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# **Regulators' Budget Continues to Rise:**

An Analysis of the U.S. Budget  
for Fiscal Years 2004 and 2005

By Susan Dudley & Melinda Warren

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## **Regulators' Budget Continues to Rise:**

### **An Analysis of the U.S. Budget for Fiscal Years 2004 and 2005<sup>1</sup>**

#### **Introduction**

This report examines the *Budget of the U.S. Government* presented by the President to Congress for Fiscal Year 2005 to track the expenditures of federal regulatory agencies and the staff needed to run these agencies. A joint product of the Mercatus Center at George Mason University and the Murray Weidenbaum Center on the Economy, Government and Public Policy at Washington University in St. Louis, this report continues an effort begun in 1977 by the Weidenbaum Center (formerly the Center for the Study of American Business).

Regulations impose social costs on individuals and businesses beyond the direct tax dollars expended to write and enforce them. Not only are there costs associated with compliance, but regulations can restrict opportunities and choices, which also impose opportunity costs. These costs are difficult to measure, so efforts to track the change in regulatory activity over time often depend on proxies, such as the size of the *Code of Federal Regulations* (often measured in feet of shelf space) which provides a sense of the magnitude of the stock of existing regulations or the number of pages in the *Federal Register*, which provides a sense of the flow of new regulations issued during a given period.

The expenditures of federal regulatory agencies (as tracked in this report), and the trends in that regulatory spending over time, are other proxies of the size and growth in regulations with which American businesses, workers, and consumers must comply. This information can serve as a barometer of regulatory activity, providing policy makers and others with useful insights into the composition and evolution of regulation.

The 2005 Budget request calls for expenditures on regulatory activities of \$39.1 billion in fiscal year 2005. This reflects a 4.2 percent increase in real (inflation-adjusted) terms over estimated budgeted expenditures of \$37.1 billion in fiscal year 2004. Estimated 2004 outlays reflected a real reduction of almost 6 percent from fiscal year 2003 expenditures.

The requested level of staffing is 242,473 full-time equivalent people in fiscal year 2005, representing an increase of 2,849 people (1.2 percent) since 2004, and a 42 percent increase over staffing levels in 2001. The Transportation Security Administration's employment of over 56,000 airport screening agents in 2003 is largely responsible for the big increase in staffing.

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<sup>1</sup> Susan Dudley is Director of the Regulatory Studies Program at the Mercatus Center at George Mason University. Melinda Warren is Director of the Weidenbaum Center Forum at Washington University. Special thanks go to Kim Piro, John Shoaf, and Colleen Morretta for their considerable help in gathering data and formatting this report. This report is one in a series designed to enhance the understanding of the impact of federal regulation on society and does not represent an official position of either George Mason University or Washington University.

The remaining sections of this report provide more detailed statistics on the spending and staffing that has supported federal regulatory activities since 1960, as well as the levels requested for fiscal year 2005. We examine expenditures in nominal and real (constant 2000) dollars, as well as staffing levels by agency and regulatory category.

## **Overview of the 2005 Regulators' Budget**

This report tracks the spending and staffing of 63 departments and agencies. As has been the practice in past reports, it divides federal regulatory activities into two main categories. The first category, social regulations, includes regulatory activities that address issues related to health, safety, and the environment. The Environmental Protection Agency, the Occupational Safety and Health Administration, the Food and Drug Administration, and the National Transportation Safety Board are examples of agencies that administer social regulations. Their activities are generally limited to a specific issue, but they also have the power to regulate across industry boundaries. This report further divides the social regulation category into (1) consumer safety and health, (2) homeland security, (3) transportation, (4) workplace, (5) environment, and (6) energy. We separate the homeland security category from the others for the first time in this report. This reflects the increased emphasis on regulations aimed at national security after September 11, 2001 as well as the federal government reorganization associated with the creation of the new Department of Homeland Security.

Economic regulations, which make up the second category, tend to be industry-specific. The Securities and Exchange Commission, the Federal Communications Commission, and the Federal Energy Regulatory Commission are examples of agencies that fall into the economic regulation category. They regulate a broad base of activities in particular industries using economic controls such as price ceilings or floors, quantity restrictions, and service parameters. The economic regulation category is divided into three subcategories: (1) finance and banking, (2) industry-specific regulation, and (3) general business. Note that the industry-specific regulation category includes economic regulation of transportation and energy industries.

Figures in previous reports have been drawn from "obligations," as reported in the appendices to the annual Budget documents. At the recommendation of officials at the Office of Management and Budget, this year's data are based on reported "outlays" which, they advise us, are a better measure of programmatic activity because they reflect expenditures actually made (or expected to be made) in a year. While obligations are a necessary step to get to outlays, what is obligated this year may not get spent for years. The expenditure data in this report going back to 1960 are now based on outlays rather than obligations.

We began including the airport screening activities of the Transportation Security Administration in last year's report. TSA enforcement activities are regulatory in the sense that they regulate private activity by checking passengers and their luggage. An analogous activity that has long been included as regulatory in these annual reports is federal meat inspection administered by the Food and Drug Administration. Other analogous activities, which we have added for the first time in this report, are the

enforcement activities of Customs and Border Patrol, and the Immigration and Naturalization Service. Both of these functions are now part of the Department of Homeland Security.

## **Spending**

Table 1 summarizes spending for regulatory activities by category and subcategory for decennial years from 1960 to 2000, as well as annually from 2003 through 2005. Note that figures for 2004 and 2005 are estimates. The 2004 figures generally reflect the budget that was appropriated by Congress for the current year, while the 2005 figures reflect the outlays embodied in the President's budget request to Congress.

Overall, the fiscal year 2005 Regulators' Budget is \$39.1 billion. This reflects a 5.5 percent nominal increase over fiscal year 2004. The budgeted outlays for 2004 were \$37.1 billion—4.9 percent lower than in 2003.

The fiscal year 2005 Budget request for administering and enforcing social regulation comprises 85 percent of the total Regulators' Budget. It is \$33.1 billion in 2005, a nominal increase of 4.3 percent over the 2004 social regulation budget of \$31.8 billion. In real terms, the requested budget for social regulatory agencies is 3.0 percent larger in 2005 than in fiscal year 2004. This comes after an estimated real decrease of 7.9 percent in 2004.

The largest projected percentage increase in 2005 is in agencies that regulate the environment, with a real increase of 11.5 percent. The 2005 budget request for regulatory activities related to energy increased by 5 percent (in real terms). Activities regulating consumer safety and health are estimated to increase by 3.8 percent, and those related to the workplace by 1.6 percent. The new homeland security subcategory, which includes the Coast Guard, customs and border protection, immigration enforcement, and the Transportation Security Administration, faces a 1.0 percent increase in budget. The transportation subcategory is slated for a 5.1 percent decline in 2005, after a 14.6 percent real increase in 2004.

The budgets of agencies in the economic regulatory category are smaller than their counterparts involved in social regulatory activity, but the percentage increase for economic regulations in 2005 is larger. The 2005 budget request for economic regulatory activities is \$6.0 billion, a nominal increase of 12.8 percent over the 2004 budget. Budget outlays in 2004 are expected to reach \$5.3 billion by the end of the fiscal year, a nominal increase of 9.2 percent over 2003. In real terms, the budgets of economic regulatory agencies are projected to increase by 11.4 percent between 2004 and 2005. Driven by large increases in the Securities and Exchange Commission's budget, activities classified in the general business subcategory are estimated to receive the largest real increase—23.6 percent in 2005. Increases of 3.1 percent and 0.8 percent are anticipated in 2005 for the industry-specific regulation, and finance and banking subcategories, respectively.

**Table 1**  
**Spending Summary for Federal Regulatory Agencies, Selected Years**  
(Fiscal Years, Millions of Dollars in “Outlays”)

	1960	1970	1980	1990	2000	2003	(Estimated)*	2004	2005	% Change	2003-04	2004-05
<b>Current (Nominal) Dollars</b>												
<b>Social Regulation</b>												
Consumer Safety and Health	\$102	\$218	\$1,252	\$1,836	\$3,456	\$4,895	\$5,011	\$5,264		2.4%		5.0%
Homeland Security	145	335	1,589	3,359	7,874	18,865	16,434	16,799		-12.9%		2.2%
Transportation	42	177	550	801	1,439	1,916	2,221	2,133		15.9%		-4.0%
Workplace	36	115	748	1,012	1,421	1,670	1,710	1,758		2.4%		2.8%
Environment	17	183	1,482	3,496	5,586	6,077	5,698	6,433		-6.2%		12.9%
Energy	12	65	437	443	607	695	696	740		0.1%		6.3%
<b>Total Social Regulation</b>	<b>\$353</b>	<b>\$1,093</b>	<b>\$6,057</b>	<b>\$10,947</b>	<b>\$20,383</b>	<b>\$34,118</b>	<b>\$31,770</b>	<b>\$33,127</b>		<b>-6.9%</b>		<b>4.3%</b>
<b>Economic Regulation</b>												
Finance and Banking	\$41	\$98	\$392	\$1,304	\$1,856	\$1,896	\$2,019	\$2,060		6.5%		2.0%
Industry-Specific Regulation	91	276	470	492	712	834	921	961		10.4%		4.3%
General Business	48	113	356	725	1,673	2,146	2,385	2,984		11.1%		25.1%
<b>Total Economic Regulation</b>	<b>\$180</b>	<b>\$487</b>	<b>\$1,218</b>	<b>\$2,521</b>	<b>\$4,241</b>	<b>\$4,876</b>	<b>\$5,325</b>	<b>\$6,005</b>		<b>9.2%</b>		<b>12.8%</b>
<b>GRAND TOTAL</b>	<b>\$533</b>	<b>\$1,580</b>	<b>\$7,275</b>	<b>\$13,468</b>	<b>\$24,624</b>	<b>\$38,994</b>	<b>\$37,095</b>	<b>\$39,132</b>		<b>-4.9%</b>		<b>5.5%</b>
<i>Annualized Percentage Change</i>		11.5%	16.5%	6.4%	6.2%	16.6%	-4.9%	5.5%				
<b>Constant (Real) 2000 Dollars</b>												
<b>Social Regulation</b>												
Consumer Safety and Health	\$485	\$792	\$2,316	\$2,250	\$3,456	\$4,640	\$4,697	\$4,874		1.2%		3.8%
Homeland Security	\$689	\$1,218	\$2,938	\$4,116	\$7,874	\$17,883	\$15,403	\$15,556		-13.9%		1.0%
Transportation	198	643	1,017	981	1,439	1,816	2,082	1,975		14.6%		-5.1%
Workplace	171	418	1,384	1,240	1,421	1,583	1,603	1,628		1.2%		1.6%
Environment	78	664	2,740	4,284	5,586	5,761	5,341	5,957		-7.3%		11.5%
Energy	57	236	808	543	607	659	652	685		-1.0%		5.0%
<b>Total Social Regulation</b>	<b>\$1,678</b>	<b>\$3,970</b>	<b>\$11,204</b>	<b>\$13,413</b>	<b>\$20,383</b>	<b>\$32,342</b>	<b>\$29,778</b>	<b>\$30,676</b>		<b>-7.9%</b>		<b>3.0%</b>
<b>Economic Regulation</b>												
Finance and Banking	\$195	\$356	\$725	\$1,598	\$1,856	\$1,797	\$1,892	\$1,908		5.3%		0.8%
Industry-Specific Regulation	432	1,002	869	603	712	791	863	890		9.2%		3.1%
General Business	228	410	659	888	1,673	2,034	2,235	2,763		9.9%		23.6%
<b>Total Economic Regulation</b>	<b>\$855</b>	<b>\$1,768</b>	<b>\$2,253</b>	<b>\$3,089</b>	<b>\$4,241</b>	<b>\$4,622</b>	<b>\$4,991</b>	<b>\$5,561</b>		<b>8.0%</b>		<b>11.4%</b>
<b>GRAND TOTAL</b>	<b>\$2,533</b>	<b>\$5,739</b>	<b>\$13,457</b>	<b>\$16,502</b>	<b>\$24,624</b>	<b>\$36,964</b>	<b>\$34,769</b>	<b>\$36,236</b>		<b>-5.9%</b>		<b>4.2%</b>
<i>Annualized Percentage Change</i>		8.5%	8.9%	2.1%	4.1%	14.5%	-5.9%	4.2%				

\*FY 2004 estimates generally reflect appropriated outlays, while FY 2005 estimates reflect the President’s request to Congress, as estimated in the FY 2005 *Budget of the United States Government*.

