YOUNG VOICES

Young Voices Review

OCTOBER 2022

Crypto, Student Loan Forgiveness & Gun Control Regulation

Perspectives on Government Intervention



Plus: Home Buying Assistance, Nurse Strikes & the Fight Against Socialism

Letter from the Director of Programs

Dear supporter,

What a year it has been for Young Voices. We've always reached for the moon, but this year, with your generous support, it seems we have certainly grabbed a hold of it.

In this review, we hope you'll see the deep impact your support has made within the past few months. With your generosity, our writers have been able to place pieces in top-tier state papers such as *The Washington Post* and *The Boston Globe,* broadcast hits on channels with millions of viewers, and regular publications in *The Wall Street Journal*!

As has always been the case for Young Voices, our goal with these achievements is not simply to give our contributors the platforms they deserve, but to further and more successfully move the needle toward liberty within the mainstream. Thankfully, we've seen evidence that this is happening, and we're excited to give you a taste of what we get to witness every day.

In this roundup, you'll find Travis Nix weighing in on student loan forgiveness, Thomas Irwin making a plea for less government intervention in the housing market, Daniel DiMartino arguing against the evils of socialism on Fox and Friends, Amanda Griffiths on crypto regulation—and more!

But this isn't all we've got to show you. With the help of our team, contributors achieve bigger and better media hits all the time. What's more, Young Voices is always growing our vision, and so we've got new projects we're eager to show you. If you'd like to get a larger view of what else we have been working on, check out our website at young-voices.com.

See you in the next review!



Emma Ayers

Editorial Note: As a nonpartisan organization, Young Voices does not endorse specific legislation or politicians. The views expressed by our writers in this issue and elsewhere do not necessarily reflect those of our entire network. In the spirit of free speech, Young Voices seeks to facilitate a healthy policy dialogue among our writers and the public.

California wants to help me buy a house. Here's why that's a bad idea

The Washington Post

By Thomas Irwin
28 July, 2022

At this point, few people would dispute the idea that California has a severe housing crisis. With more buyers than available supply, the median home price is $898,000. Rent for a three-bedroom house is more than $3,000 a month. Many families like mine — hoping to stop renting and buy our first home — are feeling desperate.

It was tempting to celebrate news late last month that the state legislature had passed a budget that included half a billion dollars for a program providing down-payment assistance for first-time home buyers. But the well-intentioned legislation, as is so often the case with policies throwing money at problems, may end up doing more harm than good.

The "California Dream for All Program" would lend qualified middle-class Californians up to 17 percent of a home's value for their down payment. Sounds good. If my family were lucky enough to be one of those funded through the program, it theoretically could provide just enough assistance to help us break into the housing market.

The more likely scenario: With more money in the real estate market but not enough houses, prices will rise. The down-payment help would enable my family to bid on a house, but we'd be in no position to compete with anyone who wants to outbid us. And that's exactly what happens when there aren't enough houses available.

The big winners of subsidies will ultimately be existing homeowners, who will naturally seek the best price.

That's a crushing realization for my wife and me. We live in East Los Angeles and have spent the past four years saving as much as possible to enter the housing market. We're both college-educated and work nonprofit jobs that, while not highly lucrative, would have provided enough for a modest home just a decade ago. But it seems no matter how much we save, prices steadily climb beyond our budget.

In March, the California Department of Housing and Community Development said 2.5 million new homes would need to be built by 2030 to address a housing shortfall that has been half a century in the making.

Over that span, ever-tightening zoning regulations have choked off housing options for countless middle-class families. Townhouses, duplexes and small apartment buildings are widely banned — including on 75 percent of residential land in Los Angeles and 94 percent in San Jose.

State lawmakers periodically try to attack the problem at its root, but ambitious bills that would address the supply problem have repeatedly died in Sacramento at the hands of politicians fearing retribution from not-in-my-backyard voters. Hence the politically safer but financially dubious move to subsidize down payments for first-time home buyers.

