



The Daily Dish

## July 9th Edition

DOUGLAS HOLTZ-EAKIN | JULY 9, 2014

The promise and key intent of [healthcare.gov](#) was to have, in the President's words, a site to browse "the same way you shop for a plane ticket on Kayak, same way you shop for a TV on Amazon." Reality has been far different. A [new study](#) is out proving that the exchange website is stumping even tech-savvy, well-educated millennials. The site received criticism for not having options for plans clearly visible and true costs of plans not presented up front.

Even if you are able to navigate the convoluted process, a [new report](#) reveals thousands who have already paid for their health care on exchanges are still not covered. This is due to lack of flexibility in the system for people to change coverage due to life events.

The new House EPA appropriations bill [cuts funding](#) for the agency compared to 2014 levels by 9 percent. According to the House Appropriations Committee, "The legislation also includes provisions to stop various harmful, costly, and potentially job-killing regulations by the EPA." This includes cutting funding for implementation of the controversial 2030 coal emissions standards regulation and waters of the United States regulation.

### *Eakinomics: Highway Trust Fund*

The Highway Trust Fund (HTF) is facing exhaustion, which would mean a cut in federal highway spending of over 25 percent on August 1. Unsurprisingly, this has a broad swath of stakeholders [alarmed](#). As AAF has [pointed](#) out before, federal transportation funding in the U.S. is at a crossroads. Either transportation funding will continue to follow the current model — in which case an adequate dedicated funding mechanism must be adopted — or it will be rolled into general discretionary spending and forced to compete with other funding priorities.

Today Emil Frankel [further notes](#) that scarce federal dollars should be targeted on those programs with the greatest impact on national economic growth. The nation's largest 51 metropolitan areas generate 65 percent of the nation's output and about 70 percent of all wages, so there is a case for federal dollars to supplement state and local funds when one can identify the national economic benefits. He proposes a federal transportation program focused on metropolitan access that might include: (a) a mode-neutral formula program for metropolitan regions of greater than 500,000 that establish institutions that meet national economic goals; (b) a competitive program for all metropolitan capital programs that meet national economic goals; and (c) the expanded use of federal loans and loan guarantees, and new federal infrastructure financing mechanisms.

These are all great ideas for a fundamentally reformed federal transportation finance system. They are appropriate for a large debate on a multi-year authorization of highway funding. Unfortunately, Congress is now in the position of having to move quickly and generate a patch that will likely last up to a year or so. In those circumstances, the priority should be on (a) getting it done, which requires bipartisan agreement; and (b) making sure that the budget as a whole is not expanded by the patch. The offsets to additional highway spending to accommodate (b) are unlikely to be large or dramatic but those are the kinds of things needed to avoid another

showdown.

It is not dramatic, but the HTF issue is another possibility for the kind of deal struck on the budget by Budget Chairs Patty Murray and Paul Ryan. It should be done as soon as possible.

***From the Forum***

[The Cost of January's Minimum Wage Hikes](#) by Ben Gitis, AAF Policy Analyst

[A Metropolitan Transportation Policy for National Growth](#) by Emil Frankel, AAF Transportation Expert & Former Assistant Secretary for Transportation Policy of the U.S. Department of Transportation