Note: Numbers may not add to totals due to rounding.

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.



## Staffing

Table 2 summarizes the staffing at federal regulatory agencies between 1970 and 2005. The FY 2005 Budget requests a 1.2 percent increase in staffing over FY 2004 levels to 242,473 full-time equivalent employees.

Table 2  
**Staffing Summary for Federal Regulatory Agencies, Selected Years**  
 (Fiscal Years, Full-time Equivalent Employment)

	1970	1980	1990	2000	2003	(Estimated)*		% Change	
						2004	2005	2003-04	2004-05
<b>Social Regulation</b>									
Consumer Safety and Health	13,912	33,242	28,730	31,150	34,438	34,314	35,048	-0.4%	2.1%
Homeland Security	22,510	37,316	46,512	60,347	123,504	121,912	123,499	-1.3%	1.3%
Transportation	7,614	8,401	7,497	8,944	8,889	8,779	8,670	-1.2%	-1.2%
Workplace	6,486	17,894	13,610	12,141	12,052	12,192	12,312	1.2%	1.0%
Environment	4,525	16,993	20,057	24,555	25,537	25,757	25,751	0.9%	0.0%
Energy	219	3,225	3,293	2,923	3,048	3,149	3,199	3.3%	1.6%
<b>Total Social Regulation</b>	<b>55,266</b>	<b>117,071</b>	<b>119,699</b>	<b>140,060</b>	<b>207,468</b>	<b>206,103</b>	<b>208,479</b>	<b>-0.7%</b>	<b>1.2%</b>
<b>Economic Regulation</b>									
Finance and Banking	4,969	9,524	16,353	14,188	12,375	12,604	12,562	1.9%	-0.3%
Industry-Specific Regulation	18,548	11,885	7,977	6,438	6,504	6,570	6,667	1.0%	1.5%
General Business	6,609	9,251	9,611	12,509	13,324	14,347	14,765	7.7%	2.9%
<b>Total Economic Regulation</b>	<b>30,126</b>	<b>30,660</b>	<b>33,941</b>	<b>33,135</b>	<b>32,203</b>	<b>33,521</b>	<b>33,994</b>	<b>4.1%</b>	<b>1.4%</b>
<b>GRAND TOTAL</b>	<b>85,392</b>	<b>147,731</b>	<b>153,640</b>	<b>173,195</b>	<b>239,671</b>	<b>239,624</b>	<b>242,473</b>	<b>0.0%</b>	<b>1.2%</b>
<i>Annualized Percentage Change</i>		5.6%	0.4%	1.2%	11.4%	0.0%	1.2%		

\* FY 2004 estimates generally reflect appropriated outlays, while FY 2005 estimates reflect the President's request to Congress, as estimated in the FY 2005 *Budget of the United States Government*.

Note: Numbers may not add to totals due to rounding.

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.

Staffing levels at agencies engaged in social regulatory activities are budgeted to increase by 1.2 percent in 2005, following a 0.7 percent decline in 2004. The 2005 Budget requests 208,479 full-time employees (compared to 206,103 in 2004). These staffing levels are almost 40 percent larger than in 2002, however, due in part to the over 56,000 new employees brought on as airport baggage screeners under the auspices of the Transportation Security Administration.

The economic regulatory agencies have fewer staff than the social regulatory agencies. Personnel is projected to increase by 1.4 percent in 2005 to 33,994 full-time equivalent employees. As with spending, the general business subcategory is projected to receive the largest staff increases (2.9 percent or 418 people), followed by industry-specific

regulation (1.5 percent or 97 people). The 2005 Budget calls for a slight decrease in staffing at finance and banking regulatory agencies (0.3 percent or 42 fewer employees).

### **Trends in Federal Regulatory Spending, 1960 – 2005**

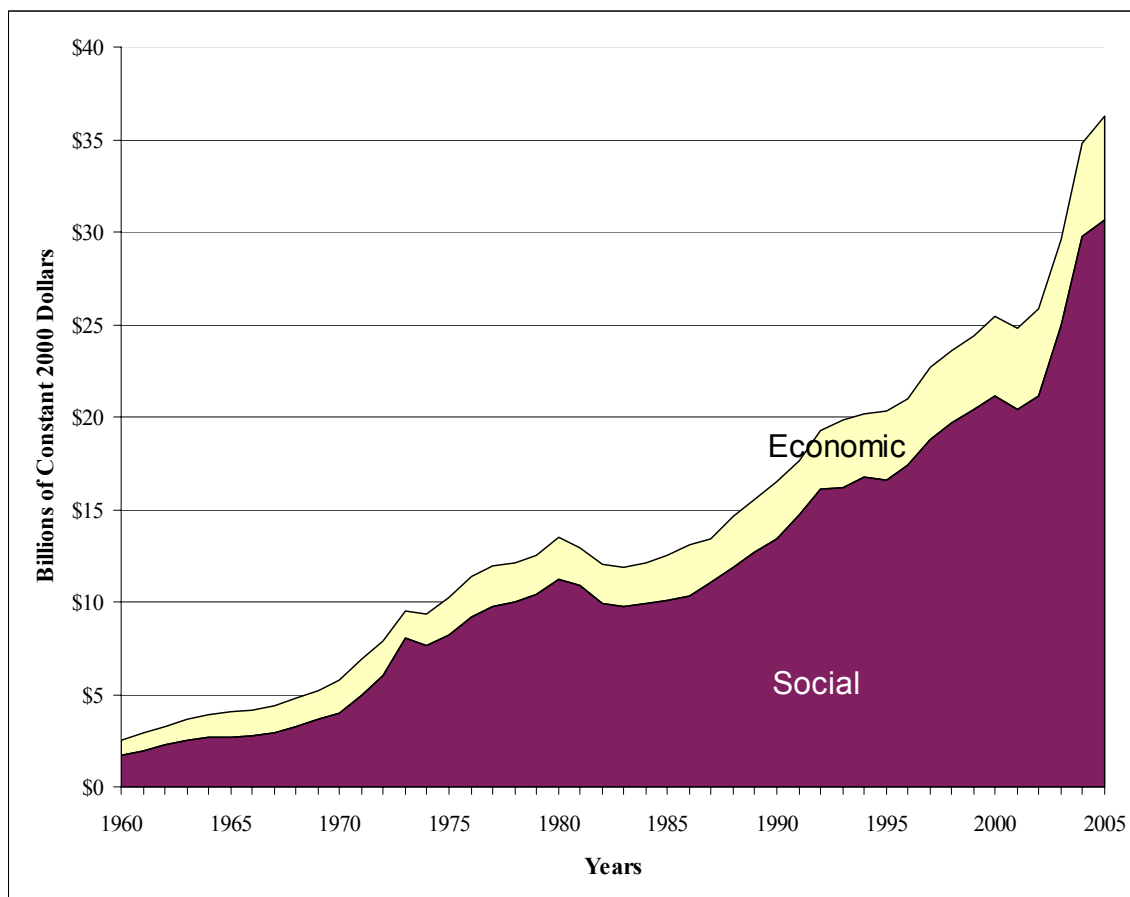
Figure 1 graphs the changes in real (adjusted for inflation) regulatory expenditures since 1960. While spending has generally increased over time, the rate of growth has varied depending on the philosophies of elected officials in the executive and legislative branches of the federal government. In the early years of the Reagan administration, for example, regulatory expenditures declined.

The 1960s were characterized by very rapid growth in regulatory expenditures. Total spending at federal regulatory agencies increased by \$3.2 billion (2000 dollars) between 1960 and 1970. This represents a real annual growth rate of 8.5 percent and a total increase of 126.5 percent over the decade. Most of this growth—more than \$2 billion—occurred in social regulatory agencies (which experienced a real 136.6 percent increase in annual budget over the decade). Economic regulatory programs expanded more slowly, by \$0.9 billion or 106.8 percent over the period.

This trend continued in the 1970s. Over that decade, real spending at regulatory agencies grew by \$7.7 billion or 134.5 percent (8.9 percent per year on average). Social regulatory expenditures continued to grow rapidly and increased by \$7.2 billion while economic agencies showed a much smaller increase of \$0.5 billion. Most of the growth occurred in the early part of the decade, when several of the significant social regulatory agencies (particularly the Environmental Protection Agency and the Occupational Safety and Health Administration) were formed. Double-digit increases in the first three years preceded much slower growth in the budgets of both social and economic regulatory agencies during the latter part of the decade.

This slower rate of growth continued into the early 1980s. Total annual expenditures on regulatory programs declined by 6.9 percent between 1980 and 1985, but rebounded in the second half of the decade, increasing by 31.7 percent overall between 1985 and 1990. Throughout the decade, spending on economic regulation increased at a faster rate—37.1 percent between 1980 and 1990—than spending on social regulation, which grew by 19.7 percent over the same period. On an annual basis, spending increased by an average of 2.1 percent per year over the decade.

Figure 1  
**Administrative Costs of Regulation**



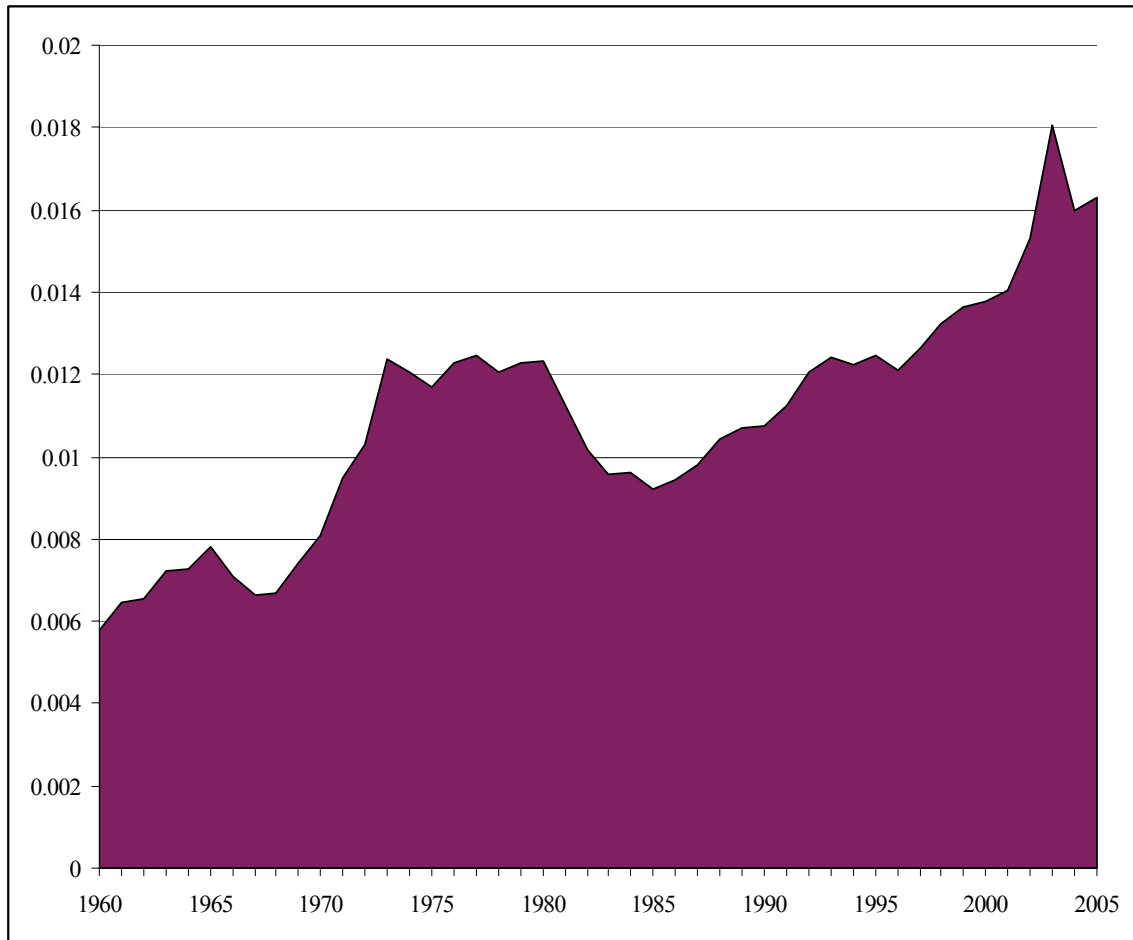
Regulatory spending continued to increase in the 1990s, for a total increase of 49.2 percent over the decade. The budgets of agencies administering social regulation increased by 52 percent over the decade, and those related to economic regulations increased by 37.3 percent. The first half of the decade witnessed slightly greater percentage increases than the second half—24.2 percent overall between 1990 and 1995, compared to 20.2 percent between 1995 and 2000. On an annual basis, the real rate of increase averaged 4.1 percent over the decade.

