Since his days on the campaign trail, President Trump has promised “very, very big cuts in regulation.” Last December, he took credit for success toward that goal, announcing that his agencies had removed 22 regulations for every new one issued during his first eight months in office.
Despite call for big cuts, Trump’s budget maintains regulatory spending

Just last week, the administration published its latest “Unified Agenda of Regulatory and Deregulatory Actions,” which identifies four deregulatory initiatives for every new regulatory action expected over the next 12 months.

What resources is the president devoting to this deregulatory effort?

Recognizing that removing or modifying regulations involves as much documentation and time as introducing new regulations, the president’s budget can provide insights. When he sent his proposed fiscal 2019 budget to Congress in February, Trump promised to “continue to relentlessly target unnecessary regulations for elimination.”

Our new analysis drills down into the fiscal outlays and staffing of regulatory agencies to see what they reveal about the administration’s plans, and to examine trends in the “regulators’ budget” over the last 60 years. It indicates that, overall, the president’s fiscal 2019 budget would maintain spending on regulatory agencies at 2018 levels and reduce the number of regulators only slightly, from 280,872 in 2018 to 280,268 in 2019.

These top-level figures hide some large proposed increases in some regulatory agencies and large decreases in others, however. Reflecting Trump’s priorities, agencies involved in border security and immigration regulation and enforcement are slated for significant increases in both funds and staff.

Notwithstanding a reduction in funding for the TSA, regulators in the Department of Homeland Security, for example, would receive a 5 percent real (inflation-adjusted) increase in resources, and a 4 percent increase in staff in 2019. The budget also requests a 5 percent increase in resources for the Food and Drug Administration and 12 percent increase for regulators in the Department of Housing and Urban Development.

Large reductions at some other agencies would offset these increases, however. For example, the Consumer Financial Protection Bureau requests more than a 10 percent reduction in its outlays, which marks the first year since it was established in 2011 that its budget has not increased by at least $40 million (or 5 percent).

Consistent with the president’s rhetoric, the budget targets agencies involved in environmental and energy regulation for the biggest cuts. In particular, it would slash EPA’s budget and staff by 25 percent from 2018 spending levels.
Of course, whether the president’s proposed increases and reductions materialize will depend on congress. In the past, congressional appropriations (or more recently, continuing resolutions) have moderated presidents’ planned reallocations. For example, the Trump administration had proposed similarly large cuts in EPA’s budget last year, yet in fiscal2018 its estimated outlays have declined only slightly and it has more employees on the payroll than in 2017.

The last president to emphasize deregulation was Ronald Reagan, and that is reflected in the dip in the outlays and staffing at regulatory agencies in the early 1980s, although the pace of regulation as measured in these budget data picked up again after a few years.

Overall, budgets and staffing levels at regulatory agencies have been increasing over the last six decades. Whether Trump’s deregulatory emphasis will have an impact on the size of the regulatory agencies remains to be seen.

Susan E. Dudley directs the George Washington University Regulatory Studies Center and is a distinguished professor of practice in the Trachtenberg School of Public Policy and Public Affairs. She served as administrator of the Office of Information and Regulatory Affairs at OMB from 2007 to 2009.

Melinda Warren is director of the Weidenbaum Center Forum in the Weidenbaum Center on the Economy, Government, and Public Policy at Washington University in St. Louis. Since 1988, Ms. Warren has authored or coauthored an annual report on the costs and staffing of federal regulatory agencies.