To assess the prospects of success for the California Dream for All fund, consider the effect of a homeowner subsidy already in effect. Research on the mortgage interest deduction shows that subsidizing homeowners' mortgages pushes up the cost of housing because buyers can afford to pay more for their houses.

The deduction does not make homeownership more accessible; it often prices lower-income buyers out of the market, while better-off homeowners disproportionately



use the benefit simply to buy larger homes.

If government is going to subsidize anyone's housing, it should be those most urgently in need. In California right now, 160,000 people are living without a home, and an additional 1.5 million low-income renters spend over half their income on rent. Renters stretched to paying 50 percent of their income on rent are unlikely ever to afford to buy a home, even with homeownership subsidies.

As much as I'd enjoy government assistance in buying a house, I'm under no illusion that my predicament is as dire as that of someone struggling to keep a roof over their head.

Instead of inviting higher housing prices by subsidizing first-time home buyers in California, lawmakers could steel themselves against NIMBY (not in my backyard) resistance and reform at least some zoning laws. A California bill now under consideration would remove parking minimums across the state. (Requiring a certain number of parking spots is a common way for localities to block construction of denser housing). In 2019, San Diego dropped its parking requirements in areas near transit stops and saw housing construction more than quadruple.

Another bill would legalize housing in commercial corridors. Evidence from Minneapolis shows that such a move produces more housing and helps bring down prices.

I would love to buy a house, but I would prefer to do it without taking resources that could go to those truly in need. Providing financial assistance to first-time home buyers does nothing to produce more houses — and building more houses, not just making existing ones more expensive, is the only way California can solve its housing problem.



Thomas Irwin

Thomas is a writer, social entrepreneur, and non-profit staffer living on the Eastside of Los Angeles.



Recipients of student-loan forgiveness should at least pay their fair share of taxes

THE WALL STREET JOURNAL.

By Travis Nix
28 August, 2022

President Biden's decision to cancel billions of dollars in student debt is unfair to responsible Americans and will feed inflation. But state lawmakers can do something about it: tax the windfall. It's a longstanding principle that the discharge of debt is a taxable event. It could provide revenue for broad-based, economically stimulative tax relief to all of a state's residents.

Debt forgiveness, like income, is an accession of wealth and so taxing discharges of debt has been a feature of the U.S. tax code since the adoption of the first income tax in 1861. The Supreme Court upheld the validity of taxing forgiven debt in U.S. v. Kirby Lumber (1931). Last year, however, the American Rescue Plan precluded any federal taxation of student-loan cancellation through 2025.

But not all states followed Washington's lead. New York, for one, chose to continue to tax student-loan forgiveness. All in all, it appears 13 states have gone their own way on taxing debt relief. Normally, it's better policy simply to conform to federal tax rules because it reduces filing costs and saves the state legislative and judicial resources. In this case, however, other states should follow New York's example.

The added revenue would give states an opportunity to mitigate some of the unfairness of Mr. Biden's handout. States often struggle to cut taxes because strict balanced-budget rules in their constitutions don't allow them to run deficits. The revenue generated by taxing student-loan forgiveness may grant states the room they need to give residents a little relief in these tough economic times.

States could reduce the tax burden on all residents, for instance by raising the state's standard deduction. Alternatively, they could balance Mr. Biden's unfair stimulus by using the revenue for one-time tax rebates to residents who didn't attend college or paid off their student loans.

This way, all hardworking Americans could get a little tax relief as they battle the inflation brought on by the administration's last round of ill-conceived handouts.



Travis Nix

Travis is a current JD Candidate at Georgetown Law with a concentration in tax law.

Gavin Newsom vetoed California crypto regulations — and invited even worse federal intervention

reason

By Amanda Griffiths
11 October, 2022

California Gov. Gavin Newsom's surprise veto of a cryptocurrency regulation bill looks like a boon to consumers and creators alike. Unfortunately, his rationale for rejecting it is antithetical to promoting currency competition: Newsom is rolling out the welcome mat for even more expansive federal regulation, and anyone with a stake in the crypto market should be on guard.