Budgets devoted to regulatory agencies are expected to increase by 47.2 percent in real terms between 2000 and 2005. The annual average increase of over 8 percent for this period is the highest since the 1970s.

Another interesting measure of trends in regulatory spending is the percentage of the total President’s Budget devoted to regulatory activities. Figure 2 illustrates that the Regulators’ Budget has generally been increasing relative to the total Budget. During the 1970s, when several of the key social regulatory agencies were established, the portion of the total budget devoted to regulation increased by two-thirds. The Regulators’ Budget

was 0.74 percent of the total budget in 1969 and reached 1.23 percent by 1979. It fell below 1 percent in the early to mid-1980s, but began to increase again in 1986. With the exception of a few years, the Regulators' Budget has increased relative to the total Budget since then. One notable exception was in fiscal year 2004. The fraction of the total Budget devoted to regulatory activities jumped from 1.5 percent in fiscal year 2002 to 1.8 percent in 2003, when regulatory activities related to transportation and homeland security increased. It fell back to 1.6 percent in 2004 and is expected to increase only slightly in 2005.

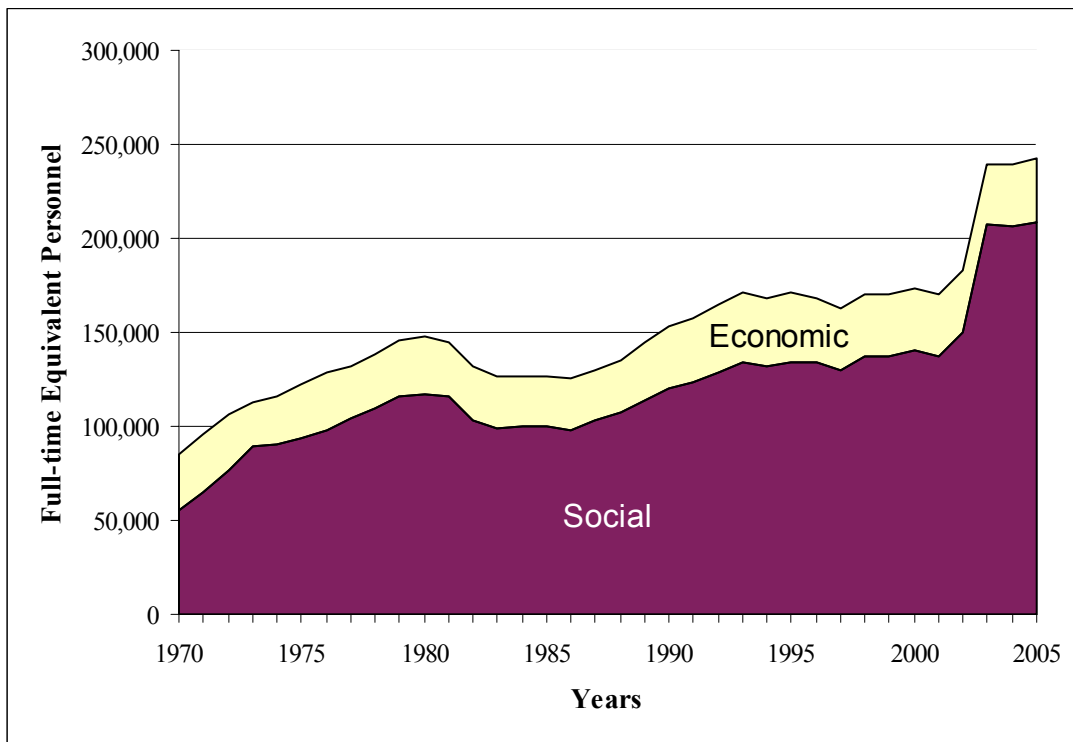
Figure 2  
**Regulators' Budget as a Percent of President's Budget**



**Trends in Federal Regulatory Staffing, 1970 – 2005**

Figure 3 shows the trends in staffing at federal regulatory agencies over the past 35 years. Over the decade of the 1970s, the number of personnel at regulatory agencies grew by more than 62,000, or 73 percent. Social regulatory agencies gained 61,800 new personnel, and economic agencies added over 500 new staff members.

Figure 3  
**Staffing of Federal Regulatory Agencies**



Staffing at regulatory agencies was cut back significantly in the early 1980s, so that between 1980 and 1985, staffing at regulatory agencies declined by 14.2 percent (14.4 percent at the social agencies and 13.6 percent at the economic regulatory agencies). Starting in 1988, the trend reversed, and the second half of the decade saw increases of 19.4 percent for social regulatory agencies and 28.1 percent for the economic regulatory agencies—a cumulative increase of 21.2 percent between 1985 and 1990. By 1990, staffing at federal regulatory agencies was about 4 percent higher than it had been in 1980 (a net increase of 5,909 employees). Social agencies increased staffing by 2.2 percent, and economic regulatory staff grew by 10.7 percent during this decade.

The staffing increases that began in the late 1980s continued in the 1990s. Between 1990 and 1995, full-time equivalent personnel at regulatory agencies increased by 11.2 percent overall (over 17,000 people), with increases of 11.9 percent at social regulatory agencies and 8.6 percent in economic regulatory agencies. After staffing reductions in 1996 and 1997, the decade ended with over 19,500 new federal regulatory employees (a 12.7 percent increase). Social agencies added 20,361 employees (a 17.0 percent increase), while economic agencies declined by 2.4 percent (806 people).

After a 1.7 percent reduction in 2001, staffing at regulatory agencies has increased dramatically. In 2003, the establishment of the Transportation Security Administration, with its large staff of airport screening agents, caused the federal workforce to jump 31.2 percent, by far the largest increase in the nation's history. The 2005 Budget calls for a

total regulatory staff with 69,300 more full-time regulatory employees than in 2000, an increase of 40 percent. The bulk of this increase in staff was at social regulatory agencies, which are projected to have 68,400 more employees on the payroll than in 2000, compared to less than 900 new positions in economic regulatory agencies.

## **Summary of Federal Regulatory Activity for FY 2005**

The “Budget Message of the President” continues to articulate “three overriding national priorities: winning the war on terror, protecting the homeland, and strengthening the economy.” The “Overview of the President’s 2005 Budget” articulates a goal of limiting discretionary spending:

For the second year in a row, the President’s Budget is built on the sensible premise that Government spending should grow no faster than the average increase in American family incomes of approximately four percent. This Budget proposes to hold the growth in total discretionary spending to 3.9 percent and to reduce the growth in non-defense, non-homeland security spending to 0.5 percent, below the rate of inflation.

The Regulators’ Budget, the portion of the President’s Budget directed at administering and enforcing federal regulations, exceeds the 3.9 percent overall goal. The 2005 Budget requests outlays for regulatory activities of \$39.1 billion, a 5.5 percent nominal (4.2 percent real) increase over the appropriated 2004 Budget. The 2004 Regulators’ Budget of \$37.1 billion represented a 4.9 percent nominal (5.9 percent real) decline from FY 2003, when the Budget reached \$39.0 billion.

In the more detailed discussion of the FY 2005 Regulators’ Budget below, dollar amounts are presented in nominal terms, while percentage changes are in real (2000 dollar) terms.

### **Social Regulation**

About 85 percent of the FY 2005 Regulators’ Budget request is directed at social regulation. We divide these social regulatory agencies into six subcategories. “Homeland Security,” a new subcategory in this year’s report, has the largest share of the estimated Regulators’ Budget in 2005 (43 percent of the total, and 51 percent of the social Regulators’ Budget). The \$16.8 billion budget represents a 1.0 percent real increase over 2004. The 2004 estimated outlays are 13.9 percent less than the peak 2003 outlays, but the post-September 11 budgets for the regulatory agencies that are now housed in the Department of Homeland Security are more than double the outlays in 2000.

Spending to administer “environmental” regulations is the next largest subcategory, with spending expected to increase 11.5 percent to \$6.4 billion in 2005. Fiscal expenditures on “consumer safety and health” will reach an estimated \$5.2 billion in 2005 (a 3.8 percent increase, after adjusting for inflation). After increasing by 14.6 percent in 2004, spending in the “transportation” subcategory is slated for a 5.1 percent reduction in 2005, to \$2.1 billion. Budget outlays for “workplace” regulations continue to increase at a

modest rate, growing 1.6 percent in 2005 to \$1.8 billion. The “energy” Regulators’ Budget is set at \$0.7 billion in 2005, a 5 percent increase over 2004.

Table 1 provides summary statistics, and Appendix Tables A-1 through A-3 provides detail on spending and staffing at agencies within each category and subcategory. Overall, estimated spending at the agencies involved in social regulation increased 3.0 percent in real terms between fiscal years 2004 and 2005, after declining by 7.9 percent in 2004.

Five social regulatory agencies are expected to spend more than \$100 million more on writing and enforcing regulations in 2005 than they did in 2004. These are:

- The Environmental Protection Agency, estimated to increase outlays by \$667 million in 2005.
- Immigration and Customs Enforcement, and the Coast Guard, both in the Department of Homeland Security, with increases of \$484 million and \$297 million, respectively.
- The Food and Drug Administration in the Department of Health and Human Services, with a \$182 million increase.
- The Bureau of Alcohol, Tobacco, Firearms and Explosives in the Department of Justice, budgeted to receive an increase of \$119 million.

Slated for reductions greater than \$100 million in 2005 are:

- The Animal Plant Health Inspection Service of the Department of Agriculture. Its budget cut of \$156 million may be partially due to the fact that some of its functions were transferred to the Department of Homeland Security.
- Customs and Border Protection, reorganized in the Department of Homeland Security. Its reduction of \$521 million in 2005 comes after an increase of \$1.7 billion in 2004.

Table 2 above provides an overview of changes in personnel for each subcategory. Table A-3 provides staffing detail by agency. The 2005 Budget suggests that staffing levels in 2005 will increase more slowly (1.2 percent) than spending. The number of regulatory staff at homeland security agencies are expected to reach 123,500 in 2005, an increase of 1.3 percent, or 1600 people. The consumer safety and health agencies will see the greatest percentage increase in employees (2.1 percent, or 750 people) to reach 35,000. Staffing at environmental agencies will remain level at 25,750 full-time employees. The number of staff regulating the workplace is estimated to increase 1.0 percent in 2005, for a total of 12,300 people. Energy regulators will see a 1.6 percent increase to 3,199 full-time staff, but the number of people administering transportation regulation is expected to decline 1.2 percent, to 8,700 people.

## **Economic Regulation**

We divide economic regulatory agencies into three subcategories. Spending on regulatory activity in the “finance and banking” subcategory is budgeted to increase 0.8 percent (after adjusting for inflation), to reach \$2.1 billion in 2005. The FY 2004 Budget for the finance and banking subcategory reflects a 5.3 percent increase over 2003. The budget for “industry-specific regulation” increased at a real rate of 9.2 percent in 2004, reaching \$921 million. An additional 3.1 percent increase is included in the 2005 Budget, bringing the total for this subcategory to \$961 million. “General business” regulation experienced the largest increase in both 2004 and 2005, with real increases of 9.9 percent and 23.6 percent, respectively. The budget request for 2005 is \$3 billion.

The 2005 Budget calls for the largest dollar increases for regulatory activities of the Patent and Trademark Office (a \$243 million increase) and the Securities and Exchange Commission (a \$312 million increase). The PTO budget declined by 5.4 percent in FY 2004, but is slated for a 20.7 percent increase in FY 2005. The SEC budget request of \$986 million reflects two years of significant increases (42.1 percent in 2004 and 44.5 percent in 2005 in real terms) due to the increased attention to corporate accounting and reporting practices in response to highly publicized cases and allegations of securities and accounting fraud. Tables A-1 and A-2 provide agency level spending detail.

