authority a regulation was approved.
- If an agency's justification for a regulation turns out to be faulty, the regulation should be rescinded.

### ✓ MANDATORY

· Requiring periodic reviews would force bureaucratic agencies to prioritize regulatory determinations for those that are the most important and helpful—otherwise, the regulation should expire.

