10 Ways to Improve AFFORDABILITY NOW

Across 10 Levels of the Economy

ADVANCING **AMERICAN** FREEDOM

Executive Summary

Affordability is the #1 issue facing the American people. The Left's solution is redistribution—taking money from some to subsidize others. **AAF's solution is unleashing Americans by removing legal barriers to prosperity at every level of the economy.**

Here are 10 ways to beat higher prices and restore affordability now:

1: Energy and Natural Resources | *Recommendation:* **Expand Oil and Gas Access**

- Guarantee recurring federal lease sales for all offshore areas and Alaska, and reject state-level hydraulic fracturing bans.

2: Work and Enterprise | *Recommendation:* **Protect Franchisees & Small Businesses**

- Codify a clear, consistent "joint employer" definition based on direct, actual control, protecting small businesses and the franchise model that supports 230,000 owners and nearly 9 million jobs.

3: Building | *Recommendation:* **Cut Zoning Red Tape**

- Cap how restrictive local zoning can be, let by-right projects skip discretionary review, and tie federal housing aid to state zoning reform, since more supply means lower home costs.

4: Innovation and Competition | *Recommendation:* **Unlock AI & Data-Center Growth**

- Reject state data-center moratoriums and deregulate energy markets so utilities can power AI infrastructure directly, since the productivity gains from AI will mean cheaper goods and services and higher incomes.

5: Taxes | *Recommendation:* **End the Business Investment Penalty**

- Permanently allow full and immediate expensing for factories, all new structures, and drilling site development, so businesses can invest, raise wages, and expand supply without facing double taxation.

6: Trade | *Recommendation:* **Reclaim Congress's Tariff Power**

- Repeal laws that delegate tariff authority to the President. Pass the Trade Review Act to require congressional approval. Tariffs set by Congress, not executive fiat, mean lower, more predictable prices.

7: Government Finance | *Recommendation:* **Fix Social Security Now**

- Immediately begin incremental reforms to stave off a fiscal crisis and to prevent either an extra 5% payroll tax hike for all workers or a 22% benefit cut for every retiree.

8: Money and Capital Exchange | *Recommendation:* **Stop Credit Card Rate Caps**

- Reject federal and state interest-rate caps and restrictions on risk-based pricing, since caps don't lower the cost of credit and instead cut off access and push borrowers to predatory lenders.

9: Accountability and Oversight | *Recommendation:* **Close BBCE Welfare Loophole**

- Eliminate Broad-Based Categorical Eligibility so states can't waive federal income and asset tests, saving over $100 billion through 2035 by eliminating many forms of waste, fraud, and abuse.

10: The End Consumer | *Recommendation:* **Unleash Consumer Choice in Vehicles**

- Nullify California's EV-mandate waivers and fully repeal CAFE fuel-economy standards, which act as a backdoor EV mandate pushing automakers toward costlier vehicles many Americans don't want.

Expand Access for Oil & Gas Production

Austin Gae, Policy Analyst

TOPLINE: Federal and state policymakers should expand access to domestic oil and gas through permanent federal lease-sale schedules and fewer restrictions.

BACKGROUND: The federal government administers oil and gas access across federal lands and waters. Onshore federal lands have undiscovered, technically recoverable resources of 29 billion barrels of oil and 392 trillion cubic feet of natural gas; and the Outer Continental Shelf has 66 billion barrels of oil and 218 trillion cubic feet of gas. Access to these resources is critical as petroleum and natural gas together account for 73% of U.S. energy consumption.

Converting this energy potential into production begins with making acreage available for leasing. The One Big Beautiful Bill Act in 2025 required additional oil and gas leases, but its schedules for offshore areas (the Gulf of America and Cook Inlet) and onshore Alaska (Coastal Plain and the National Petroleum Reserve-Alaska) are temporary.

Other government actions have hindered efforts to expand oil and gas production. The Biden administration, for example, withdrew the Pacific and Atlantic coasts, the Eastern Gulf of Mexico, and parts of Alaska's North Bering Sea from new oil and gas leasing in January 2025. State policies may separately restrict development. New York, for example, banned hydraulic fracturing, cutting off about 12 million acres of the Marcellus Shale that is rich in natural gas.

