



## A Snapshot of North Dakota Regulation in 2019

63,203 Restrictions, 4.6 Million Words, and 6 Weeks to Read

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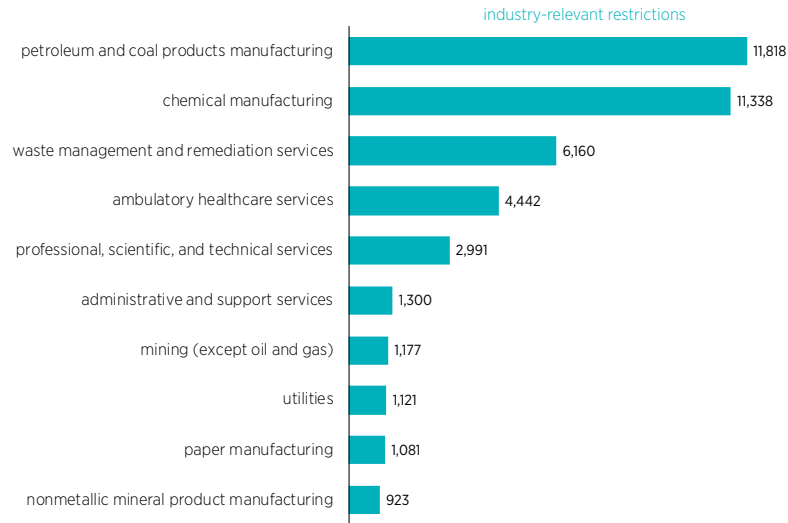
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It would take an ordinary person almost three years to read the entire US *Code of Federal Regulations* (CFR), which contained nearly 104 million words in 2017.<sup>1</sup> The sheer size of the CFR poses a problem not just for the individuals and 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 large body of federal regulation. A prime example is the online version of the 2019 *North Dakota Administrative Code* (NDAC).<sup>2</sup>

Researchers at the Mercatus Center at George Mason University developed State RegData, a platform for analyzing and quantifying state regulatory text.<sup>3</sup> State RegData captures information in minutes that would take hours, weeks, or even years to obtain by reading and counting. For example, the tool allows researchers to identify the industries that state regulation targets most by connecting text relevant to those industries with restrictive word counts. These regulatory restrictions are instances of the words and phrases *shall*, *must*, *may not*, *prohibited*, and *required*, and they can signify legal constraints and obligations.<sup>4</sup> As shown in figure 1, the three industries with the highest estimates of industry-relevant restrictions in the 2019 NDAC are petroleum and coal products manufacturing; chemical manufacturing; and waste management and remediation services.

State RegData also reveals that the 2019 NDAC contains 63,203 restrictions and 4.6 million words. It would take an individual 254 hours—or more than 6 weeks—to read the entire NDAC. That’s assuming the reader spends 40 hours per week reading and reads at a rate of 300 words per minute. By