The percentage of the Budget devoted to agencies administering economic regulations has declined since the 1970s. In 1960, 33 percent of federal regulatory spending was directed at economic programs. In 2005, only about 15 percent will be spent on these programs. The economic deregulation that began in the mid-1970s with deregulation of airlines, trucking, and other industries continues today. Budgets directed at administering industry specific regulations in particular have declined. Since the mid-1980s, these activities have occupied under 5 percent of the total Regulators’ Budget, and make up only 2.5 percent of the administrative costs of regulation in 2005. The “general business” category has grown the most over the last few years, mainly due to the large increases in the SEC’s budget.

Table 2 shows agency staffing for the three subcategories of economic regulation. After an increase in personnel in 2004, the regulatory staff in the finance and banking agencies is expected to decrease slightly (0.3 percent). Staffing devoted to industry-specific regulation is budgeted to increase by 1.5 percent in 2005. The largest increases are predicted in the general business category, where the FY 2005 Budget requests a 2.9 percent real increase. Like the spending, the largest personnel increases are at the SEC (17.4 percent in 2004 and 9.5 percent in 2005). Between fiscal years 2003 and 2005, staffing at the SEC has been increased by 873 full-time equivalent positions. Agency staffing details are presented in Table A-3.



## Conclusion

The FY 2005 *Budget of the United States Government* calls for a 5.5 percent nominal (4.2 percent real) increase in outlays directed at writing, administering, and enforcing federal regulations. This is larger than the overall nominal increase in nondiscretionary spending of 3.9 percent. The allocation of fiscal regulatory expenditures among the different departments and agencies reflects national concerns about homeland security and corporate governance, as discussed in the “Summary of Accomplishments and Challenges” chapter of the Budget. It also includes large increases in outlays at the Environmental Protection Agency, the Food and Drug Administration, and the Patent and Trademark Office.

The Regulators’ Budget is estimated to be \$39.1 billion in 2005, up from \$37.1 billion in 2004. After adjusting for inflation, the 2004 Budget is likely to be 5.9 percent less than in 2003. The Regulators’ Budget for both 2005 and 2004 represents 1.6 percent of the total outlays estimated in the President’s Budget. This is less than in 2003, when the Regulators’ Budget was 1.8 percent of the total Budget.

Staffing at the federal regulatory agencies is expected to reach an all-time high of almost 242,500 in 2005. Due largely to the new federal staff engaged in airport screening at the Transportation Security Administration, this figure is over 69,000 people greater than in 2000, an increase of 40 percent.

## Appendix

The Weidenbaum Center at Washington University has monitored trends in federal regulation for 29 years and has compiled 45 years of data on the administrative expenses of federal regulation. In 2002, the Mercatus Center at George Mason University joined the Weidenbaum Center to prepare this annual report on the regulatory administration and enforcement costs embodied in the annual Budget of the United States.

New data for this report were drawn from the *Budget of the United States, Fiscal Year 2005* and supporting documents. This Budget, also known as “the President’s Budget,” is presented to Congress approximately seven months prior to the beginning of each fiscal year (e.g. fiscal year 2004 begins October 1, 2003 and ends September 30, 2004). In this report, all references to specific years refer to fiscal years unless otherwise noted.

Budget figures for the 63 regulatory agencies contained in Table A-1 consist of “outlays.” While “obligations,” the statistical measure in the Budget document on which we have based figures in previous reports, provide the greatest detail, officials at the Office of Management and Budget advise us that outlays are a better measure of annual programmatic activity. These data are expressed in current dollars, rounded to the nearest million. Table A-2 provides comparable information in real terms (constant 2000 dollars). Because these numbers are rounded to the nearest million, the numbers do not necessarily add to totals.

The data on outlays provide a clear picture of the resources a regulatory agency directs to regulation in a given year. For example, some agencies are funded, partly or totally, by fees collected from businesses and individuals and these fee structures have changed over the years. The outlays reported here are gross of fees collected.

The staffing figures shown in Table A-3 are derived from the full-time equivalent employment numbers for each agency. For example, two employees, each working half time, are counted as one full-time equivalent.

Tables A-4 and A-5 give data from 1960 to 2005 for annual outlays in current and constant dollars for major categories of regulation. Staffing data from 1970 to 2005 are given in Table A-6. Detailed agency-by-agency data are available and can be obtained by writing to the Weidenbaum Center at Washington University or the Mercatus Center at George Mason University.

Agencies that primarily perform taxation, entitlement, procurement, subsidy, and credit functions are excluded from this report. Examples of these organizations are the Internal Revenue Service, the Social Security Administration, the Department of Defense, the Commodity Credit Corporation, and the Federal Housing Administration.

The notes to the appendix, which follow the appendix tables, give background on organizational changes since the Weidenbaum Center began tracking trends in regulatory budgets and staffing in 1975. Some agencies have been abolished while others have been created. Names of agencies have changed over time. These notes help the reader make sense of name and other changes that have occurred over the years.

Table A-1  
**Agency Detail of Spending on Federal Regulatory Activity: Current Dollars**  
(Fiscal Years, Millions of Dollars in "Outlays")

**Social Regulation**

	1960	1970	1980	1990	2000	2003	(Estimated) 2004	(Estimated) 2005	% Change	
									2003-04	2004-05
<b>1. Consumer Safety and Health</b>										
Consumer Product Safety Com.	n/o	n/o	44	35	51	62	63	66	1.6%	4.8%
<i>Department of Agriculture:</i>										
Animal and Plant Health Inspection Svc. (1)	59	96	257	406	735	1,180	1,310	1,154	11.0%	-11.9%
Food Safety and Inspection Svc. (2)	n/o	n/o	393	475	743	841	887	950	5.5%	7.1%
Grain Inspection, Packers and Stockyards (3)	n/o	3	66	50	60	66	82	85	24.2%	3.7%
-- Subtotal (\$ mil) --	59	99	716	931	1,538	2,087	2,279	2,189	9.2%	-3.9%
<i>Department of Health and Human Services:</i>										
Food and Drug Admin.	16	68	326	561	1,209	1,736	1,662	1,844	-4.3%	11.0%
<i>Department of Housing and Urban Development:</i>										
Consumer Protection Programs (4)	n/o	n/o	2	5	14	7	13	13	85.7%	0.0%
<i>Department of Justice:</i>										
Drug Enforcement Admin. (5)	n/o	2	13	27	74	81	102	137	25.9%	34.3%
Alcohol, Tobacco, Firearms, Explosives (6)	27	49	147	273	555	828	795	914	-4.0%	15.0%
-- Subtotal (\$ mil) --	27	51	160	300	629	909	897	1,051	-1.3%	17.2%
<i>Department of Treasury:</i>										
Alcohol and Tobacco Tax and Trade(6)	n/o	n/o	n/o	n/o	n/o	79	80	84	1.3%	5.0%
Chemical Safety and Hazard Investigation Bd. (7)	n/o	n/o	n/o	n/o	8	9	9	9	0.0%	0.0%
Federal Mine Safety and Health Review Com.	n/o	n/o	4	4	7	6	8	8	33.3%	0.0%
<b>TOTAL--Consumer Safety and Health (\$ mil)</b>	<b>102</b>	<b>218</b>	<b>1,252</b>	<b>1,836</b>	<b>3,456</b>	<b>4,895</b>	<b>5,011</b>	<b>5,264</b>	<b>2.4%</b>	<b>5.0%</b>
<b>2. Homeland Security</b>										
<i>Department of Homeland Security: (8)</i>										
Area Maritime Security (9)	n/o	n/o	n/o	n/o	n/o	n/o	n/o	52	-	-
Customs and Border Protection (10)	62	175	837	1,664	2,802	5,294	7,008	6,487	32.4%	-7.4%
Immigration and Customs Enforcement (11)	38	66	254	786	3,355	2,218	2,334	2,818	5.2%	20.7%
Coast Guard (12)	45	94	498	909	1,717	1,680	1,795	2,092	6.8%	16.5%
Science and Technology (13)	n/o	n/o	n/o	n/o	n/o	7	109	87	1457.1%	-20.2%
Transportation Security Admin. (14)	n/o	n/o	n/o	n/o	n/o	9,666	5,188	5,263	-46.3%	1.4%
<b>TOTAL--Homeland Security (\$ mil)</b>	<b>145</b>	<b>335</b>	<b>1,589</b>	<b>3,359</b>	<b>7,874</b>	<b>18,865</b>	<b>16,434</b>	<b>16,799</b>	<b>-12.9%</b>	<b>2.2%</b>
<b>3. Transportation (15)</b>										
<i>Department of Transportation:</i>										
Federal Aviation Admin.	42	124	283	477	881	1,144	1,175	1,187	2.7%	1.0%
Federal Highway Admin. (16)	n/o	6	20	98	9	17	17	*	0.0%	-
Federal Motor Carrier Safety Admin. (17)	n/o	n/o	n/o	n/o	163	274	513	418	87.2%	-18.5%
Federal Railroad Admin.	n/o	16	92	52	119	154	199	181	29.2%	-9.0%
National Highway Traffic Safety Admin.	n/o	26	137	148	173	233	223	253	-4.3%	13.5%
Surface Transportation Bd. (18)	n/o	n/o	n/o	n/o	17	23	21	20	-8.7%	-4.8%
-- Subtotal (\$ mil) --	42	172	532	775	1,362	1,845	2,148	2,059	16.4%	-4.1%
National Transportation Safety Bd.	n/o	5	18	26	77	71	73	74	2.8%	1.4%
<b>TOTAL--Transportation (\$ mil)</b>	<b>42</b>	<b>177</b>	<b>550</b>	<b>801</b>	<b>1,439</b>	<b>1,916</b>	<b>2,221</b>	<b>2,133</b>	<b>15.9%</b>	<b>-4.0%</b>

Table A-1 (continued)

	1960	1970	1980	1990	2000	2003	(Estimated) 2004	(Estimated) 2005	% Change 2003-04	% Change 2004-05
<b>4. Workplace</b>										
<i>Department of Labor:</i>										
Employment Standards Admin. (19)	14	36	123	156	227	248	256	258	3.2%	0.8%
Office of the American Workplace (20)	n/o	12	55	79	n/o	n/o	n/o	n/o	-	-
Employee Benefits Security Admin. (21)	n/o	n/o	n/o	n/o	99	130	145	148	11.5%	2.1%
Mine Safety and Health Admin. (22)	7	17	142	171	225	266	266	274	0.0%	3.0%
Occupational Safety and Health Admin.	n/o	n/o	180	275	370	465	460	465	-1.1%	1.1%
-- Subtotal(\$ mil) --	21	65	500	681	921	1,109	1,127	1,145	1.6%	1.6%
Arch. & Trans. Barriers Compliance Bd.	n/o	n/o	n/o	2	4	6	6	6	0.0%	0.0%
Equal Employment Opportunity Com.	n/o	12	131	181	290	315	325	347	3.2%	6.8%
National Labor Relations Bd.	15	38	109	142	198	231	242	249	4.8%	2.9%
Occupational Safety and Health Review Com.	n/o	n/o	8	6	8	9	10	11	11.1%	10.0%
<b>TOTAL--Workplace</b>	<b>36</b>	<b>115</b>	<b>748</b>	<b>1,012</b>	<b>1,421</b>	<b>1,670</b>	<b>1,710</b>	<b>1,758</b>	<b>2.4%</b>	<b>2.8%</b>
<b>5. Environment</b>										
Council on Environmental Quality	n/o	n/o	3	1	3	3	3	3	0.0%	0.0%
<i>Department of Agriculture:</i>										
Forest and Rangeland Research (23)	n/o	n/o	n/o	n/o	232	305	324	328	6.2%	1.2%
<i>Department of Defense:</i>										
Army Corps of Engineers (24)	1	2	41	66	111	141	145	151	2.8%	4.1%
<i>Department of Interior:</i>										
Fish and Wildlife Svc. (25)	3	7	71	152	236	288	293	299	1.7%	2.0%
Surface Mining Reclamation & Enforcement (26)	n/o	n/o	85	327	392	384	318	361	-17.2%	13.5%
U.S. Geological Survey (27)	n/o	n/o	n/o	n/o	134	171	161	170	-5.8%	5.6%
-- Subtotal (\$ mil) --	3	7	156	479	762	843	772	830	-8.4%	7.5%
Environmental Protection Agency (28)	13	174	1,282	2,950	4,478	4,785	4,454	5,121	-6.9%	15.0%
<b>TOTAL --Environment (\$ mil)</b>	<b>17</b>	<b>183</b>	<b>1,482</b>	<b>3,496</b>	<b>5,586</b>	<b>6,077</b>	<b>5,698</b>	<b>6,433</b>	<b>-6.2%</b>	<b>12.9%</b>
<b>6. Energy</b>										
<i>Department of Energy:</i>										
Petroleum Regulation	n/o	n/o	n/o	14	24	23	22	23	-4.3%	4.5%
Federal Inspector Alaska Nat'l Gas Pipeline (29)	n/o	n/o	5	n/o	n/o	n/o	n/o	n/o	-	-
Energy Conservation (30)	n/o	n/o	54	38	103	97	59	58	-39.2%	-1.7%
-- Subtotal (\$ mil) --	n/o	n/o	59	52	127	120	81	81	-32.5%	0.0%
Nuclear Regulatory Com. (31)	12	65	378	391	480	575	615	659	7.0%	7.2%
<b>TOTAL--Energy</b>	<b>12</b>	<b>65</b>	<b>437</b>	<b>443</b>	<b>607</b>	<b>695</b>	<b>696</b>	<b>740</b>	<b>0.1%</b>	<b>6.3%</b>
<b>TOTAL SOCIAL REGULATION (\$ mil)</b>	<b>353</b>	<b>1,093</b>	<b>6,057</b>	<b>10,947</b>	<b>20,383</b>	<b>34,118</b>	<b>31,770</b>	<b>33,127</b>	<b>-6.9%</b>	<b>4.3%</b>

