



The Daily Dish

## August 13th Edition

DOUGLAS HOLTZ-EAKIN | AUGUST 13, 2014

Journalism, environmental, and science groups have [asked the Environmental Protection Agency \(EPA\)](#) to rescind restrictions for members of the agency's Science Advisory Board. The EPA issued an order for all members of the board to refrain from answering "external requests related to their efforts to advise the agency." The letter alleges the order will prevent "many of our nation's top independent environmental science experts from sharing their expertise, unfiltered, with the public."

FCC Commissioner Ajit Pai wants the commission to [look into sports blackout rules](#). The rule, which mainly affects NFL fans, requires local broadcasters to blackout games that have not hit a threshold of tickets sold. Commissioner Pai told the crowd in Buffalo (one Bills game was blacked out last season), "...in my view, there is no reason for the FCC to be involved in the sports blackout business. ... Our job is to serve the public interest, not the private interests of team owners." The earliest the FCC will take up the issue is in the Fall, so fans shouldn't expect significant change this season.

The Centers for Medicare & Medicaid Services have [asked over 300,000 individuals](#) to prove their citizenship or lose their health coverage. The individuals receiving these notices are part of the nearly 1 million who had data matching errors. This does not include the multitude trapped in the [subsidy minefield](#) that AAF has discussed previously.

### *Eakinomics: The PRO Wage Opportunity*

The president has spawned an important debate regarding poverty and work. These are, indeed, closely related, as in America the dividing line between poverty and non-poverty is work. Those who have a job have single digit poverty rates, while those who do not have poverty rates exceeding 20 percent. President Obama has taken this one step further by touring the country and [arguing](#) that "nobody who works full time should ever have to raise a family in poverty." Put differently, the poverty rate among those who work should be zero.

Unfortunately, the president is using these core values in support of a campaign to raise the federal [minimum wage](#) to \$10.10 (and index it for inflation) – a proposal that interferes with getting more Americans to work and is poorly targeted to alleviate poverty. In other words, his policy and the message aren't exactly in sync. The other leading proposal in this area is to expand the earned income tax credit (EITC). The EITC is a tax-based subsidy to earnings from work. It has a track record of success in getting people to work, but at the moment does little for the unmarried who have no children — especially the younger men whose labor force participation has dipped recently.

Perhaps there is another way? Today AAF releases my Poverty Reduction Opportunity Wage (PRO wage), a rethinking of support for low-wage workers based on a simple premise: let's take the president at his word. That is, configure a wage subsidy so that if a person works full time they will not be in poverty. The PRO Wage does exactly that. If a person (or couple) works full time for the year, the labor earnings are guaranteed to exceed the federal poverty line.

The mechanics are explained [here](#), but the goals are to (a) support working, (b) provide income support that makes sure the worker(s) is not in poverty, (c) gets income to the worker throughout the year (not just as a tax refund), and (d) is relatively easy for employers and the government to administer.

Work is more than the route to material riches. It is a time-honored American value that should be supported and embedded in the federal policy menu. PRO Wage is one way to meet this standard.

***From the Forum***

[Primer: The Many Economic Benefits of Free Trade](#) by Laura Collins AAF Director of Immigration Policy

[The PRO Wage: Rethinking Support for Low-Wage Workers](#) by Douglas Holtz-Eakin, AAF President