

HOW GOVERNMENT REGULATIONS

DRIVE UP CONSUMER PRICES

John Shelton, Vice President

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**ADVANCING AMERICAN
FREEDOM FOUNDATION**

TOPLINE: Affordability and inflation are the top issues facing Americans families in 2026. The easiest way to tame rising prices is to reverse the government overregulation that so often drives it.

- ⚡ **Regulations = Higher Energy Costs:** *Reliable, affordable natural gas is critical in the cold.*
 - **45% of Americans use natural gas to heat their homes** and **43% of all U.S. electricity is generated from natural gas.** Even still, some areas restrict natural gas in new buildings.
 - New York enacted, then delayed, a ban on natural gas in new construction and 18 states sued the Trump Administration to challenge pipeline infrastructure expansion.
- 🍲 **Regulations = Higher Food Costs:** *Food prices have risen 25.3% since 2021.*
 - States are increasingly banning food ingredients and issuing new packaging regulations.
 - **Regulations vary widely by state, creating an inconsistent patchwork of rules.**
 - Differing state laws raise food production, packaging, and distribution costs.
 - A recent study found that state restrictions on ingredients increase the cost of food by 12%.
 - **Regulatory complexity results in higher costs for American households.**
- 🏠 **Regulations = Higher Housing Costs:** *Housing costs are at record highs.*
 - The National Association of Homebuilders (NAHB) estimates **regulations account for 25% of the cost of a single-family home** and **40% of the cost of a multifamily property.**
 - NAHB analysis (2021) found regulations add nearly \$94K to the average home price.
 - The 2021 International Energy Conservation Code adds \$22K+ to a new home cost.
 - Government land-use regulations also restrict supply.
 - For example, in California, ~90% of residents live on just 5% of the state's land.
- 🏥 **Regulations = Higher Health Care Costs:** *Healthcare spending almost doubled, 2011 to 2025.*
 - **U.S. health care spending rose 96% (\$2.7 trillion to \$5.3 trillion) from 2011 to 2025.**
 - During the same period, the U.S. population grew from 313 million to 338 million (8%).
 - **ACA regulations limited families' access to lower-cost short-term health plans.**
 - 14 states have restricted or eliminated short-term health plan options.
 - However, the states that did not heavily regulate short-term plans saw benchmark ACA premiums fall by 7.7% from 2020 to 2023.

BOTTOMLINE: Across energy, food, housing, and health care, a growing web of federal, state, and local regulations is adding significant costs at every stage of production and delivery. While often enacted with well-intentioned goals, these policies are contributing to higher prices for consumers and intensifying the affordability crisis facing American families in 2026. Reducing unnecessary regulatory burdens and expanding consumer choice could help ease inflationary pressures and lower everyday costs.

