

## **The Daily Dish**

## March 5th Edition

**DOUGLAS HOLTZ-EAKIN | MARCH 5, 2015** 

62 senators voted to override President Obama's veto of Keystone, but fell just five votes short of approving the pipeline. Supporters of the bipartisan bill have promised to continue to push for the legislation that will create over 40,000 construction jobs, lower dependence on Middle East oil, and is better for the environment than other alternatives.

Senator Flake has introduced three separate bills aimed at curtailing the EPA's power. One of the bills, the Ozone Regulatory Delay and Extension of Assessment Length (ORDEAL) Act, would change the EPA's requirement to determine if ozone standards need to be tightened from every five years to every ten years. AAF has found that 100 state and national parks won't be able to hit the most recent ozone standard issued from EPA.

## Eakinomics: Netflix Follies

Netflix may need to ask for Frank Underwood's help in navigating Washington. Yesterday, *Variety* reported that Netflix CFO appeared to contradict the company's previous position supporting regulating the Internet like a public utility ("Title II" regulation): "Were we pleased it pushed to Title II? Probably not," Wells said at the conference. "We were hoping there would be a non-regulated solution." Later in the day, the company reflipped its flop on the policy question, releasing a statement: "Netflix supports the FCC's action last week to adopt Title II in ensuring consumers get the Internet they paid for without interference by ISPs," Netflix said in a statement. "There has been zero change in our very well-documented position in support of strong net neutrality rules."

Netflix's travails illustrate the "be careful what you wish for" dilemma of many Internet companies that sought net neutrality that was a hybrid of the "light touch" existing regime and the draconian Title II approach ultimately adopted by the Federal Communications Commission.

Indeed that was the apparent intent of FCC Chairman Tom Wheeler, until White House aides leaned on the FCC for its preferred regulations and the president himself went public and took a figurative baseball bat to the Commission. These actions have led some to question the legality of the White House intervention with a supposedly-independent federal agency. Wheeler, however, asserts that there was no influence whatsoever.

The larger issue is that firms cannot be sure exactly *what* the future holds. The FCC rule will likely be taken to court and the White House meddling complicates its political future. The best solution would be to take issue out of the hands of regulators entirely by having Congress legislate on the standards for conduct on the Internet.

## From the Forum

Muni Projects Up To 50 Percent More Expensive for Consumers by Will Rinehart, AAF Director of Technology and Innovation Policy

Spending on Military Health Care is Rapidly Growing by Conor Ryan, AAF Senior Health Care Data Analyst