## **Ethan Allen Institute**

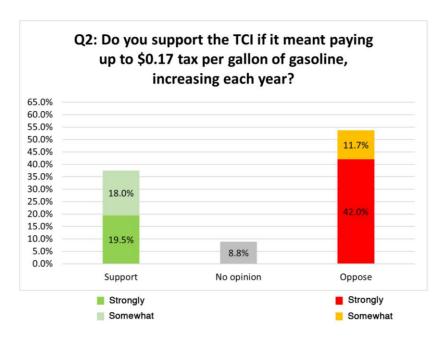
Newsletter – November 2020 (Printer Edition)

Top Story: EAI Poll on Environmental Policies: Majority of Vermonters Oppose TCI Tax/GWSA Lawsuits. By Rob Roper

According to a poll of 600 Vermonters, majorities oppose key components of environmental legislation, the recently passed Global Warming Solutions Act (GWSA), and the pending Transportation Climate Initiative (TCI).

While a plurality shows support for TCI as a concept (48% Strongly or Somewhat Support Vermont joining TCI compared to 39% who Strongly or Somewhat Oppose it), that support drops off precipitously in reference to key details that make up the policy's substance.

For example, asked, "If joining TCI meant paying an additional tax or fee on gasoline and diesel vehicle fuels of up to 17 cents per gallon in the first year, and increasing annually, would you support or oppose Vermont joining TCI?" support dropped to 38% while opposition rose to 54%, with 42% strongly opposed.

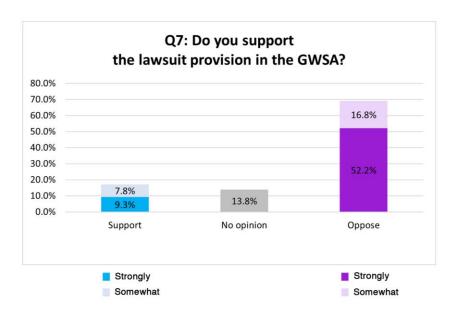


However, Vermonters' most serious reservations about TCI have to do with the program's expected lack of effectiveness. The TCI report admits that if no additional action is taken, regional greenhouse gas emissions are expected to decrease by 19% over the next decade. If TCI were implemented at a cost to drivers of 5 cents or 17 cents per gallon of motor fuel, that number would improve only by 1% to 6% respectively.

Presented with this cost/benefit ratio, 61% of Vermonters opposed joining TCI, 45% strongly so.

Vermonters had similar reactions to the Global Warming Solutions Act with 41% expressing support for Governor Scott's veto of the bill and 35% opposing his veto while fully one quarter of the population had no opinion.

However, asked, "The Global Warming Solutions Act allows 'any person' to sue the state of Vermont if specific greenhouse gas emission reduction goals are not met, which could cost Vermont taxpayers multiple millions of dollars in legal fees. Do you support or oppose the lawsuit provision in the Global Warming Solutions Act?" 69% of respondents opposed the provision, 52% strongly so while less than 10% strongly supported it.



Rob Roper, president of the Ethan Allen Institute which commissioned the poll, said, "These results aren't a surprise. Vermonters care about the climate, but don't want to waste money on programs that are expensive and intrusive but will have little to no substantive impact on the problem they are supposedly intended to help solve."

The poll of 600 Vermonters was conducted by Advantage Inc. by landline and text-to-online outreach October 17-18, 2020, and has a margin of error of  $\pm$ 4.

https://www.ethanallen.org/poll majority of vermonters oppose tci tax gwsa lawsuits

## EAI Launches "Common Sense Video"

For the past six months, Governor Scott has been holding press conferences starting at 11 am on Tuesdays and Fridays, bumping Common Sense Radio off the air on those days. So, over the past couple of weeks Bill Sayre and Rob Roper have been experimenting with Common Sense Video – same themes, topics and guests as the radio show, but utilizing Zoom and the Facebook live platform.

You can watch live through Facebook starting at 11am on Tuesdays and Fridays, or watch at your leisure as the shows are recorded and reside on our Facebook timeline.

We hope this new medium will help us reach a larger and a different audience. Please let us know what you think of the new endeavor, and make suggestions for how we can improve and better take advantage of the technology.

Here are some links to our pioneer shows...