A.B. 2269, sponsored by some of Newsom's fellow Democrats, soared through the California Assembly with unanimous approval. When the governor blocked it at the end of September, he explained that he felt the bill was "premature"—not because it would compromise the potential of the industry it targets, but because it could impede looming federal regulation.

As written, the bill would already strike a fatal blow to the California crypto market and send devastating shock waves throughout the crypto space. Akin to New York's famed BitLicense law, it would, as policy group Blockchain Association notes, "effectively outlaw" crypto businesses in California in two ways.

First, the bill would have forced all crypto exchanges—platforms where cryptocurrency tokens can be bought, sold, swapped, sent, or received—to apply for and obtain state-issued licenses in order to operate in California. That would strangle small exchanges and startups unable to navigate a costly and cumbersome waiting game. It would also choke consumers' access to the latest platforms and apps, which are usually the first to carry the newest tokens. These volatile assets often get scooped up by mainstream exchanges like CoinBase only after they've already skyrocketed in value from their launch price.

Cutting smaller platforms' ability to reach California's 40 million residents—and blocking those residents from what is often the most lucrative stage of trading—also cuts off creators' and current traders' access to 40 million residents' worth of potential buy-in.

Second, the bill would have banned all businesses not licensed by the California Department of Financial Protection and Innovation (DFPI)—essentially, all nonbanks—from dealing in stablecoins.

Among their many purposes, stablecoins can act as a sort of middlemen through which exchanges and developers convert tokens and transfer information. Their value is pegged to stable currencies, such as the U.S. dollar, making them just as stable as their "pegs." For example, if a crypto business holds U.S. dollar assets on reserve, those tend to come in the form of the stablecoin USDC, the digital U.S. dollar token. Because they don't require a credit card or a place to store physical currency, stablecoins are more accessible—and, in many parts of the world, more secure—than their "pegs." For that reason, they've become a critical means through which nontraditional financial entities extend access to communities underserved by brick-and-mortar banks.

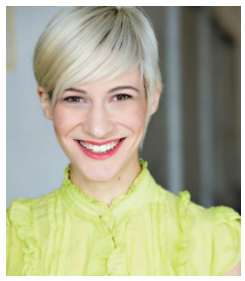
By outlawing all nonbank stablecoin issuers from trafficking in the state of California, the bill effectively bans nonbank businesses from conducting crypto transactions with California consumers. It would also strike a blow to Californians' privacy: Under A.B. 2269's provisions, entities that could afford the cost and confusion of obtaining and maintaining a DFPI license would be required to keep records of all California client activity for five years.

Justifying his veto in a letter to the bill's supporters, Newsom paid lip service to calls for looser regulation: "A more flexible approach is needed to ensure regulatory oversight can keep up with rapidly evolving technology and use cases," he wrote. In a rare nod to budgetary restraint, the typically profligate governor added that the bill would demand a hefty loan from the state's general fund for the first several years of implementation.

So far, so good. But Newsom also declared it "premature to lock a licensing structure in statute without considering…forthcoming federal actions" and promised to collaborate with state policy makers "to achieve the appropriate regulatory clarity once federal regulations come into sharper focus." In other words, this apparent patience could signal heftier federal legislation down the line.

A patchwork of state regulations would stifle the creative spiral that characterizes the crypto market. But with regulation backed by the full force of the federal government, the damage could be lethal. Behind the jargon and platitudes, Newsom is saying that his veto is a stopgap measure. He isn't trying to protect crypto from overbearing controls; he's clearing the way for even harsher controls down the line.

Any new rules of the crypto market should protect entrepreneurs and investors from overzealous oversight, not subject them to it. And Californians should be wary of anyone who rejects a regulation because it isn't bureaucratic enough.



Amanda Griffiths

Amanda is a PhD student concentrating on political theory and international relations, with an emphasis on Machiavelli.



With new gun law, New York lawmakers disregard the Constitution

Newsweek

By Benjamin Ayanian
14 July, 2022

After having one of its firearms regulations struck down in court, New York state has decided to replace it with a blatantly unconstitutional package, attempting to infringe, again, on Second Amendment rights.