Proposal Summary (Federal & State):

- **Congress should guarantee recurring federal oil and gas lease sales without a sunset for** all federal offshore areas, Coastal Plain of the Arctic National Wildlife Refuge, and the National Petroleum Reserve in Alaska.
- Congress should **prohibit the presidential administration from large scale or indefinite withdrawals of unleased offshore areas**.
- **States should reject hydraulic fracturing bans** like those imposed by New York, California, Maryland, and in other states.

How It Would Make Life More Affordable:

- Crude oil makes up about 51% of the retail price of gasoline, so increasing domestic production is key to keeping gasoline affordable.
- Reducing energy costs helps cut costs and prices throughout the economy from the production and transportation of food and consumer goods to energy-intensive construction materials like steel and concrete to passenger airfare.

BOTTOM LINE: America's abundant energy resources are crucial for economic growth and can help shield families and businesses from rising costs, but only if oil and gas producers can access them.

Protect Franchisees & Small Businesses

Rachel Greszler, Senior Research Fellow

TOPLINE: Congress should end regulatory flip-flopping and codify the rights of franchisees and small businesses to manage their employees and operations free from corporate control.

BACKGROUND: Federal labor law covers situations when workers have two bosses—so-called "joint employers." Despite the longstanding common-law practice of joint employer determinations based on whether an employer exercises direct control over a worker, the definition of a "joint employer" under the National Labor Relations Board has changed four times over the past decade. Expanded definitions that make corporations liable for small business employees they don't control will compel them to impose control over those workers and the small businesses' operations. Changing definitions creates uncertainty that stalls growth, and expanded definitions threaten jobs, incomes, and the entire franchise, subcontractor, and staffing agency models.

Proposal Summary (Federal):
- Congress should **codify the definition of a joint employer**, consistent across all federal law, based on a would-be employer exercising direct, actual, and immediate control over the essential terms and conditions of employment.
- While consistency for all employers is ideal, Congress should **protect the franchise model by codifying the definition of a joint employer within franchisor-franchisee relationships** based on a would-be employer having and exercising substantial direct and immediate control over the essential terms of employment.

How It Would Make Life More Affordable:
- Franchises, subcontractors, and staffing agencies expand employment and incomes and provide unique efficiencies that lower costs.
- Franchising provides a proven model for Americans to own their own businesses—one that's enabled 230,000 franchise owners to employ nearly 9 million workers. Whereas expanded joint-employer standards cost jobs and threaten the entire franchise model, permanent clarity and protection for franchises would allow entrepreneurship, jobs, and incomes to grow.

Related Legislation: H.R. 4366, "Save Local Businesses Act"; H.R. 5267 & S. 3525, "The American Franchise Act"

BOTTOM LINE: Congress should protect jobs, rising incomes, entrepreneurship, and affordable products and services by permanently protecting small businesses and their workers from unwanted corporate control.

Reduce Zoning Restrictions

David Burton, Senior Research Fellow

TOPLINE: State and local zoning laws restrict housing supply and increase the cost of building homes.

BACKGROUND: The first U.S. zoning law was adopted in New York City in 1916. After the U.S. Department of Commerce developed and promoted the Standard State Zoning Enabling Act (1924) and the Standard City Planning Enabling Act (1928), states rapidly adopted zoning laws. By 1930, 35 states had laws enabling local zoning ordinances. Now all do. Local zoning ordinances vary dramatically but have become increasingly restrictive, prescriptive, and complex over the years.

Proposal Summary (State & Local):

- **State Zoning Enabling Acts should place specific, enforceable limits** on how restrictive and prescriptive local zoning ordinances can be with a particular focus on ordinance provisions that limit housing supply and raise costs.
- **States should enact legislation that allows projects to proceed as a matter of right** if they comply with established land use and building regulations, without the need for discretionary review or approval.
- **Local jurisdictions should remove zoning restrictions** that limit supply and raise costs, and focus on needlessly restrictive rules related to permitted density, floor area ratio, building height, minimum lot size, street frontage requirements, setback requirements, lot division, design standards, so-called inclusionary zoning, and neighborhood plans or overlay zones that reduce a parcel's feasible yield or buildable area. In general, objective development standards should replace discretionary standards.
- **Federal policymakers should consider conditioning federal housing aid** (about $50 billion annually) on state adoption of Zoning Enabling Act reforms that remove provisions that artificially raise housing costs.