TCI Poll Briefing:

https://www.facebook.com/EthanAllenInstitute/videos/695959967695518

Mail in Ballot Dangers, Guest Michael Bielawski: https://www.facebook.com/EthanAllenInstitute/videos/2686601898223211

# Commentary: False Alarm, The Supreme Court and the Affordable Care Act

By John McClaughry

U.S Senate Democrats are claiming that a conservative Supreme Court will end Obamacare coverage for 20 million Americans. This is shameless fearmongering. The horrors they so stridently predict will simply not materialize.

Sen. Patrick Leahy and five of his Democratic colleagues on the Senate Judiciary Committee have repeatedly stoked fears that a conservative Supreme Court, including Justice-to-be Amy Coney Barrett, will destroy the Obama Affordable Care Act (ACA) of 2010. That, they say, would leave 20 million Americans without health care coverage, especially coverage for preexisting conditions.

This is rank partisan fearmongering, and anybody willing to bet that will happen should demand hundred to one odds. Let's look at how things got to this point. In 2009 President Obama proposed tax credits to help middle income families buy health insurance covering very generous "essential benefits." Early the following year the House Democrats passed a bill mandating that all individuals not covered by Medicare, Medicaid, Veterans, or Employer Sponsored Insurance pay a tax for not having government-approved coverage. (This is the mandate that candidate Obama emphatically opposed in a 2008 debate with Hillary Clinton.)

The House bill included Sec. 401, forthrightly titled "Tax on Individuals Without Acceptable Health Care". But Democratic Senators (including Sen. Leahy) balked at advancing a bill enforced by a politically dangerous new tax provision. They scrapped the House-passed bill and passed their own bill founded on the power to Congress to regulate interstate commerce. The Senate version was duly enacted in March 2010.

When the first test case reached the Supreme Court in 2012, five justices agreed that this startling extension of the Commerce Power, not to raise revenues, but to penalize persons who did not choose to participate in interstate commerce at all, was unconstitutional. But one of them, Chief Justice Roberts, joined the four liberal justices to hold – implausibly - that the penalty was in fact a tax, and thus within the constitutional power of Congress to levy. Obamacare was saved!

The ACA survived at least two more Supreme Court challenges. Meanwhile, in 2017, the Republican Congress eliminated the tax/penalty. In 2019 a district judge in Texas ruled that since according to Roberts' decision and the insistence of the ACA's backers that the penalty/tax was essential to make the ACA work, the elimination of an

enforceable tax left the ACA with no constitutional support at all. The Judge also found that the insupportable individual mandate provision was not severable from the rest of the wide-ranging act; the whole thing was a constitutional failure.

On November 10 the Supreme Court will hear the appeal in that case (California v. Texas). Here's my prediction:

The Court could, but won't, agree with the district court and toss the entire law out as unconstitutional.

The Court could, but won't, overturn the five-justice majority of 2012 and sustain the individual mandate as an extension of the commerce power.

Most likely the Court will agree that the individual mandate to buy approved insurance is constitutionally insupportable without an enforceable tax. As one commentator put it, it has become "a unicorn with no horn". However the ACA's subsidies for buying insurance would remain available for those qualified purchasers who want them, with no penalties for those that don't.

Under this scenario, the Court would have to decide which provisions of this 600+ page act are so essentially interwoven with the individual mandate that they must fall with it. It's quite likely that the Court would remand the case with guidelines to a lower court to decide which provisions are severable, and consider the result when it's appealed again in a year or two.

Meanwhile, the ACA will keep functioning, and no one will lose their coverage. Here are some provisions that are (in my view) likely to be found severable and constitutionally supportable: expansion of Medicaid; mandated coverage for preexisting conditions and coverage of children to age 26; restrictions on insurance payout caps; community rating and guaranteed issue of policies; payments to health care providers; subsidizing medical education; and, crucially, provision of tax credits to purchase government-approved policies through the Federal and state insurance exchanges.

The horrors predicted by Democratic Senators in the Barrett hearing last week will not materialize.

Of course my prediction could turn out to be wrong; but more likely it will become apparent that Sen. Leahy and his Democratic colleagues who are so vocally bemoaning the conservative Court's coming destruction of the ACA's coverage were too partisan to restrain themselves from peddling any argument, however unlikely, that promised to terrify voters.

