



The Daily Dish

## April 7th Edition

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**Week in Regulation:** “Regulators only published \$17 million in new regulatory costs this week, a sharp decline from last week’s nearly [\\$8 billion](#) in total burdens. There were no quantified benefits, but regulators did generate 709,000 paperwork burden hours. There were just nine regulations that monetized costs.” “Since January 1, the federal government has published \$26.7 billion in compliance costs and has imposed more than 9.1 million paperwork burden hours on net.”

Federal lawmakers are showing concern with the continuously growing trend of regulations and the impact on credit availability. This week the House Committee on Financial Services will convene a hearing entitled “[Who’s In Your Wallet: Examining How Washington Red Tape Impairs Economic Freedom](#).” The hearing will focus on “whether products or services are no longer being offered to consumers because of agency actions and the steps federal regulators take to measure the impact on consumers if they no longer have access to specific products or services as a result of regulatory action.”

### *Eakinomics: Part-Time Work and the ACA*

Every now and then you (hope to) win one. A while back Eakinomics [weighed in](#) on a minor tweak to Obamacare that would minimize its havoc on the labor market: changing the definition of full-time work from 30 hours to 40 hours. Recall that Obamacare — at least the statute — requires that all employers with more than 50 employees must provide affordable health insurance to their full-time employees, and it defined full-time to be 29 hours or more. The so-called employer mandate provided a clear incentive for employers to shift workers to part-time work — thereby damaging the most vulnerable employees.

The administration has repeatedly [denied](#) that the ACA harms full-time employment. But at the same time, it has delayed the employer mandate twice, and in the process raised the threshold from 50 to 100 workers for next year. Clearly it is afraid of something.

Moving the definition of full-time makes [sense](#). A bill to do so already passed the House and is [gaining bipartisan support](#) in the Senate. Critics will argue that it makes it too easy to gut the employer mandate. In 2012, 71.1 percent of employees worked 40 or more hours per week, with 49.1 percent working 40 or 41 hours. It would be relatively easy (and not terribly costly to employees) to shift to a 39 hour work week. True, but since there is also an individual mandate, why have an employer mandate anyway? (The fact that the administration also gutted the individual mandate is another story.)

Obamacare is bad economic policy. Its combination of higher taxes, heavy regulation, and new entitlement spending work against the need to get workers in jobs and generating higher incomes. However, most damaging are its incentives to rework the labor market: hiring incentives, part-time incentives, and disruptions to employer compensation. Changing the definition of full-time work is a simple way to avoid substantial damage.