Just a couple of weeks ago, the Supreme Court struck down a New York firearms regulation that would have required individuals to show "proper cause"—i.e., "demonstrate a special need for self-protection distinguishable from that of the general community"—in order to obtain a concealed carry permit in the state. This burdensome rule made it impossible for ordinary, law-abiding citizens to legally carry a concealed firearm outside of their homes.

Justice Clarence Thomas, writing for the majority in NYSRPA v. Bruen, pointed out that "To confine the right to 'bear' arms to the home would nullify half of the Second Amendment's operative protections." The New York regulation was ultimately ruled unconstitutional because it was inconsistent with historical firearms restrictions in this country—virtually none of which "operated to prevent law-abiding citizens with ordinary self-defense needs from carrying arms in public for that purpose."

In other words, there needs to be some path, with objective criteria, for law-abiding citizens to legally carry arms.

In spite of this recent ruling, New York just passed a slew of regulations regarding "licensing and other



provisions related to firearms," and some are even more subjective and restrictive than the "proper cause" requirement the Supreme Court just overruled.

Instead of needing "proper cause" to obtain a concealed carry permit, New Yorkers are now required to possess "good moral character," defined as "having the essential character, temperament and judgment necessary to be entrusted with a weapon and to use it only in a manner that does not endanger oneself or others." This standard is incredibly subjective, failing to create a clear path for law-abiding citizens to "bear" arms.

Under the new law, anyone seeking a concealed carry permit in New York will have to, among other things, submit to an interview by the licensing office and provide "a list of former and current social media accounts…from the past three years to confirm the information regarding the applicant's character and conduct."

Individuals' constitutional rights cannot be subject to the opinions of state officials sifting through social media pages. This process of analyzing social media content lacks any formal standards—which would be impossible to create anyway—and welcomes arbitrary discrimination.

On top of the clear procedural issues with the new law, the statute substantively prohibits the carrying of firearms—even if a permit is ultimately obtained. According to the legislation, "a person is guilty of criminal possession of a firearm…in a sensitive location when such person possesses a firearm…in or upon a sensitive location, and such person knows or reasonably should know such location is a sensitive location."

The law proceeds to list an unimaginable number of locations as "sensitive," including all of Times Square, nearly all spaces for indoor public gathering, any place where multiple people gather to protest, and much more. The law leaves one with little idea as to where it is legal to carry a concealed firearm in New York.

There are pieces of this new legislation that, while arduous, would likely be upheld in court, such as requiring 16 hours of classroom instruction, 2 hours at a firing range, and an 80 percent score or better on a written exam before obtaining a concealed carry permit. In a concurring opinion on Bruen, Justice Brett Kavanaugh emphasized that measures of this nature were not being questioned by the Court.

But there is no way to construe the New York legislature's arbitrary processes and draconian restrictions as constitutionally permissible following the Supreme Court's ruling in Bruen. The new law simply creates no objective path for law-abiding citizens to carry concealed firearms outside of their homes, leaving too much to the discretion of licensing officials and barring individuals from carrying firearms in a large number of places.

The state's new carry law reflects an utter disregard for the Supreme Court's recent decision, as well as the spirit and text of the U.S. Constitution. The new regulations—I expect—will be swiftly challenged and struck down as well.



Benjamin Ayanian

Benjamin is a recent graduate of the University of Minnesota where he majored in philosophy and double minored in business law and political science.

How animal testing harms humans

THE WALL STREET JOURNAL.

By Elise Amez-Droz
5 October, 2022

The Senate last week unanimously passed Rand Paul and Cory Booker's bipartisan FDA Modernization Act 2.0 to end the mandate that pharmaceutical drugs be tested on animals before human trials. The bill has a good chance of either passing the House this fall or being included in a year-end package. It's a good reminder of how onerous regulation hinders innovation and harms people.