**Economic Regulation**

<b>1. Finance and Banking</b>										
<i>Department of the Treasury:</i>										
Comptroller of the Currency	11	32	113	256	382	429	460	471	7.2%	2.4%
Office of Thrift Supervision	9	21	20	249	159	151	159	166	5.3%	4.4%
-- Subtotal (\$ mil) --	20	53	133	505	541	580	619	637	6.7%	2.9%
Farm Credit Admin.	2	4	12	36	32	37	42	44	13.5%	4.8%
Federal Deposit Insurance Corp.	13	30	121	476	580	552	596	611	8.0%	2.5%
Federal Housing Finance Bd. (32)	n/o	n/o	n/o	1	18	23	31	34	34.8%	9.7%
<i>Federal Reserve System (33)</i>										
Federal Reserve Banks (34)	n/o	n/o	86	212	537	503	520	520	3.4%	0.0%
Federal Reserve System Bd. of Governors	3	5	19	30	79	110	116	116	5.5%	0.0%
-- Subtotal (\$ mil) --	3	5	105	242	616	613	636	636	3.8%	0.0%
National Credit Union Admin.	3	6	21	44	69	91	95	98	4.4%	3.2%
<b>TOTAL--Finance and Banking (\$ mil)</b>	<b>41</b>	<b>98</b>	<b>392</b>	<b>1,304</b>	<b>1,856</b>	<b>1,896</b>	<b>2,019</b>	<b>2,060</b>	<b>6.5%</b>	<b>2.0%</b>

Table A-1 (continued)

	1960	1970	1980	1990	2000	2003	(Estimated) 2004	2005	% Change	
									2003-04	2004-05
<b>2. Industry-Specific Regulation</b>										
<i>Department of Agriculture:</i>										
Agriculture Marketing Svc. (35)	42	186	60	161	198	184	247	258	34.2%	4.5%
<i>Department of the Energy:</i>										
Economic Regulatory Admin. (36)	n/o	n/o	132	16	2	1	1	n/o	0.0%	-
Civil Aeronautics Bd. (37)	7	11	28	n/o	n/o	n/o	n/o	n/o	-	-
Commodity Futures Trading Com. (38)	1	2	16	36	62	83	91	94	9.6%	3.3%
Federal Communications Com.	11	24	76	108	269	351	361	381	2.8%	5.5%
Federal Energy Regulatory Com. (39)	7	18	67	113	167	198	203	209	2.5%	3.0%
Federal Maritime Com.	n/o	4	11	15	14	17	18	19	5.9%	5.6%
Interstate Commerce Com. (40)	20	27	80	43	n/o	n/o	n/o	n/o	-	-
Renegotiation Bd. (41)	3	4	L	n/o	n/o	n/o	n/o	n/o	-	-
<b>TOTAL--Industry-Specific Regulation (\$ mil)</b>	91	276	470	492	712	834	921	961	10.4%	4.3%
<b>3. General Business</b>										
Cost Accounting Standards Bd. (42)	n/o	n/o	1	n/o	n/o	n/o	n/o	n/o	-	-
Council on Wage & Price Stability (43)	n/o	n/o	9	n/o	n/o	n/o	n/o	n/o	-	-
<i>Department of Commerce:</i>										
International Trade Admin. (44)	3	6	13	21	35	43	62	67	44.2%	8.1%
Bureau of Industry and Security (45)	n/o	n/o	n/o	41	61	68	80	85	17.6%	6.3%
Patent and Trademark Office	22	49	103	320	872	1,145	1,096	1,339	-4.3%	22.2%
-- Subtotal (\$ mil) --	25	55	116	382	968	1,256	1,238	1,491	-1.4%	20.4%
<i>Department of Justice:</i>										
Antitrust Division	5	9	49	47	102	117	114	136	-2.6%	19.3%
Federal Election Com.	n/o	n/o	10	15	40	46	53	55	15.2%	3.8%
Federal Trade Com.	7	20	69	71	125	166	200	204	20.5%	2.0%
International Trade Com. (46)	2	4	14	37	47	52	60	61	15.4%	1.7%
<i>Library of Congress:</i>										
Copyright Office	1	3	14	19	34	40	46	51	15.0%	10.9%
Securities and Exchange Com.	8	22	74	154	357	469	674	986	43.7%	46.3%
<b>TOTAL--General Business (\$ mil)</b>	48	113	356	725	1,673	2,146	2,385	2,984	11.1%	25.1%
<b>TOTAL ECONOMIC REGULATION (\$ mil)</b>	180	487	1,218	2,521	4,241	4,876	5,325	6,005	9.2%	12.8%
<b>GRAND TOTAL (\$ mil)</b>	533	1,580	7,275	13,468	24,624	38,994	37,095	39,132	-4.9%	5.5%

Notes:

L = less than \$500,000

n/o = agency not operational

\* = agency no longer has regulatory functions

(1) through (46): see notes at the end of the Appendix

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.

Table A-2  
**Agency Detail on Spending on Federal Regulatory Activity: Constant Dollars**  
(In millions of constant 2000 dollars)

**Social Regulation**

	1960	1970	1980	1990	2000	2003	(Estimated) 2004	(Estimated) 2005	% Change 2003-04	% Change 2004-05
<b>1. Consumer Safety and Health</b>										
Consumer Product Safety Com.	n/o	n/o	81	43	51	59	59	61	0.5%	3.5%
<i>Department of Agriculture:</i>										
Animal and Plant Health Inspection Svc. (1)	280	349	475	497	735	1,119	1,228	1,069	9.8%	-13.0%
Food Safety and Inspection Svc. (2)	n/o	n/o	727	582	743	797	831	880	4.3%	5.8%
Grain Inspection, Packers and Stockyards (3)	n/o	11	122	61	60	63	77	79	22.8%	2.4%
-- Subtotal (\$mil) --	280	360	1,324	1,141	1,538	1,978	2,136	2,027	8.0%	-5.1%
<i>Department of Health and Human Services:</i>										
Food and Drug Admin.	76	247	603	687	1,209	1,646	1,558	1,708	-5.3%	9.6%
<i>Department of Housing and Urban Development:</i>										
Consumer Protection Programs (4)	n/o	n/o	4	6	14	7	12	12	83.6%	-1.2%
<i>Department of Justice:</i>										
Drug Enforcement Admin. (5)	n/o	7	24	33	74	77	96	127	24.5%	32.7%
Alcohol, Tobacco, Firearms, Explosives (6)	128	178	272	335	555	785	745	846	-5.1%	13.6%
-- Subtotal (\$mil) --	128	185	296	368	629	862	841	973	-2.4%	15.8%
<i>Department of Treasury:</i>										
Alcohol and Tobacco Tax and Trade Bureau (6)	n/o	n/o	n/o	n/o	n/o	75	75	78	0.1%	3.7%
Chemical Safety and Hazard Investigation Bd. (7)	n/o	n/o	n/o	n/o	8	9	8	8	-1.1%	-1.2%
Federal Mine Safety and Health Review Com.	n/o	n/o	7	5	7	6	7	7	31.8%	-1.2%
<b>TOTAL--Consumer Safety and Health (\$ mil)</b>	<b>485</b>	<b>792</b>	<b>2,316</b>	<b>2,250</b>	<b>3,456</b>	<b>4,640</b>	<b>4,697</b>	<b>4,874</b>	<b>1.2%</b>	<b>3.8%</b>
<b>2. Homeland Security</b>										
<i>Department of Homeland Security: (8)</i>										
Area Maritime Security (9)	n/o	n/o	n/o	n/o	n/o	n/o	n/o	48	-	-
Customs and Border Protection (10)	295	637	1,547	2,039	2,802	5,018	6,569	6,007	30.9%	-8.5%
Immigration and Customs Enforcement (11)	181	240	470	963	3,355	2,103	2,188	2,609	4.0%	19.3%
Coast Guard (12)	214	341	921	1,114	1,717	1,593	1,682	1,937	5.6%	15.1%
Science and Technology (13)	n/o	n/o	n/o	n/o	n/o	7	102	81	1439.6%	-21.1%
Transportation Security Admin. (14)	n/o	n/o	n/o	n/o	n/o	9,163	4,863	4,874	-46.9%	0.2%
<b>TOTAL--Homeland Security (\$ mil)</b>	<b>689</b>	<b>1,218</b>	<b>2,938</b>	<b>4,116</b>	<b>7,874</b>	<b>17,883</b>	<b>15,403</b>	<b>15,556</b>	<b>-13.9%</b>	<b>1.0%</b>
<b>3. Transportation (15)</b>										
<i>Department of Transportation:</i>										
Federal Aviation Admin.	198	450	523	584	881	1,084	1,101	1,099	1.6%	-0.2%
Federal Highway Admin. (16)	n/o	22	37	120	9	16	16	*	-1.1%	-100.0%
Federal Motor Carrier Safety Admin. (17)	n/o	n/o	n/o	n/o	163	260	481	387	85.1%	-19.5%
Federal Railroad Admin.	n/o	58	170	64	119	146	187	168	27.8%	-10.1%
National Highway Traffic Safety Admin.	n/o	94	253	181	173	221	209	234	-5.4%	12.1%
Surface Transportation Bd. (18)	n/o	n/o	n/o	n/o	17	22	20	19	-9.7%	-5.9%
-- Subtotal (\$mil) --	198	625	984	950	1,362	1,749	2,013	1,907	15.1%	-5.3%
National Transportation Safety Bd.	n/o	18	33	32	77	67	68	69	1.7%	0.1%
<b>TOTAL--Transportation (\$ mil)</b>	<b>198</b>	<b>643</b>	<b>1,017</b>	<b>981</b>	<b>1,439</b>	<b>1,816</b>	<b>2,082</b>	<b>1,975</b>	<b>14.6%</b>	<b>-5.1%</b>
<b>4. Workplace</b>										
<i>Department of Labor:</i>										
Employment Standards Admin. (19)	67	131	228	191	227	235	240	239	2.1%	-0.4%
Office of the American Workplace (20)	n/o	44	102	97	n/o	n/o	n/o	n/o	-	-
Employee Benefits Security Admin. (21)	n/o	n/o	n/o	n/o	99	123	136	137	10.3%	0.8%
Mine Safety and Health Admin. (22)	33	62	263	210	225	252	249	254	-1.1%	1.8%
Occupational Safety and Health Admin.	n/o	n/o	333	337	370	441	431	431	-2.2%	-0.1%
-- Subtotal (\$mil) --	100	236	925	834	921	1,051	1,056	1,060	0.5%	0.4%

Table A-2 (continued)