How It Would Make Life More Affordable:

- Reducing zoning restrictions would substantially improve housing affordability by increasing the supply of housing and reducing the cost of building new homes.

Related Model Legislation: By-Right Housing Development Act; FAIR (Fairness, Accountability, and Integrity in Rezoning) Zoning Act (relating to third-party zoning challenges); Property and Land Use Stability (PLUS) Act (restricts down-zoning without property owners' consent); Private Property Protection Act (requires compensation for regulatory takings); Ending Housing Extortion Act (disallows the imposition of unrelated fees and conditions to procure project approval).

BOTTOM LINE: State and local officials who want more housing to be built should avoid subjecting builders to voluminous, complex zoning restrictions.

Allow AI Infrastructure Productivity Gains

Austin Gae, Policy Analyst; **Richard Stern**, Vice President

TOPLINE: Lawmakers should reject data-center moratoriums and remove regulatory barriers to the reliable, affordable energy needed to power America's AI infrastructure.

BACKGROUND: Few technological advances can bolster nearly all endeavors. AI belongs in that category, as it allows a condensed and adaptable form of most collected human knowledge to be applied to solving problems from supply-chain routing to house hunting. AI, like railroads, electricity, and the internet before, could usher in a new era of American economic growth. Sadly, in July 2026, New York became the first state to impose a one-year statewide moratorium on permitting of hyperscale data centers, forgoing huge potential benefits. To avoid stifling America's economy, the often-exaggerated resource challenges of data centers should be met not with moratoriums, but by expanding energy supply through deregulation.

Debunking Myths About Data Centers

- **Myth**: Data centers require vast amounts of America's water use and land.
- **Reality**: In Virginia, which leads the country with 14% of U.S. data centers, data centers account for less than 0.5% of the state's water withdrawals.
- **Reality**: Loudoun County, Virginia contains a significant share of global data center capacity on just 3% of the county's land, even though the county itself covers only a little more than 1% of Virginia's land.

Proposal Summary (Federal & State):

- Lawmakers should **reject data center moratoriums.**
- Lawmakers should **strengthen the grid and enable reliable, affordable power**.
    - States should repeal costly mandates and allow utilities to generate and sell electricity directly to data centers and other customers off the grid.
    - Congress should rein in the EPA's attempts to restrict coal and natural gas with overbroad interpretations of the Clean Air Act.

How It Would Make Life More Affordable:

- AI, and cloud computing and data storage, can make the economy more productive, helping businesses produce more goods and services at lower costs and making everyday needs more affordable.
- AI helps businesses to reduce waste and more efficiently run their production chains, leading to lower prices and more product access for American families.

BOTTOM LINE: Allowing AI and energy infrastructure to be built will strengthen the U.S. economy and help unlock productivity gains that would make goods and services more abundant and affordable and lead to higher incomes for Americans.

End Penalties on Business Investment

Preston Brashers, Research Fellow

TOPLINE: Congress should reform the tax code to ensure that full and immediate expensing is permanently allowed for all forms of business investment.

BACKGROUND: A longstanding defect in the U.S. tax system is businesses' inability to fully deduct the costs of certain investments when they are made. Instead, the tax system often spreads such deductions over many years (up to 50 years in some cases) based loosely on the expected useful life of the investment. Business income taxes should apply only to current profits. Delaying deductions for valid business expenditures deviates from that ideal, as the deductions' value declines over time based on the cost of borrowing at prevailing interest rates. The inability to fully and immediately expense physical capital investments discourages spending on assets that could allow businesses to grow and worker productivity and wages to rise.