- John McClaughry is vice president of the Ethan Allen Institute

https://www.ethanallen.org/commentary false alarm the supreme court and the affor dable care act

## Commentary: Early Voting is Bad for Democracy

By Rob Roper

Every day there is a new announcement from the Vermont Secretary of State's office proudly proclaiming how many people have cast their ballots weeks before election day on November 3<sup>rd</sup>. As I'm writing this opening paragraph that number is about 150,000. By the time I reach the end the number will likely be much higher. This is not a good thing. It's certainly nothing to be proud of.

While we all want to see higher voter turnout in the end, masses of people voting weeks before election day creates and exacerbates a number of problems with our election process.

The obvious one is that someone who votes a month and a half before election day (Vermont allows for a ridiculous forty-five day early voting period) is going to do so without all the information that will come out in a campaign. Participation is good, but fully informed participation is the goal. In this year's Democratic primary, for example, someone I know was excited to vote for Pete Buttigieg, did so as early as he could, but a couple of weeks before the official election day the candidate decided to withdraw from the race. That was one little tid-bit that I know my friend regrets not waiting to learn. His vote was wasted.

Time to gather facts may not be as big an issue in presidential campaigns or top-ticket statewide races which begin many months out, but early voting is a tremendous disservice to the down ticket candidates running for offices like State Representative and Senator. Traditionally, most of the campaigns for these seats are just kicking off six weeks before election day. Most of the coverage of these races by local media doesn't begin in earnest until the leaves start to change color. As such, it's almost impossible for a voter to do their homework if they don't wait until the end of the process to cast their ballot.

Which brings us to the less obvious problems caused by early voting....

It's an incumbent protection scheme. Voters tend to vote for the candidates who have that coveted "name recognition," a commodity incumbents generally come into the race with and challengers hope to acquire by the end. If they can lop six weeks of the campaign – or all of the campaign in the case of a six week state representative race -- incumbents better their odds that voters don't have the time to get to know challengers. Early voting also makes races more expensive, which deters challengers from getting into races in the first place; another thing incumbents like!

Yes, early voting increases the need for money in politics, which is something we all say we want less of. It used to be that in Vermont we had local campaigns that began six weeks before election day and culminated in a 72 hour get-out-the-vote effort. You could run a VT house race for the price of a few dozen lawn signs, some flyers, a couple of ads in the local paper, and a sturdy pair of shoes. Now candidates have to start campaigning months before early voting begins, and then sustain forty-five days (Did I mention how utterly ridiculous this is?) of get-out-the-vote activity. To be successful, this involves multiple direct mail pieces (we all love those), six weeks of pestering phone calls (also fun), cluttering social media with paid political messages. All of which costs a lot of money. It's not uncommon now for a local statehouse race to exceed \$20,000. This means, as noted before, fewer people can afford to run for office. That's great for incumbents, great for well off donors looking to buy influence, but bad for a healthy democracy.

Early voting fosters endless politics. I so often hear people complaining about how campaigns seem to start earlier and earlier every cycle. They have -- because we have expanded early voting. When voting begins forty-five days (12% of a year! Ridiculous, right?) before the August primary, campaigning has to start a minimum of six to eight weeks before that. That's six extra weeks of looking at law signs, enduring your neighbors' incessant political commentary on Facebook, and awkward conversations at family gatherings. And then it starts all over again for another extra 12% of the year for the general election.

So, in conclusion, early voting leads to a less informed electorate, necessitates more money in politics, is a boon to telemarketers, direct mail companies, and social media advertisers, reduces accountability by protecting incumbents, and draws out interminably the period in which politicians permeate every facet of our existence. But, hey, it's just so convenient, isn't it!

- Rob Roper is president of the Ethan Allen Institute.

https://www.ethanallen.org/early\_voting\_is\_bad\_for\_democracy

### **Events**

**November 11:** EAI's 27<sup>th</sup> Annual Jefferson Day Event. EAI will host a virtual Jefferson Day event on November 11, 6 pm, available in real time and then in recorded form, featuring Art Woolf, who recently retired as Associate Professor of Economics at UVM. His topic will be "Settling Mr. Jefferson's Republic, and Resettling Ours", and he'll look at what demographic and migration trends Vermonters can expect after the pandemic subsides. Information on how to tune in forthcoming.

