

Until it ended last week, the government shutdown had a visible effect on the regulatory activities of federal agencies. Due to the appropriations lapse, many agencies discontinued work they did not deem necessary to protect human life and property, which meant that most regulations underway were put on hold until agencies could again fund regulatory activities.

On September 30th, the day before the shutdown, the Office of the Federal Register published a [notice](#) announcing the procedures for publishing government documents—such as proposed rules, final rules, and agencies notices—in the absence of government funding: “In the event of an appropriations lapse, the Office of the Federal Register (OFR) would be required to publish documents directly related to the performance of governmental functions necessary to address imminent threats to the safety of human life or protection of property.” OFR gave the responsibility for determining which documents were necessary for these purposes to federal agencies.

Following the shutdown, which began with the new fiscal year on October 1st, regulatory activity continued as normal for about a week until eventually coming to an almost complete halt on October 7th (as measured by publications in the Federal Register). This lag indicates that, despite the shutdown, agencies had enough regulatory material already prepared for publication in the Federal Register to effectively delay the effect of a shutdown for close to a week. The Office of the Federal Register posted the following [blog](#) on the subject of the shutdown:

FR readers might not immediately see the effect of a government shutdown because of the lead time needed to publish our material. For example, a Monday edition of the FR is basically ready for distribution by midnight on Friday. A Tuesday edition is closed and prepared on the prior Friday for Monday public inspection. Hastily removing documents from the Tuesday issue on Monday during a shutdown would require us to expend scarce resources unrelated to protecting human life and property. But after that, the Federal Register would slim down quite a bit.