The One Big Beautiful Bill (OBBB) achieved significant progress toward ending implicit penalties on business investments. OBBB made full and immediate expensing for business equipment and machinery permanent. It also *temporarily* allowed full and immediate expensing for factories and certain other goods-producing structures built within the United States (but set it to expire after 2028).

Proposal Summary (Federal & State):

- **Permanently extend full expensing for factories** and goods-producing structures.
- **Allow full expensing for *all* new structures**, including commercial and industrial buildings and rental housing.
- **Allow full expensing for intangible drilling costs** (gas and oil exploration).

How It Would Make Life More Affordable:

- Full expensing for new rental property would help expand affordable housing (and could act as a pro-growth alternative to subsidies for low-income housing).
- Full expensing for factories and other structures and for gas and oil production would allow businesses to invest more in their capacity and worker productivity, resulting in higher wages and an increased supply of goods and services.

Related Legislation: S. 2056, "CREATE JOBS Act."

BOTTOM LINE: Affordable goods and services depend on businesses producing sufficient output. To grow and expand their output businesses must invest, and they would invest more if the tax code didn't penalize it.

Reassert Congressional Power Over Tariffs

J. Marc Wheat, General Counsel

TOPLINE: Congress should reclaim its exclusive constitutional authority over tariffs from the executive branch.

BACKGROUND: Under Article I of the Constitution, Congress alone may exercise the legislative power of the United States. This is so that before the government can exercise its most important powers, majorities of both chambers of Congress must consent. Article I, Section 8 of the Constitution enumerates the legislative powers of Congress, the first of which is to "lay and collect taxes, duties, imposts and excises." The power to impose tariffs is thus a legislative power reserved exclusively to Congress. The careless implementation of tariffs increases domestic prices, degrades relations with allies, and reroutes trade from America to its adversaries. It is past time for Congress to reassert its constitutional prerogative and protect the liberty of the American people from illegal taxation.

Proposal Summary (Federal):

- **Repeal laws that delegate illegitimate tariff power to the President**.
- **Pass S.1272 - Trade Review Act of 2025, legislation** requiring initial approval from Congress and periodic re-authorization of tariffs to remain in effect. This bill would not fully restore the constitutional arrangement of powers but would be a worthwhile incremental step towards the recovery of Congress's authority over taxation.

How It Would Make Life More Affordable:

- Under unconstrained presidential tariffs, prices have skyrocketed. When tariffs are imposed by Congress, not the unilateral will of the President, constituents can weigh in, legislators can deliberate, and businesses can plan. As a result, tariffs, if imposed at all, will be lower and more targeted, leading to greater stability, lower prices, and higher confidence in the economy both domestically and abroad.
- Tariffs have strained job growth. Thanks to tariffs, nearly 900,000 fewer jobs have been created than expected, despite the benefits of the One Big Beautiful Bill.
- American families are paying the costs of the government's tariff litigation and subsequent refunds. So long as the government continues collecting tariff revenue and promises to issue refunds *with interest* if struck down, American families will pay the price of illegal tariff policies.

Related Legislation: S. 1272, "Trade Review Act of 2025."

BOTTOM LINE: American families, not foreign countries, are bearing the burdens for the administration's tariff policies. Congress must reclaim its power to ensure there is "no taxation without representation."

Enact Comprehensive Social Security Reform

Rachel Greszler, Senior Research Fellow

TOPLINE: Congress should enact comprehensive Social Security Reform to avoid largescale tax increases, benefit cuts to those most in need, and a painful fiscal crisis.

BACKGROUND: At 12.4% of workers' earnings, Social Security is the biggest tax most Americans pay. This was not the original intent of the program. Social Security started as a 2% tax and promised to never take more than 6%. Maintaining current benefit levels would require a nearly 5% payroll tax increase, to 17.3%. Paradoxically, a program that was designed to prevent younger workers from bearing the financial burden of providing for the welfare of impoverished older Americans is today requiring younger workers to pay not just for welfare for the elderly, but golf greens fees and cruises for America's wealthiest generation of retirees to date. Meanwhile, failure to address Social Security and the federal government's unsustainable debt and deficits threaten a fiscal crisis that would make current affordability struggles pale in comparison to the pain that would come. Enacting reform now could stave off a fiscal crisis, prevent massive tax hikes, and improve Social Security's bang-for-its-buck.