It took nearly a century to initiate a change in the law despite massive advances in drug-discovery technology. In 1938, Congress ordered that animal testing be conducted as part of the Food and Drug Administration's drug-approval process. While that method might have made sense with the drug-testing capabilities of the time, studies have since shown that animal testing can be a poor predictor of toxic response in human beings. The new bill would make such testing optional, allowing pharmaceutical manufacturers to choose the most effective toxicity-testing techniques.

The decision to enshrine animal testing in law was misguided, but it teaches a valuable lesson: The more specific the mandate, the more harmful, innovation-hindering and costly the results. Mandating specific technologies hurts patients. Ninety percent of drugs that undergo Phase 1 trials—the first trials on human subjects—are never commercialized. The reason is often toxicity, meaning that the drug passed animal testing but turned out to be harmful to humans. Patients suffer in the course of the trial, physically and mentally, since they put so much hope in the prospect of finding relief from a drug that passed animal trials only to prove toxic in humans.

By imposing an outdated testing method on drug developers, Congress inadvertently encouraged the administration of potentially harmful drugs to human subjects. If the law changes, pharmaceutical companies could rely on more-accurate tests before beginning human trials, allowing safer and more effective drugs to advance toward commercialization.

Scientists have developed effective methods that can allow for rapid drug discovery. For instance, with organs-on-chips—three-dimensional structures that mimic human organs—researchers can test new drugs and observe how diseases respond. This allows them to predict accurately how a drug would perform in a human subject, rendering animal testing obsolete. But companies still have to conduct animal testing to comply with the law. If Congress enacts the FDA Modernization Act 2.0, pharmaceutical companies would be free to rely on modern testing methods from the outset of human trials. This would cut research-and-development costs and allow for quicker drug discovery, increasing the number of pharmaceutical products on the market. Given that it can already cost $1 billion or more to bring a drug to market, removing such legal barriers would be welcome, too. Ultimately, it would mean more competitive drug prices.

To read the rest of this article, visit:
on.wsj.com/3gQpwbZ



Elise Amez-Droz

Elise is program manager of the Open Health Project at the Mercatus Center at George Mason University in Arlington, Va.

Young Voices' interview highlights

Young Voices' Commentators have a lot to say about current events. See below for some particularly memorable hits. You can use the included links to watch the full interviews.



Daniel Di Martino speaks on Fox & Friends about the Dissident Project. **bit.ly/3gcuWOk**



Jason Reed discusses whether or not NHS nurses should strike over pay on the BBC. **bit.ly/3VxCafX**



Benjamin Ayanian entered the bullpen on the Young Turks' Indisiputable show to discuss whether the Constitution was written for Black people. **bit.ly/3MVMT05**



Alexander Salter on the Global Lane to discuss Inflation, Unemploymet and Fed Credibility. **bit.ly/3D1tWFM**



Gabriella Hoffman on the Armstrong Williams Show. **bit.ly/3VA1rX1**

Hello Supporters,

I'm Travis Nix, a student of tax law at the Georgetown University Law Center. I hope you enjoyed my article concerning the state taxation of President Biden's student loan debt forgiveness. This is just one example where tax law interacts with policy as state taxation is one way to make Biden's debt cancellation fairer as well as provide an opportunity for recipients who are getting taxed to challenge Biden's unlawful action as unconstitutional.

There is nothing more I like doing than using my expertise in tax law and policy to make our tax code simpler, fairer, and more economically efficient at both the state and federal levels.

This is just one reason why Young Voices is such an important organization. It connects young policy experts with media outlets so we can get our ideas into the marketplace and advocate for policy change. I firmly believe that Young Voices will become one of the most important conservative and libertarian organizations in DC.

Young Voices already has better media placement rates than nearly every well-established think tank in Washington D.C. Young Voices is kickstarting all our careers, and all the contributors are greatly appreciative of our experience with Young Voices.

Without Young Voices, I could never get into outlets like *The Wall Street Journal*. It is thanks to their talented editors and staff that we are able to effectively advocate for the policy change that is so needed in Washington and at the state levels. I want to thank you for your support and hope that you continue to support this tremendous organization that keeps our country great and will improve it for future generations.

Thank you,

Travis Nix



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