	1960	1970	1980	1990	2000	2003	(Estimated) 2004	2005	% Change	
									2003-04	2004-05
Arch. & Trans. Barriers Compliance Bd.	n/o	n/o	n/o	2	4	6	6	6	-1.1%	-1.2%
Equal Employment Opportunity Com.	n/o	44	242	222	290	299	305	321	2.0%	5.5%
National Labor Relations Bd.	71	138	202	174	198	219	227	231	3.6%	1.7%
Occupational Safety & Health Review Com.	n/o	n/o	15	7	8	9	9	10	9.9%	8.7%
<b>TOTAL--Workplace (\$ mil)</b>	171	418	1,384	1,240	1,421	1,583	1,603	1,628	1.2%	1.6%
<b>5. Environment</b>										
Council on Environmental Quality	n/o	n/o	6	1	3	3	3	3	-1.1%	-1.2%
<i>Department of Agriculture:</i>										
Forest and Rangeland Research (23)	n/o	n/o	n/o	n/o	232	289	304	304	5.0%	0.0%
<i>Department of Defense:</i>										
Army Corps of Engineers (24)	5	7	76	81	111	134	136	140	1.7%	2.9%
<i>Department of Interior:</i>										
Fish and Wildlife Svc. (25)	14	25	131	186	236	273	275	277	0.6%	0.8%
Surface Mining Reclamation & Enforcement (26)	n/o	n/o	157	401	392	364	298	334	-18.1%	12.2%
U.S. Geological Survey (27)	n/o	n/o	n/o	n/o	134	162	151	157	-6.9%	4.3%
-- Subtotal (\$mil) --	14	25	289	587	762	799	724	769	-9.5%	6.2%
Environmental Protection Agency (28)	59	632	2,370	3,615	4,478	4,536	4,175	4,742	-8.0%	13.6%
<b>TOTAL -- Environment (\$ mil)</b>	78	664	2,740	4,284	5,586	5,761	5,341	5,957	-7.3%	11.5%
<b>6. Energy</b>										
<i>Department of Energy:</i>										
Petroleum Regulation	n/o	n/o	n/o	17	24	22	21	21	-5.4%	3.3%
Federal Inspector Alaska Nat'l Gas Pipeline (29)	n/o	n/o	9	n/o	n/o	n/o	n/o	n/o	-	-
Energy Conservation (30)	n/o	n/o	100	47	103	92	55	54	-39.9%	-2.9%
-- Subtotal (\$mil) --	n/o	n/o	109	64	127	114	76	75	-33.3%	-1.2%
Nuclear Regulatory Com. (31)	57	236	699	479	480	545	576	610	5.8%	5.9%
<b>TOTAL--Energy (\$ mil)</b>	57	236	808	543	607	659	652	685	-1.0%	5.0%
<b>TOTAL SOCIAL REGULATION</b>	1,678	3,970	11,204	13,413	20,383	32,342	29,778	30,676	-7.9%	3.0%

### Economic Regulation

#### **1. Finance and Banking**

##### *Department of the Treasury:*

Comptroller of the Currency	52	116	209	314	382	407	431	436	6.0%	1.2%
Office of Thrift Supervision	43	76	37	305	159	143	149	154	4.1%	3.1%
-- Subtotal (\$mil) --	95	192	246	619	541	550	580	590	5.5%	1.7%
Farm Credit Admin.	10	15	22	44	32	35	39	41	12.2%	3.5%
Federal Deposit Insurance Corp.	62	109	224	583	580	523	559	566	6.8%	1.3%
Federal Housing Finance Bd. (32)	n/o	n/o	n/o	1	18	22	29	31	33.3%	8.4%
<i>Federal Reserve System (33)</i>										
Federal Reserve Banks (34)	n/o	n/o	159	260	537	477	487	482	2.2%	-1.2%
Federal Reserve System Bd. of Governors	14	18	35	37	79	104	109	107	4.3%	-1.2%
-- Subtotal (\$mil) --	14	18	194	297	616	581	596	589	2.6%	-1.2%
National Credit Union Admin.	14	22	39	54	69	86	89	91	3.2%	1.9%
<b>TOTAL--Finance and Banking (\$ mil)</b>	195	356	725	1,598	1,856	1,797	1,892	1,908	5.3%	0.8%

#### **2. Industry-Specific Regulation**

##### *Department of Agriculture:*

Agriculture Marketing Svc. (35)	200	675	111	197	198	174	232	239	32.7%	3.2%
<i>Department of the Energy:</i>										
Economic Regulatory Admin. (36)	n/o	n/o	244	20	2	1	1	0	-1.1%	-100.0%

Table A-2 (continued)

	1960	1970	1980	1990	2000	2003	(Estimated)		% Change	
							2004	2005	2003-04	2004-05
Civil Aeronautics Bd. (37)	33	40	52	n/o	n/o	n/o	n/o	n/o	-	-
Commodity Futures Trading Com. (38)	5	7	30	44	62	79	85	87	8.4%	2.1%
Federal Communications Com.	52	87	141	132	269	333	338	353	1.7%	4.3%
Federal Energy Regulatory Com. (39)	33	65	124	138	167	188	190	194	1.4%	1.7%
Federal Maritime Com.	n/o	15	20	18	14	16	17	18	4.7%	4.3%
Interstate Commerce Com. (40)	95	98	148	53	n/o	n/o	n/o	n/o	-	-
Renegotiation Bd. (41)	14	15	n/o	n/o	n/o	n/o	n/o	n/o	-	-
<b>TOTAL--Industry-Specific Regulation (\$ mil)</b>	<b>432</b>	<b>1,002</b>	<b>869</b>	<b>603</b>	<b>712</b>	<b>791</b>	<b>863</b>	<b>890</b>	<b>9.2%</b>	<b>3.1%</b>
<b>3. General Business</b>										
Cost Accounting Standards Bd. (42)	n/o	n/o	2	n/o	n/o	n/o	n/o	n/o	-	-
Council on Wage & Price Stability (43)	n/o	n/o	17	n/o	n/o	n/o	n/o	n/o	-	-
<i>Department of Commerce:</i>										
International Trade Admin. (44)	14	22	24	26	35	41	58	62	42.6%	6.8%
Bureau of Industry and Security (45)	n/o	n/o	n/o	50	61	64	75	79	16.3%	5.0%
Patent and Trademark Office	105	178	191	392	872	1,085	1,027	1,240	-5.4%	20.7%
-- Subtotal (\$mil) --	119	200	215	468	968	1,191	1,160	1,381	-2.5%	19.0%
<i>Department of Justice:</i>										
Antitrust Division	24	33	91	58	102	111	107	126	-3.7%	17.9%
Federal Election Com.	n/o	n/o	18	18	40	44	50	51	13.9%	2.5%
Federal Trade Com.	33	73	128	87	125	157	187	189	19.1%	0.8%
International Trade Com. (46)	10	15	26	45	47	49	56	56	14.1%	0.4%
<i>Library of Congress:</i>										
Copyright Office	5	11	26	23	34	38	43	47	13.7%	9.5%
Securities and Exchange Com.	38	80	137	189	357	445	632	913	42.1%	44.5%
<b>TOTAL--General Business (\$ mil)</b>	<b>228</b>	<b>410</b>	<b>659</b>	<b>888</b>	<b>1,673</b>	<b>2,034</b>	<b>2,235</b>	<b>2,763</b>	<b>9.9%</b>	<b>23.6%</b>
<b>TOTAL ECONOMIC REGULATION (\$ mil)</b>	<b>855</b>	<b>1,768</b>	<b>2,253</b>	<b>3,089</b>	<b>4,241</b>	<b>4,622</b>	<b>4,991</b>	<b>5,561</b>	<b>8.0%</b>	<b>11.4%</b>
<b>GRAND TOTAL(\$ mil)</b>	<b>2,533</b>	<b>5,739</b>	<b>13,457</b>	<b>16,502</b>	<b>24,624</b>	<b>36,964</b>	<b>34,769</b>	<b>36,236</b>	<b>-5.9%</b>	<b>4.2%</b>

## Notes:

L = less than \$500,000

n/o = agency not operational

Numbers may not add to totals due to rounding.

\* = agency no longer has regulatory functions

(1) through (46): see notes at the end of the Appendix

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.



Table A-3  
**Agency Detail of Staffing of Federal Regulatory Activity**  
(Fiscal Years, Full-time Equivalent Employment)

	<u>Social Regulation</u>					(Estimated)		% Change	
	1970	1980	1990	2000	2003	2004	2005	2003-04	2004-05
<b>1. Consumer Safety and Health</b>									
Consumer Product Safety Com.	n/o	978	515	468	469	471	471	0.4%	0.0%
<i>Department of Agriculture:</i>									
Animal and Plant Health Inspection Svc. (1)	5,635	5,440	5,814	6,468	7,462	6,306	6,534	-15.5%	3.6%
Food Safety and Inspection Svc. (2)	n/o	12,501	9,433	9,545	9,479	9,828	9,900	3.7%	0.7%
Grain Inspection, Packers and Stockyards (3)	193	2,118	989	750	707	758	758	7.2%	0.0%
<b>-- Subtotal --</b>	<b>5,828</b>	<b>20,059</b>	<b>16,236</b>	<b>16,763</b>	<b>17,648</b>	<b>16,892</b>	<b>17,192</b>	<b>-4.3%</b>	<b>1.8%</b>
<i>Department of Health and Human Services:</i>									
Food and Drug Admin.	4,470	8,045	7,764	8,900	10,318	10,723	10,876	3.9%	1.4%
<i>Department of Justice:</i>									
Drug Enforcement Admin. (5)	125	256	294	613	570	789	934	38.4%	18.4%
Alcohol, Tobacco, Firearms, Explosives (6)	3,489	3,819	3,873	4,337	4,802	4,790	4,924	-0.2%	2.8%
<b>-- Subtotal --</b>	<b>3,614</b>	<b>4,075</b>	<b>4,167</b>	<b>4,950</b>	<b>5,372</b>	<b>5,579</b>	<b>5,858</b>	<b>3.9%</b>	<b>5.0%</b>
<i>Department of Treasury:</i>									
Alcohol and Tobacco Tax and Trade (6)	n/o	n/o	n/o	n/o	559	559	559	0.0%	0.0%
Chemical Safety and Hazard Investigation Bd. (7)	n/o	n/o	n/o	26	37	40	42	8.1%	5.0%
Federal Mine Safety and Health Review Com.	n/o	85	48	43	35	50	50	42.9%	0.0%
<b>TOTAL--Consumer Safety and Health</b>	<b>13,912</b>	<b>33,242</b>	<b>28,730</b>	<b>31,150</b>	<b>34,438</b>	<b>34,314</b>	<b>35,048</b>	<b>-0.4%</b>	<b>2.1%</b>
<b>2. Homeland Security</b>									
<i>Department of Homeland Security: (8)</i>									
Area Maritime Security (9)	n/o	n/o	n/o	n/o	n/o	n/o	3	-	-
Customs and Border Protection (10)	10,872	17,099	19,690	18,875	36,477	38,101	39,026	4.5%	2.4%
Immigration and Customs Enforcement (11)	4,574	8,794	15,931	24,692	17,323	16,759	19,048	-3.3%	13.7%
Coast Guard (12)	7,064	11,423	10,891	16,780	12,374	12,325	13,472	-0.4%	9.3%
Science and Technology (13)	n/o	n/o	n/o	n/o	6	14	17	133.3%	21.4%
Transportation Security Admin. (14)	n/o	n/o	n/o	n/o	57,324	54,713	51,933	-4.6%	-5.1%
<b>TOTAL--Homeland Security</b>	<b>22,510</b>	<b>37,316</b>	<b>46,512</b>	<b>60,347</b>	<b>123,504</b>	<b>121,912</b>	<b>123,499</b>	<b>-1.3%</b>	<b>1.3%</b>
<b>3. Transportation (15)</b>									
<i>Department of Transportation:</i>									
Federal Aviation Admin.	6,447	6,251	5,640	6,319	5,757	5,519	5,494	-4.1%	-0.5%
Federal Highway Admin. (16)	177	239	495	66	129	128	*	-0.1%	-
Federal Motor Carrier Safety Admin. (17)	n/o	n/o	n/o	673	1,007	1,078	1,118	7.1%	3.7%
Federal Railroad Admin.	267	607	435	718	768	817	832	6.4%	1.8%
National Highway Traffic Safety Admin.	472	917	602	612	669	671	671	0.3%	0.0%
Surface Transportation Bd. (18)	n/o	n/o	n/o	135	137	145	145	5.8%	0.0%
<b>-- Subtotal --</b>	<b>7,363</b>	<b>8,014</b>	<b>7,172</b>	<b>8,523</b>	<b>8,467</b>	<b>8,358</b>	<b>8,260</b>	<b>-1.3%</b>	<b>-1.2%</b>
National Transportation Safety Bd.	251	387	325	421	422	421	410	-0.2%	-2.6%
<b>TOTAL--Transportation</b>	<b>7,614</b>	<b>8,401</b>	<b>7,497</b>	<b>8,944</b>	<b>8,889</b>	<b>8,779</b>	<b>8,670</b>	<b>-1.2%</b>	<b>-1.2%</b>
<b>4. Workplace</b>									
<i>Department of Labor:</i>									
Employment Standards Admin. (19)	1,961	3,372	2,335	2,211	2,111	2,176	2,164	3.1%	-0.6%
Office of the American Workplace (20)	626	1,330	980	n/o	n/o	n/o	n/o	-	-
Employee Benefits Security Admin. (21)	n/o	n/o	n/o	747	878	930	960	5.9%	3.2%
Mine Safety and Health Admin. (22)	1,040	3,700	2,679	2,202	2,197	2,334	2,334	6.2%	0.0%
Occupational Safety and Health Admin.	n/o	2,950	2,431	2,160	2,286	2,236	2,238	-2.2%	0.1%
<b>-- Subtotal --</b>	<b>3,627</b>	<b>11,352</b>	<b>8,425</b>	<b>7,320</b>	<b>7,472</b>	<b>7,676</b>	<b>7,696</b>	<b>2.7%</b>	<b>0.3%</b>
Arch. & Transportation Barriers Compliance Bd.	n/o	n/o	27	30	29	32	32	10.3%	0.0%