Proposal Summary (Federal):

- Policymakers should immediately pass legislation to **begin gradual reforms that would keep Social Security solvent for the long run without tax hikes**.
- This should include gradually shifting toward a **universal benefit structure**, **indexing the retirement age to life expectancy**, using a **more accurate inflation measure**, and **modernizing benefits**.

How It Would Make Life More Affordable:

- By enacting reform now, policymakers can prevent large benefit cuts for lower- and middle-income earners. Without reform, the average Social Security recipient will lose $5,300 per year in benefits beginning in 2032.
- By preventing tax hikes necessary to maintain the current system, policymakers could save a typical household with $84,000 in annual income from having to pay $4,100 more—and $14,500 total—per year in Social Security taxes.

Related Legislation: H.R. 6489 (114th Congress), "Social Security Reform Act of 2016"; H.R. 9187, "Bipartisan Social Security Commission Act of 2026"; S. 4979, "Protecting Retirement Opportunities and Maintaining Income Security for Everyone (PROMISE) Act"

BOTTOM LINE: Solving Social Security's shortfalls now would reduce the risks of a painful fiscal crisis, provide certainty for families to plan for the future, prevent massive tax hikes, and prevent scheduled benefit cuts for those most in need.

Reject Credit Card Caps

Joel Griffith, Senior Research Fellow

TOPLINE: Proposed caps on credit card interest rates are price controls on credit. Like all price controls, they would create shortages, drying up credit for the very families they are meant to help and pushing desperate borrowers toward predatory lenders.

BACKGROUND: Credit card interest rates average nearly 21%. This "price" of credit reflects real costs. Lenders must cover deposit interest, rewards programs, fraud prevention, and (often the largest expense) charge-offs, which average more than 5% of balances annually.

After accounting for all expenses, a bank's net return on credit card assets is less than 2% annually. Rates are priced to individualized risk: CFPB data show effective rates of roughly 11% for super-prime borrowers, 22% for prime, and 25% for subprime. Capping the price of credit does nothing to reduce the cost of providing it. When the mandated price falls below cost, lenders stop lending. A 10% cap would make lending to roughly 60% of Americans unprofitable.

Proposal Summary (Federal & State):

- Congress and state legislatures should **reject legislation imposing credit card interest rate caps**, including the proposed 10% federal cap and state usury limits.
- **Policymakers should not restrict risk-based pricing,** which allows lenders to serve borrowers across the credit spectrum.

How It Would Make Life More Affordable:

- Rejecting caps preserves access to emergency financing. Borrowing $3,000 for a car repair may cost $300 in interest, but it could save the borrower's job.
- Restricting Americans' access to credit only limits what they can buy.
- The evidence on caps is damning: After Illinois imposed a 36% all-in rate cap, lending to subprime borrowers fell 38% and financial well-being worsened.
- Studies show caps increase fees and push borrowers to black-market lenders.

Notable (Harmful) Legislation or Proposals: Sen. Sanders' proposed five-year 10% credit card interest rate cap (2026); President Trump's endorsed one-year 10% cap; Sen. Hawley's Capping Credit Card Interest Rates Act (18% cap); Illinois Predatory Loan Prevention Act (36% all-in APR cap, 2021).

BOTTOM LINE: Usury laws have a more-than-2,000-year track record of failing to achieve their stated aims in societies spanning from ancient Egypt to 18th-century France. An interest rate cap cannot lower the cost of extending credit; it simply cuts off the supply of credit, leading to more credit denials, more bankruptcies, and more families driven to actual loan sharks.

Close Welfare Eligibility Loopholes

Rachel Greszler, Senior Research Fellow

TOPLINE: Congress should eliminate the Broad-Based Categorical Eligibility (BBCE) loophole that allows millions of otherwise ineligible people to qualify for welfare.

BACKGROUND: BBCE allows states to expand Supplemental Nutrition Assistance Program—SNAP, or food stamps—beyond federal income and asset standards simply through the provision of a nominal welfare benefit that can be as trivial as a brochure.