#### **News & Views**

Vermont Demonstrates "Trickle Down" Works. The Institute on Taxation and Economic Policy notes that Vermont has "one of the most progressive, or equitable, tax systems in the country." However, "At the same time, according to the U.S. Bureau of Labor Statistics, wages in [Vermont] were nearly 17 percent lower than the national average." New Hampshire's wages, to keep the comparison, were just 0.8 percent lower than the national average and its rate of GDP growth was nearly twice that of Vermont at 2.2 percent vs. 1.2 percent respectively. In other words, Vermont's high, so-called-progressive tax structure comes with significantly lower wages and a less vibrant economy – and this is what's at the root of Vermont's affordability problem. (Source: Seven Days, Has Phil Scott Made Vermont Affordable?)

The Opportunity of Urban Migration to VT. "This good be huuuge if we play our cards right. Most of these people are continuing to work at their old jobs, which they now know can be done remotely. Consider an investment banker who moves here from New Jersey and keeps on investment banking from her Zoom room in Stowe. Is she working in Vermont or New Jersey? .... To whom does she want to owe income tax? We want that choice to be Vermont, of course. We don't need rock-bottom taxes to compete, just be slightly better than the competition. Also need to make sure our tax structure is among the first in the nation to be work-from-home friendly." (Tom Evslin, Fractals of Change, 10.6/20.) Yes, yes, yes! Though "rock bottom" taxes would be nice too.

**Taxes Driving People Out of VT.** "So three years ago, the 28-year-old insurance agent and her husband, a mechanic, bought a three-bedroom converted farmhouse in

Vergennes. "We were expecting it to be affordable," she said. "But the taxes are just ridiculous." Even though the family's income entitles them to a break on their property tax bill, the couple still pays roughly \$5,000 a year. That has Lander pondering whether to leave Vermont, as many of her friends have. "If we could afford it — if the taxes weren't so crazy — I would absolutely stay here," she said." – Seven Days, 10/7/20

They'll Be Coming for Your Fuel. Under the Global Warming Solutions Act, vetoed by Gov. Scott but overridden by Democrats in the legislature, "the state of Vermont must show a significant drop in greenhouse gas emissions by the year 2025. If emissions do not decline by at least 26%, anyone could sue the state. It doesn't stop there. Vermont will have to show a 40% reduction in greenhouse gas emissions by 2030. And then 80% fewer emissions by 2050. If it doesn't happen, the state of Vermont can and will be sued by environmental attorneys. This emission reduction mandate aligns with the state's decade old energy policy to virtually eliminate all petroleum in Vermont. ... More than 50,000 homeowners will have to voluntarily turn off their oil or gas heating equipment and more than 130,000 gasoline powered cars would need to stay parked to reduce consumption by 26% over the next four years." – Matt Cota (VFDA Fuel Line, 10/30/20)

Where GWSA Is Headed. Three newly introduced policies give an indication of what kinds of regulations Vermonters can expect under the Global Warming Solutions Act: the proposed Burlington "Heat Tax" which imposes a prohibitive fee plus costly mandates for any new construction utilizing fossil fuels infrastructure, the "Red Tagging" of above ground fuel tanks disallowing the owners to heat their homes in winter, and California's proposed ban on the sale of new fossil fuel burning cars and trucks in 2035. In order to meet the mandates set out in the GWSA, radical measures such as this will be necessary... and more... at tremendous cost to consumers.

**NEA:** We're Keeping the Money. "In its policy document on microschools, the NEA says it "encourages innovative solutions that will allow students to have in-person instruction and important opportunities for socialization with peers"; but there's a semicolon, then a qualification: "however, the NEA believes that such cohort-style learning arrangements should be organized, implemented, and monitored under the authority of state and district education agencies." In other words, the union supports only alternatives that keep the money in the system, where it retains control. It is understandable that a teachers union would think this way; it is less clear why anyone else should." Let's just repeat that last line: "it is less clear why anyone else should." -- Elliot Kaufman, WSJ, 10-14-20

Corporation Thanks 126 GWSA Legislators: Seventh Generation, a Burlington-based B-corporation making paper and household products, took out a full page paid political advertisement in *Seven Days* (10/21/20) commending the 126 legislators who supported the Global Warming Solutions Act in the name of "future generations to come". The company was the driving force behind the 2018 Essex Plan, perhaps the most heavily promoted of the many carbon tax bills that those same legislators weren't willing to bring to a record vote. Well, thanks anyway.

