



The Daily Dish

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The White House is [threatening to veto](#) a House bill that would block the Environmental Protection Agency's Waters of the United States Act. The EPA's rule would redefine the agency's jurisdiction over ponds and streams across the country. The administration is standing behind the rule that has faced opposition from agriculture with fears that it is a "land grab" and will over regulate the industry.

Federal Reserve Governor Daniel Tarullo [will propose](#) a capital surcharge on banks in testimony to be delivered later this morning before the Senate Committee on Banking, Housing, and Urban Affairs. The new regulations promise to go further than Basel capital requirements agreed to by international financial regulators.

Eakinomics: The ACA and Small Business Payrolls

The impact of the Affordable Care Act (aka Obamacare) on growth and jobs has been the subject of an enormous amount of speculation. The \$2 trillion of new spending over the next decade exacerbates the already-dangerous federal debt trajectory; hardly a pro-jobs strategy. The \$500 billion in higher taxes would similarly never grace the front page of a pro-growth strategy memo. And within the ACA regulatory structure is the employer mandate, which dictates that employers provide health insurance to their employees, and benefit mandates that make all insurance more expensive to workers and firms alike.

Rather than simply speculate, AAF's Sam Batkins, Ben Gitis and Conor Ryan go to the ultimate arbiter: the data. In a [new study](#) they note that the relationship between rising premiums and lower pay has long been established in the research literature. Turning to jobs, they note that while there was no significant relationship between healthcare premiums and employment before the ACA, since 2010 small businesses have slowly started shedding jobs and reducing wages. Specifically, on average employees who work a full year for a business with 50-99 employees lose \$935 annually due to ACA regulations, while employees of businesses with 20-49 employees, on average lose \$827.50 annually.

In sum, they estimate that regulations are reducing small business (20 to 99 workers) pay by at least \$22.6 billion annually. In addition, ACA regulations and rising premiums have reduced employment by more than 350,000 jobs nationwide, with five states losing more than 20,000 jobs.

From the Forum

[Obamacare's Impact on Small Business Wages and Employment](#) by Conor Ryan, AAF Health Care Data Analyst; Ben Gitis, AAF Policy Analyst; and Sam Batkins, AAF Director of Regulatory Policy