



The Daily Dish

January 12th Edition

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The Obama Administration is [under more pressure](#) to approve the Keystone XL pipeline after the Nebraska Supreme Court did not overturn the proposed route. Friday saw the long awaited decision by the court that now clears the way as the last legal hurdle to building. Last week the House passed legislation approving the route while the [Senate is expected](#) to do the same this week. All that is standing in the way of Keystone XL now is this administration.

The House has [introduced legislation](#) to make the ban on Internet access taxes permanent. AAF has found that if the ban is not made permanent, it [could cost consumers up to \\$14.7 billion per year](#).

Eakinomics: “Free” College

As [anticipated](#), President Obama rolled out an education-related State of the Union initiative on Friday in Tennessee as part of his three-state tour. Specifically, the president proposed to provide two years of free community college tuition. As the president put it, “Put simply, what I'd like to do is to see the first two years of community college free for anybody who's willing to work for it.” Or, as USA Today reported, this is “part of what the White House says is an effort to make community college as universal as high school is today.” More generally, it is couched as a way to enhance the skills of Americans facing vigorous global competition.

What's not to like?

For starters, where does the [\\$60 billion](#) come from? The taxpayer is already reeling from the president's desire to give away college education in the form of greater Pell grants, “income-based” loan repayments (i.e., pay back less), loan forgiveness, and universal (taxpayer-funded) pre-school. The administration might take notice that “universal high school” is paid for by local taxpayers across the country. There is no expectation that it is free and, indeed, there is a willingness to pay for quality education. Simply put, the administration's only approach is to spend other people's money. This will not solve the problem of higher education costs, quality, or time to completion.

Another problem is that tuition is far from the whole cost of a college education. Indeed, on average it is less than half the cost. The initiative is meant to sound good, but it means a lot less than meets the eye to the average student.

The final issue is that the proposal requires that students maintain a 2.5 grade point average and make steady progress. But it does nothing to address the increasing need for remedial education among those entering college; remedial education that stretches out the time for completion and raises the overall bill for college.

The president's proposal is a pandering giveaway. Fortunately, it is a non-starter among those serious about the higher education crisis.

From the Forum

[Week in Regulation](#) by Sam Batkins, AAF Director of Regulatory Policy

[Primer: Unemployment Compensation and Labor Market Recovery](#) by Ben Gitis, AAF Policy Expert

[The ACA's Risk Spreading Mechanisms: A Primer on Reinsurance, Risk Corridors and Risk Adjustment](#) by Angela Boothe, AAF Health Care Policy Analyst; and Brittany La Couture, AAF Health Care Policy Analyst