Table A-3 (continued)

	1970	1980	1990	2000	2003	(Estimated) 2004	(Estimated) 2005	% Change	
								2003-04	2004-05
Equal Employment Opportunity Com.	637	3,496	2,853	2,852	2,617	2,540	2,640	-2.9%	3.9%
National Labor Relations Bd.	2,222	2,898	2,227	1,876	1,873	1,875	1,875	0.1%	0.0%
Occupational Safety & Health Review Com.	n/o	148	78	63	61	69	69	13.1%	0.0%
<b>TOTAL--Workplace</b>	<b>6,486</b>	<b>17,894</b>	<b>13,610</b>	<b>12,141</b>	<b>12,052</b>	<b>12,192</b>	<b>12,312</b>	<b>1.2%</b>	<b>1.0%</b>
<b>5. Environment</b>									
Council on Environmental Quality	n/o	49	15	20	20	24	24	20.0%	0.0%
<i>Department of Agriculture:</i>									
Forest and Rangeland Research (23)	n/o	n/o	n/o	2,340	2,914	2,904	2,892	-0.3%	-0.4%
<i>Department of Defense:</i>									
Army Corps of Engineers (24)	n/o	800	1,201	1,354	1,465	1,465	1,465	0.0%	0.0%
<i>Department of Interior:</i>									
Fish and Wildlife Svc. (25)	432	1,913	2,059	1,848	2,014	2,169	2,209	7.7%	1.8%
Surface Mining Reclamation & Enforcement (26)	n/o	1,186	1,195	636	595	610	595	2.5%	-2.5%
U.S. Geological Survey (27)	n/o	n/o	n/o	1,047	1,175	1,226	1,209	4.3%	-1.4%
-- Subtotal --	432	3,099	3,254	3,531	3,784	4,005	4,013	5.8%	0.2%
Environmental Protection Agency (28)	4,093	13,045	15,587	17,310	17,354	17,359	17,357	0.0%	0.0%
<b>TOTAL -- Environment</b>	<b>4,525</b>	<b>16,993</b>	<b>20,057</b>	<b>24,555</b>	<b>25,537</b>	<b>25,757</b>	<b>25,751</b>	<b>0.9%</b>	<b>0.0%</b>
<b>6. Energy</b>									
<i>Department of Energy:</i>									
Petroleum Regulation	n/o	n/o	101	122	107	106	106	-0.9%	0.0%
Federal Inspector Alaska Nat'l Gas Pipeline (29)	n/o	64	1	n/o	n/o	n/o	n/o	-	-
Energy Conservation (30)	n/o	47	31	66	47	30	30	-36.2%	0.0%
-- Subtotal --	n/o	111	133	188	154	136	136	-11.7%	0.0%
Nuclear Regulatory Com. (31)	219	3,114	3,160	2,735	2,894	3,013	3,063	4.1%	1.7%
<b>TOTAL--Energy</b>	<b>219</b>	<b>3,225</b>	<b>3,293</b>	<b>2,923</b>	<b>3,048</b>	<b>3,149</b>	<b>3,199</b>	<b>3.3%</b>	<b>1.6%</b>
<b>TOTAL SOCIAL REGULATION</b>	<b>55,266</b>	<b>117,071</b>	<b>119,699</b>	<b>140,060</b>	<b>207,468</b>	<b>206,103</b>	<b>208,479</b>	<b>-0.7%</b>	<b>1.2%</b>
<b>Economic Regulation</b>									
<b>1. Finance and Banking</b>									
<i>Department of the Treasury:</i>									
Comptroller of the Currency	2,003	3,234	3,216	2,920	2,761	2,789	2,789	1.0%	0.0%
Office of Thrift Supervision	n/o	n/o	3,250	1,254	912	913	913	0.1%	0.0%
-- Subtotal --	2,003	3,234	6,466	4,174	3,673	3,702	3,702	0.8%	0.0%
Farm Credit Admin.	222	277	530	287	281	299	297	6.4%	-0.7%
Federal Deposit Insurance Corporation	2,185	3,648	6,005	5,283	4,336	4,474	4,424	3.2%	-1.1%
Federal Housing Finance Bd. (32)	n/o	n/o	54	108	105	124	138	18.1%	11.3%
<i>Federal Reserve System (33)</i>									
Federal Reserve Banks (34)	n/o	1,589	2,217	3,050	2,576	2,607	2,607	1.2%	0.0%
Federal Reserve System Bd. of Governors	170	333	419	668	780	785	785	0.6%	0.0%
-- Subtotal --	170	1,922	2,636	3,718	3,356	3,392	3,392	1.1%	0.0%
National Credit Union Admin.	389	443	662	618	624	613	609	-1.8%	-0.7%
<b>TOTAL--Finance and Banking</b>	<b>4,969</b>	<b>9,524</b>	<b>16,353</b>	<b>14,188</b>	<b>12,375</b>	<b>12,604</b>	<b>12,562</b>	<b>1.9%</b>	<b>-0.3%</b>
<b>2. Industry-Specific Regulation</b>									
<i>Department of Agriculture:</i>									
Agriculture Marketing Svc. (35)	12,873	2,147	3,164	2,595	2,621	2,679	2,740	2.2%	2.3%
<i>Department of the Energy:</i>									
Economic Regulatory Admin. (36)	n/o	2,255	184	18	8	2	n/o	-75.0%	-
Civil Aeronautics Bd. (37)	658	778	n/o	n/o	n/o	n/o	n/o	-	-
Commodity Futures Trading Com. (38)	166	459	527	556	521	497	505	-4.6%	1.6%

Table A-3 (continued)

	1970	1980	1990	2000	2003	(Estimated) 2004	2005	% Change	
								2003-04	2004-05
Federal Communications Com.	1,511	2,216	1,734	1,925	2,007	2,007	2,007	0.0%	0.0%
Federal Energy Regulatory Com. (39)	1,095	1,653	1,475	1,216	1,218	1,250	1,280	2.6%	2.4%
Federal Maritime Com.	226	336	229	128	129	135	135	4.7%	0.0%
Interstate Commerce Com. (40)	1,802	2,041	664	n/o	n/o	n/o	n/o	-	-
Renegotiation Bd. (41)	217	n/o	n/o	n/o	n/o	n/o	n/o	-	-
<b>TOTAL--Industry-Specific Regulation</b>	<b>18,548</b>	<b>11,885</b>	<b>7,977</b>	<b>6,438</b>	<b>6,504</b>	<b>6,570</b>	<b>6,667</b>	<b>1.0%</b>	<b>1.5%</b>
<b>3. General Business</b>									
Cost Accounting Standards Bd. (42)	n/o	21	n/o	n/o	n/o	n/o	n/o	-	-
Council on Wage and Price Stability (43)	n/o	230	n/o	n/o	n/o	n/o	n/o	-	-
<i>Department of Commerce:</i>									
International Trade Admin. (44)	247	335	238	215	261	404	418	54.8%	3.5%
Bureau of Industry and Security (45)	n/o	n/o	508	398	367	451	486	22.9%	7.8%
Patent and Trademark Office	2,569	2,660	4,059	6,128	6,581	6,673	6,678	1.4%	0.1%
<b>-- Subtotal --</b>	<b>2,816</b>	<b>2,995</b>	<b>4,805</b>	<b>6,741</b>	<b>7,209</b>	<b>7,528</b>	<b>7,582</b>	<b>4.4%</b>	<b>0.7%</b>
<i>Department of Justice:</i>									
Antitrust Division	544	971	513	748	769	851	851	10.7%	0.0%
Federal Election Com.	n/o	258	241	343	360	391	391	8.6%	0.0%
Federal Trade Com.	1,302	1,719	903	989	1,051	1,080	1,100	2.8%	1.9%
International Trade Com. (46)	245	409	499	357	368	374	378	1.6%	1.1%
<i>Library of Congress:</i>									
Copyright Office	314	598	520	490	507	530	530	4.5%	0.0%
Securities and Exchange Com.	1,388	2,050	2,130	2,841	3,060	3,593	3,933	17.4%	9.5%
<b>TOTAL--General Business</b>	<b>6,609</b>	<b>9,251</b>	<b>9,611</b>	<b>12,509</b>	<b>13,324</b>	<b>14,347</b>	<b>14,765</b>	<b>7.7%</b>	<b>2.9%</b>
<b>TOTAL ECONOMIC REGULATION</b>	<b>30,126</b>	<b>30,660</b>	<b>33,941</b>	<b>33,135</b>	<b>32,203</b>	<b>33,521</b>	<b>33,994</b>	<b>4.1%</b>	<b>1.4%</b>
<b>GRAND TOTAL</b>	<b>85,392</b>	<b>147,731</b>	<b>153,640</b>	<b>173,195</b>	<b>239,671</b>	<b>239,624</b>	<b>242,473</b>	<b>0.0%</b>	<b>1.2%</b>

## Notes:

L = less than \$500,000

n/o = agency not operational

\* = agency no longer has regulatory functions

(1) through (46): see notes at the end of the Appendix

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.

Table A-4

**Total Spending on Federal Regulatory Activity: Current Dollars**  
(Fiscal Years, Millions of Dollars)

Year	Social Regulation	Economic Regulation	Total
1960	\$353	\$180	\$533
1961	421	210	631
1962	484	217	701
1963	552	251	803
1964	588	272	860
1965	603	319	922
1966	644	311	955
1967	700	346	1,046
1968	813	377	1,190
1969	954	403	1,357
1970	1,093	487	1,580
1971	1,428	561	1,989
1972	1,826	553	2,379
1973	2,553	486	3,039
1974	2,641	606	3,247
1975	3,127	762	3,889
1976	3,701	862	4,563
1977	4,156	948	5,104
1978	4,581	957	5,538
1979	5,164	1,025	6,189
1980	6,057	1,218	7,275
1981	6,437	1,185	7,622
1982	6,209	1,361	7,570
1983	6,370	1,383	7,753
1984	6,691	1,501	8,192
1985	7,056	1,680	8,736
1986	7,362	1,980	9,342
1987	8,087	1,754	9,841
1988	8,992	2,086	11,078
1989	9,972	2,249	12,221
1990	10,947	2,521	13,468
1991	12,410	2,489	14,899
1992	13,882	2,773	16,655
1993	14,282	3,234	17,516
1994	14,808	3,068	17,876
1995	15,436	3,442	18,878
1996	15,545	3,366	18,911
1997	16,570	3,688	20,258
1998	18,124	3,754	21,878
1999	19,274	3,953	23,227
2000	20,383	4,241	24,624
2001	21,679	4,480	26,159
2002	25,931	4,875	30,806
2003	34,118	4,876	38,994
2004 (est.)	31,770	5,325	37,095
2005 (est.)	33,127	6,005	39,132

Note: Numbers may not add to totals due to rounding. Data based on outlays.