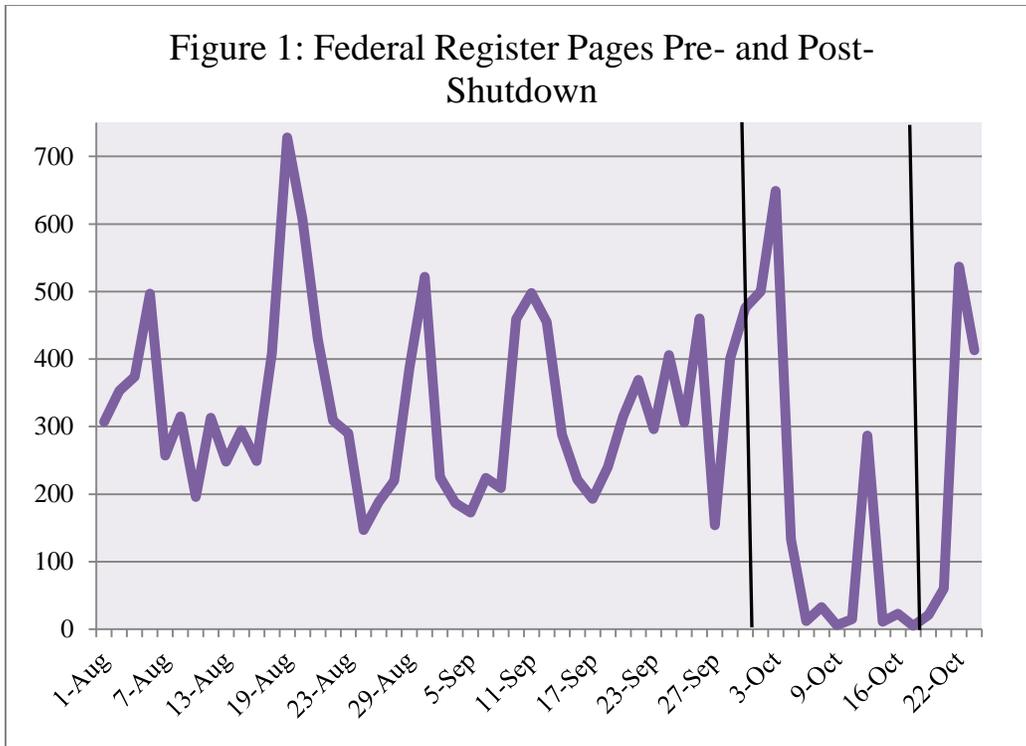
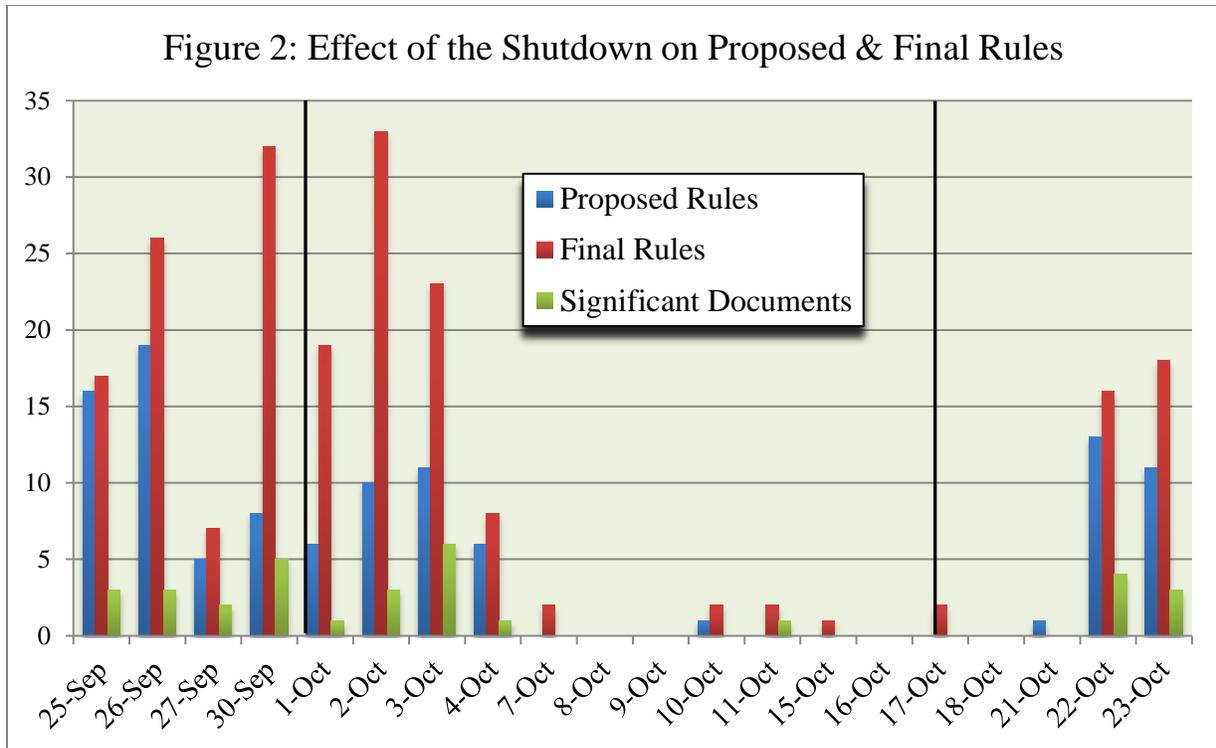


Figure 1 shows activity in the Federal Register from August 1st through October 23rd, six days after the shutdown ended. The vertical lines at October 1st and October 17th mark the beginning and end of the government shutdown.

From August 1st – September 30th, the Federal Register averaged 327 pages per day of proposed rules, final rules, and notices. During the shutdown, from October 1st – October 17th, the Federal Register averaged 179 pages per day, a 45 percent decrease. Taking into account the lag between the beginning of the shutdown and its effect on Federal Register publications, the shutdown average is closer to about 50 pages per day. The spike in Federal Register pages on October 11th is the result of a significant [275-page regulation](#) from the Comptroller of the Currency and the Federal Reserve finalizing risk-based and leverage capital requirements for banks.





As **Figure 2** illustrates, the decline in Federal Register activity reflects a reduction in the number of proposed rules, final rules, and “significant” documents published.

Regulatory agencies published 653 final rules during the two months leading up to the shutdown, averaging 15.5 final rules per day. During the shutdown this number dropped by half, to 7.6 rules per day. The number of proposed rules also fell from an average of 10.7 per day during August and September to 2.6 per day from October 1st – October 17th.