**Listen to the "Science":** Dr. Kate Marvel is an Associate Research Scientist at the NASA Goddard Institute for Space Studies (GISS) in New York City who makes frequent appearances in the media to stress the menace of climate change. On June 1 she offered this on Twitter: "climate justice and racial justice are the same thing, and we'll never head off climate catastrophe without dismantling white supremacy." And we thought it was all about saving the Planet from Al Gore's heat death. (Climate Depot 6/2/20)

**Hot Climate Issue?** Gallup Poll asked Americans (7/20) what were the most pressing issues. Nine percent cited economic issues. The leading non-economic concerns were COVID 30%, Race 16%, and – in 16<sup>th</sup> place – climate at one percent (1%).

RAP Sheet: The Regulatory Assistance Project is a group of energy regulation experts working behind the scenes in Montpelier to find ways to make rate payers pay for "decarbonization", in ways they cannot easily perceive. Here are some financial contributions to RAP over the 2010-2017 period: Energy Foundation \$4.45 million; Sea Change Foundation \$3.16 million; Hewlett Foundation \$3.8 million. It's not all spent in Vermont, but what is has an inordinate effect on your electric bills.

California's Costly Obsession. "California politicians spend much of their time obsessing about a climate change problem they can't fix. Their state accounts for less than 0.1% of global emissions. There's nothing they can do.... Only a revolution of ideas can save it from the path it's on. And the first idea is easy to see. The state will have to wake up from the sheer ludicrousness of devoting so much of its politics to a problem its politics can't fix at the expense to those it can." – Holman Jenkins (WSJ 8/321/20) It's not just California politicians.

**Shorting the Grid,** Meredith Angwin's definitive book on electric transmission systems (reviewed in the October EA Letter), is now available from <a href="Mazon.com"><u>Amazon.com</u></a> in hard, soft and Kindle editions. (Don't forget to use AmazonSmiles with EAI as your designated charity!)

#### **Book of the Month: The End is Always Near**

Apocalyptic Moments, from the Bronze Age Collapse to Nuclear Near Misses By Dan Carlin Harper Collins, 2019 288 pages

That this book came out in 2019, just a few months before Covid-19 rocked the world and riots from Seattle to Philadelphia became staple stories on the nightly news makes me wonder where Dan Carlin got his crystal ball – and is he a good witch or a bad witch? *The End Is Always Near* is a warning not to get too complacent about our peace, prosperity and freedom. If history is a guide, these things never last, and sometimes fortunes change quite suddenly, even after long periods of stability.

Why does this occur? The big reasons tend to be pandemic (check!), cultural instability brought on by immigration (check!), climate change (a lot of people think so,

check!), famine (at least we're still well fed), and war, usually brought on by some combination of the other things.

To make his case, Carlin covers the fall of the Assyrian Empire, a centuries old civilization at the height of its power, suddenly wiped from the face of the planet in just a few years. More familiar, the fall of the Rome as the population of foreign "barbarians" grew within Roman society through immigration and conquest, eroding the culture that sustained the empire. The Black Plague, which decimated institutions and set back technological progress back centuries.

Moving into the modern era, Carlin pessimistically notes that humans have always had a propensity for war. Since the advent of atomic weapons, we have, for the most part and on large scales, abstained from our species' pastime, although we've had some close calls that Carlin goes into some depth about. However, this he points out is not proof that we have given up the habit for good, and quotes Einstein, who said, "I know not with what weapons World War III will be fought, but World War IV will be fought with sticks and stones."

Carlin is most known for his podcast, *Hardcore History* (which I have not listened to but intend to check out), and if there is a criticism of his writing it is that it can have a train of thought, rambling to it, which mostly occurs in the last half or so. Still, given the times we are in, *The End Is Always Near* is a fascinating if somewhat disturbing read.

- Review by Rob Roper, president of the Ethan Allen Institute.

https://www.amazon.com/Hardcore-History-at-Extremes/dp/0062868047

## The Final Word

## **November Survey: Predictions!**

#### **President**

Trump Biden

#### Governor

Scott Zuckerman

#### LT Governor

Milne Gray

#### **VT House gains**

Republicans Democrats

#### VT Senate gains

Democrats Republicans Take the Survey! https://www.surveymonkey.com/r/VTPredictions

## October Survey Results: Voting Options How do you plan to cast your ballot this election?

- In person at the polls on November 3. 59% (45)
- In person but early at the Town Clerk's office. 7% (5)
- By absentee ballot, dropped off in person. 25% (19)
- By absentee ballot through the mail. 9%) (7)
- Not voting. 0% (0)