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University.

Derived from the *Budget of the United States Government* and related documents, various fiscal years.

Table A-5

**Total Spending on Federal Regulatory Activity: Constant Dollars**  
(Fiscal Years, Millions of 2000 Dollars)

Year	Social Regulation	Economic Regulation	Total
1960	\$1,678	\$855	\$2,533
1961	1,979	987	2,965
1962	2,243	1,006	3,249
1963	2,532	1,151	3,684
1964	2,655	1,229	3,884
1965	2,675	1,415	4,090
1966	2,780	1,342	4,122
1967	2,929	1,448	4,377
1968	3,264	1,513	4,777
1969	3,646	1,541	5,187
1970	3,970	1,768	5,739
1971	4,939	1,940	6,879
1972	6,051	1,833	7,884
1973	8,015	1,526	9,541
1974	7,606	1,745	9,352
1975	8,227	2,005	10,232
1976	9,207	2,144	11,351
1977	9,719	2,217	11,937
1978	10,010	2,091	12,101
1979	10,422	2,068	12,491
1980	11,204	2,253	13,457
1981	10,887	2,004	12,891
1982	9,897	2,169	12,066
1983	9,767	2,121	11,888
1984	9,889	2,218	12,107
1985	10,120	2,410	12,530
1986	10,329	2,778	13,107
1987	11,048	2,396	13,444
1988	11,878	2,755	14,633
1989	12,693	2,862	15,555
1990	13,413	3,089	16,502
1991	14,694	2,947	17,641
1992	16,067	3,209	19,276
1993	16,158	3,659	19,817
1994	16,406	3,399	19,804
1995	16,757	3,737	20,494
1996	16,562	3,586	20,148
1997	17,366	3,865	21,231
1998	18,786	3,891	22,677
1999	19,694	4,039	23,733
2000	20,383	4,241	24,624
2001	21,175	4,376	25,551
2002	24,946	4,690	29,635
2003	32,342	4,622	36,964
2004 (est.)	29,778	4,991	34,769
2005 (est.)	30,676	5,561	36,236

Note: Numbers may not add to totals due to rounding. Data based on outlays.

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.

Table A-6

**Total Staffing of Federal Regulatory Activity**  
(Fiscal Years, Full-time Equivalent Employment)

Year	Social Regulation	Economic Regulation	Total
1970	55,266	30,126	85,392
1971	65,126	31,133	96,259
1972	76,793	29,990	106,783
1973	89,261	23,848	113,109
1974	90,308	25,209	115,517
1975	93,449	29,171	122,620
1976	98,181	30,785	128,966
1977	104,429	27,441	131,870
1978	109,277	29,019	138,296
1979	116,197	29,399	145,596
1980	117,071	30,660	147,731
1981	115,604	28,696	144,300
1982	103,055	28,636	131,691
1983	99,158	27,085	126,243
1984	99,528	26,803	126,331
1985	100,227	26,496	126,723
1986	98,273	27,091	125,364
1987	102,660	26,649	129,309
1988	107,336	27,357	134,693
1989	113,832	31,064	144,896
1990	119,699	33,941	153,640
1991	123,036	33,907	156,943
1992	128,590	35,890	164,480
1993	133,689	37,400	171,089
1994	131,424	36,937	168,361
1995	133,945	36,853	170,798
1996	134,225	34,142	168,367
1997	130,023	32,918	162,941
1998	136,867	33,062	169,929
1999	136,780	33,304	170,084
2000	140,060	33,135	173,195
2001	137,604	32,567	170,171
2002	149,656	33,003	182,659
2003	207,468	32,203	239,671
2004 (est.)	206,103	33,521	239,624
2005 (est.)	208,479	33,994	242,473

Note: Numbers may not add to totals due to rounding.

Source: Weidenbaum Center, Washington University and Mercatus Center at George Mason University. Derived from the *Budget of the United States Government* and related documents, various fiscal years.

### Notes to Appendix Tables A-1, A-2, and A-3

1. The 1960-1970 data for the Animal and Plant Health Inspection Service are for the Agricultural Research Service.
2. The Food Safety and Inspection Service was formerly the Food Safety and Quality Service.
3. Budgets for Federal Grain Inspection Service and Packers and Stockyards Administration were merged in 1994.
4. The Consumer Protection Programs of the Department of Housing and Urban Development have been listed under several sources. Data prior to 1975 are for the Office of Interstate Land Sales Registration; the data for 1980 are for the Office of Neighborhoods, Voluntary Associations and Consumer Protection. Staffing figures are not available.
5. Data for the Drug Enforcement Administration prior to 1970 are for the Bureau of Narcotics and Dangerous Drugs.
6. In FY 2004, the Bureau of Alcohol, Tobacco, and Firearms was divided into two agencies – one within the newly created Department of Treasury and one within the Department of Justice. These agencies—Treasury’s Alcohol and Tobacco Tax and Trade Bureau and Justice’s Bureau of Alcohol, Tobacco, Firearms, and Explosives are both listed for consistency. Prior to fiscal year 1973, the Bureau of Alcohol, Tobacco and Firearms was part of the Internal Revenue Service.
7. On January 24, 2003, the law creating the United States Department of Homeland Security comes into effect. This is the 15<sup>th</sup> executive department of the president’s Cabinet. It was set up on the wake of the terrorist attacks of September 11, 2001 to lead a comprehensive and unified effort to defend this nation. The Department will analyze threats; guard our borders and airports; safeguard critical infrastructure and coordinate the response of our nation to future emergencies. (This description is based upon the press release “Ridge Sworn In Friday as Secretary of Homeland Security,” Remarks by the President at Swearing-In of Tom Ridge, Secretary of the Department of Homeland Security, January 24, 2003.)
8. The Chemical Safety and Hazard Investigation Board did not receive funding in 1996 or 1997. Its responsibilities were allocated to the Environmental Protection Agency and the Occupational Safety and Health Administration for those years. In 1998, this agency began once again to receive funding.
9. Port security activities required by the Area Maritime Security regulations (33 CFR Part 103) are reported under the Department of Homeland Security’s Department Operations State and Local Program Urban Area Security Initiative. This program is first reported in the 2005 Budget of the United States Government.

10. Customs and Border Protection is a Department of Homeland Security agency, first appearing in FY 2004. Data from 1973 to 2001 are from the Department of Treasury, United States Customs Service. From 1960-1972, numbers are for the Department of Treasury, Bureau of Customs.
11. Numbers for the Immigration and Customs Enforcement in the Department of Homeland Security in 2001 and before were taken from the Department of Justice's Immigration and Naturalization Services' Immigration Enforcement (and Border Affairs).
12. Coast Guard was moved from the Department of Transportation to the Department of Homeland Security in the fiscal year 2004 Budget.
13. In FY 2005, research and development activities were moved from the Federal Highway Administration to the Department of Homeland Security's Science and Technology.
14. On November 19, 2001, the Transportation Security Administration was created to protect the Nation's transportation systems to ensure freedom of movement for people and commerce. Its activities largely replace private sector activities.
15. Reports prior to 2003 (Regulatory Budget Report 24) included transportation-related agencies in the consumer safety and health category.
16. In FY 2005, funding for research and development was moved from the Department of Transportation's Federal Highway Administration to the Department of Homeland Security's Science and Technology agency. After 2004, no regulatory activity takes place in the Federal Highway Administration.
17. In the FY2004 Budget, funding of the Motor Carrier Safety portion of the Federal Motor Carrier Safety Administration was shifted to Motor Carrier Safety Grants. Funding was not requested for the Border Enforcement Program for 2004.
18. The Surface Transportation Board was created on January 1, 1996 as a successor organization to the Interstate Commerce Commission.
19. Data for the Employment Standards Administration are for the Workplace Standards Administration for 1969 and 1970. Data from 1963-1969 are under the Wage and Labor Standards Administration. Data from 1960-1962 are from the Bureau of Labor Standards, Women's Bureau and Wage Hour Division.
20. Before the 1995 Budget, the Office of the American Workplace was called the Labor Management Services Administration. Labor-management standards, enforcement, and related administrative functions were transferred to the Employment Standards Administration in 1996. The U.S. Department of Labor's Office of the American Workplace (OAW) was disbanded due to lack of funding in July 1996.



21. In the 2004 Budget, the Pension and Welfare Benefits Administration was renamed the Employee Benefits Security Administration. Prior to the 1993 Budget, data for the Pension and Welfare Benefits Administration were part of the Labor Management Services Administration.
22. The 1960-1974 data for the Mine Safety and Health Administration are for the Health and Safety Division of the Bureau of Mines, Department of the Interior; 1975 data are for the Mining Enforcement and Safety Administration, Department of the Interior.
23. In 2000, the Forest & Rangeland Research division of the U.S. Forest Service at the Department of Agriculture began devoting resources to developing and implementing forest-planning regulations.
24. The 1960-1985 cost data for the Army Corps of Engineers were for the Protection of Navigation under the Operation and Maintenance category.
25. In 1995, the Fish and Wildlife's research and development budget was eliminated. Data for R&D after 1994 are listed under the U.S. Geological Survey.
26. The 1990 costs for the Office of Surface Mining Reclamation and Enforcement reflect a major cut in federal support for the abandoned mine reclamation fund. The 1995 spending figures reflect a similar cut.
27. In 1995, the U.S. Geological Survey picked up the research and development formerly done at the Fish and Wildlife Service.
28. Construction grants are excluded from the calculation of the regulatory expenditure and staffing of the Environmental Protection Agency. Before 1970, EPA functions were scattered throughout the Budget. Data for this report were taken from these Department of Health, Education and Welfare agencies: 1968-1969, National Air Pollution Control Administration; 1968-1969, Environmental Health Service; 1960-1967, Public Health Service. Data from the Department of the Interior's Federal Water Quality Administration were used for 1968-1969. 1962-1969 data from the Federal Radiation Council were also included.
29. The Office of the Federal Inspector for the Alaska Natural Gas Pipeline was eliminated in 1997.
30. Energy conservation standards are issued by the Department of Energy's Office of Energy Efficiency and Renewable Energy. These data reflect obligations under the non-grant portion of "Building technology, State and community programs."
31. Prior to the fiscal year 1974, the Atomic Energy Commission performed the activities of the Nuclear Regulatory Commission.
32. The Federal Housing Finance Board regulates the 12 Federal Home Loan Banks that were created in 1932 to improve the supply of funds to local lenders that, in turn, finance loans for home mortgages.

33. All data for the Federal Reserve System are presented on a calendar-year basis.
34. Data are from the Board of Governors of the Federal Reserve System's *Annual Report: Budget Review*, various years.
35. Agricultural Marketing Service was formerly the Consumer and Marketing Service. Starting with our 2003 report, we include these expenditures in the economic regulatory category.
36. The 1975 data for the Economic Regulatory Administration are for the Federal Energy Administration. Starting with our 2003 report, we include these expenditures in the economic regulation category. There is no budget for this agency in FY 2005.
37. The Civil Aeronautics Board was abolished in 1984.
38. The 1970 data for the Commodity Futures Trading Commission are for the Commodity Exchange Authority, Department of Agriculture.
39. The 1970 and 1975 data for the Federal Energy Regulatory Commission are for the Federal Power Commission, the predecessor agency.
40. The Interstate Commerce Commission was abolished in 1996.
41. The Renegotiation Board was abolished in 1979.
42. The Cost Accounting Standards Board was abolished in 1980.
43. The Council on Wage and Price Stability was abolished in 1981.
44. The 1970 data for the International Trade Administration are for International Activities-Export Control; the 1975 data are for the Domestic and International Business Administration.
45. Regulation of both imports and exports was once performed by the International Trade Administration. From 1988 until 2003, the regulation of exports was shown under the Export Administration of the Department of Commerce. In 2004, the Export Administration was renamed the Bureau of Industry and Security of the Department of Commerce.
46. The 1970 data for the International Trade Commission are for the Tariff Commission, the predecessor agency.