Figure 1. Top 10 Industries Targeted by North Dakota State Regulation in 2019

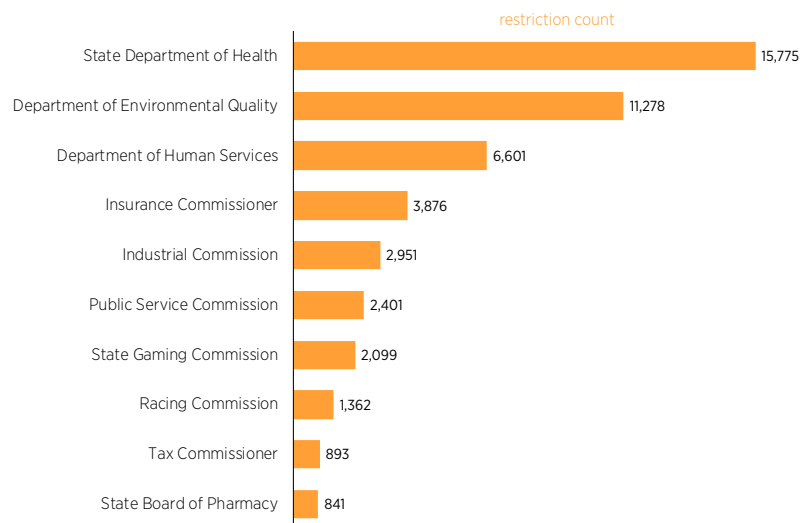


Note: Industries are classified using the RegData 3.0 industry classifier. Some previous state regulatory snapshots used earlier versions of the RegData industry classifier.  
 Source: State RegData (North Dakota data), <https://quantgov.org/state-regdata/>.

comparison, there are 1.09 million additional restrictions in the federal code.<sup>5</sup> Individuals and businesses in North Dakota must navigate these different layers of restrictions to remain in compliance.

The titles of the NDAC are organized by the department, board, or commission that oversees particular rules. Figure 2 shows that the title of the code associated with the Department of Health con-

Figure 2. Top 10 Regulators in North Dakota in 2019



Source: State RegData (North Dakota data), <https://quantgov.org/state-regdata/>.

tains 15,775 restrictions. By this measure, the Department of Health is the biggest regulator in North Dakota. Coming in second is the Department of Environmental Quality with 11,278 restrictions.

Federal regulation tends to attract the most headlines, but it is important to remember that the nearly 104 million words and 1.09 million restrictions in the federal code significantly understate the true scope of regulation in the United States. States like North Dakota write millions of additional words of regulation and tens of thousands of additional restrictions. State-level requirements carry the force of law to restrict individuals and businesses just as federal ones do.

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 North Dakota regulation in 2019 is a good indicator, then the states are also active regulators, suggesting that the full impact of regulation on society is far greater than that of federal regulation alone.

## ACKNOWLEDGMENT

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## ABOUT THE AUTHOR

James Broughel is a senior research fellow at the Mercatus Center at George Mason University. Broughel has a PhD in economics from George Mason University. He is also an adjunct professor in the economics department and the law school at George Mason University.



**QuantGov**

This regulatory snapshot was produced in part using **QuantGov**, a policy analytics platform that facilitates analysis of the causes and effects of various government actions. The QuantGov project treats policy text as data, allowing researchers to quickly and effectively examine broad policies (as articulated in bodies of text) by using some of the latest advances from data science, such as machine learning and other artificial intelligence technology. The Mercatus Center's team of data engineers, analysts, and developers created this platform and continually utilize and update it to produce data that support a variety of research products and to provide policymakers with data that inform positive policy change. More information is available at [quantgov.org](https://quantgov.org).

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## NOTES

1. This assumes the person reads 300 words per minute for 40 hours per week with two weeks of vacation per year. “RegData 3.1,” QuantGov; Patrick A. McLaughlin, Oliver Sherouse, Daniel Francis, Michael Gasvoda, Jonathan Nelson, Stephen Strosko, and Tyler Richards, “RegData 3.0 User’s Guide,” accessed February 15, 2018, <https://quantgov.org/regdata/users-guide/>.
2. North Dakota Legislative Branch, “Administrative Rules,” accessed July 13, 2019, <https://www.legis.nd.gov/agency-rules/north-dakota-administrative-code>.
3. State RegData is part of a broader project called QuantGov, which seeks to quantify legal text. See Patrick A. McLaughlin and Oliver Sherouse, “QuantGov—A Policy Analytics Platform,” QuantGov, December 20, 2017. Data for North Dakota are available at <https://quantgov.org/state-regdata/>.
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.
5. “RegData 3.1”; McLaughlin et al., “RegData 3.0 User’s Guide.”
6. See, for example, Bentley Coffey, Patrick A. McLaughlin, and Pietro Peretto, “The Cumulative Cost of Regulations” (Mercatus Working Paper, Mercatus Center at George Mason University, Arlington, VA, 2016).