



**The Daily Dish**

## July 1st Edition

DOUGLAS HOLTZ-EAKIN | JULY 1, 2015

Bipartisan support is growing for a bill to keep Internet access free of taxes. [An oped](#) by Rep. Eshoo and Rep. Goodlatte argues that taxing Internet access could “disconnect the American way of life and the rest of the world.” That isn’t just hyperbole. [AAF’s past research shows](#) that enacting a tax that is inline with what Americans already see on their wireless bills could cost consumers \$14.7 billion.

After hitting its 500th “major” regulation and having the Supreme Court strike down an EPA regulation in the same morning, the administration is [still showing no signs of slowing down](#). The president is in a full push behind a series of EPA rules that will close coal power plants ([at least 93 of them representing 296,000 jobs](#)), continue to [raise energy costs](#), and hit consumers' pockets on everyday items ([\\$3,100 more for a new car](#)).

### ***Eakinomics: Lose One, Add One, Set A Record; Repeat***

Regulations, that is. On Monday, the Supreme Court [invalidated](#) the Environmental Protection Agency’s (EPA) limitations on mercury emissions from electric power plants. Writing for the majority, Justice Antonin Scalia said “It is not rational, never mind ‘appropriate,’ to impose billions of dollars in economic costs in return for a few dollars in health or environmental benefits.” The failure to do a complete benefit-cost analysis is common at EPA and other agencies’ rulemaking efforts and one of the leading reasons that [regulatory reform](#) is now high on the policy agenda.

The administration, however, was seemingly undeterred. With no hint of irony, on the very same day, it issued its [500th](#) “major” (one with economic impacts of over \$100 million) regulation, with the list containing some real [eye-openers](#). The total regulatory burden, \$625 billion, is similar in economic impact to passing a \$100 billion tax increase each and every year. Is there any reason to wonder why growth has been so anemic?

Instead of a pro-growth strategy, the Obama Administration chose the same day to leak its intentions to expand [overtime pay](#) as part of their “middle class economics.” Unfortunately, expanding overtime pay is not like the miracle of the loaves and fishes. Firms have a single payroll and it will not automatically expand just because the president wants to micromanage the pay scales. Some will lose pay, or even jobs. More perverse, AAF’s Ben Gitis [shows](#) that winners are not those most in need of assistance. Only 0.6 percent are in poverty — nearly 70 percent make 3 times the poverty amount (\$72,750 for a family of 4) — under one-third are sole-earners, and nearly two-thirds are in households with no children. That’s a pretty hollow attempt at middle class economics.

### ***From the Forum***

[The Commonwealth Fund Report on Medicaid Falls Short](#) by Conor Ryan, AAF Senior Health Care Data Analyst

[Overtime Pay Expansion: Who Will the DOL’s New Rule Impact?](#) by Ben Gitis, AAF Director of Labor Market Policy

[VIDEO: Obama Admin Hits 500 Major Regulations \(Fox News\)](#)

[Four National Groups File in Support of MetLife's FSOC Fight](#) by Meghan Milloy, AAF Director of Financial Services Policy

***Fact of the Day***

[In the past 4 years, the EPA has been up to 72 weeks late in releasing the final version of the Renewable Fuel Standard.](#)