The Department of Agriculture estimated that this categorical eligibility resulted in 5.6 million individuals who did not meet the federal eligibility standards nonetheless receiving SNAP benefits. Only seven states do not use BBCE and instead apply the federal eligibility and asset standards of SNAP. The percentage of the population that receives SNAP benefits is 50 percent higher in states that use BBCE (12.3 percent) than in those that apply federal SNAP standards (8.0 percent)—and yet, the average poverty rate is identical across both groups. This loophole also opens the door to fraudsters by making it easier to wrongly claim eligibility.

Proposal Summary (Federal):

- Congress should **eliminate BBCE and require states to follow federal SNAP eligibility standards**.
- If Congress does not act, **the Administration should implement a rule—one it is reportedly working on—to limit BBCE to households receiving substantial cash TANF benefits**, rather than allowing nominal, non-cash benefits to qualify.
- **States should not use BBCE** and should follow federal SNAP eligibility standards.

How It Would Make Life More Affordable:

- Eliminating BBCE would save federal taxpayers an estimated $100 billion and state taxpayers an additional $10 billion between 2026 and 2035.

Related Legislation: H.R. 416, "No Welfare for the Wealthy Act of 2025."

BOTTOM LINE: Congress should protect taxpayer dollars and preserve SNAP benefits for those in need by closing eligibility loopholes that let fraudsters and people who are well-off receive welfare.

Consumer Choice in Cars and Trucks

Preston Brashers, Research Fellow

TOPLINE: Policymakers should reject electric vehicle (EV) mandates and eliminate laws and regulations that limit the types of vehicles that Americans can drive.

BACKGROUND: Tailpipe Regulations. Since its creation in 1970, the EPA has regulated vehicle emissions under the Clean Air Act (CAA). Initially, this dealt with smog-producing and harmful pollutants like nitrogen dioxide and carbon monoxide, but the EPA's 2009 Endangerment Finding expanded its own authority to limit greenhouse gases (GHGs) like carbon dioxide, though a 2026 EPA rule rescinded that finding.

California Waivers. Under the CAA, the EPA administrator can grant California a waiver allowing it to impose emission standards that are more stringent than federal standards *if* it faces *compelling and extraordinary conditions*. In 2022, California regulators imposed a radical mandate, requiring that zero-emission EVs and plug-in hybrid EVs account for 35% of model year 2026 sales, ratcheting up to 100% by 2035. In 2025, Congress and President Trump nullified the California EV mandate waiver using the Congressional Review Act (CRA). In June 2026, the EPA transmitted four other Obama- and Biden-era California waivers that previous EPAs had failed to transmit, which now gives Congress "its statutorily required opportunity to review."

CAFE Standards. Automakers have faced fleetwide Corporate Average Fuel Economy (CAFE) standards since 1978. The fleetwide average standard was about 27.5 miles per gallon (mpg) for passenger cars from 1985 to 2010 and about 20-21 mpg for light trucks from 1986 to 2005. Targets now differ depending on the sizes of vehicles in carmakers' fleets. For a typical fleet, targets have more than doubled: 59.4 mpg for typical passenger cars and 42.4 mpg for light trucks. The One Big Beautiful Bill zeroed out civil penalties for missing CAFE standards, limiting their current enforceability.

Proposal Summary (Federal):

- Congress should **nullify the four California waivers** that the EPA transmitted.
- Congress should **fully repeal CAFE standards and section 209(b) CAA waivers**.

EV Mandates and Strict Regulations Price Consumers out of the Market:

- CAFE standards and the California waivers act like backdoor EV mandates. Forcing compliance with the 59.4 mpg and 66.4 mpg targets for 2026 and 2032 would force carmakers to produce far more EVs and fewer gas-powered vehicles.
- Even with heavy subsidies, the average price of a new EV was more than $8,000 higher than the price of an average new car in 2025.

Related Legislation: H.R. 346, "Preserving Choice in Vehicle Purchases Act" and S. 995, "Choice in Automobile Retail Sales".

BOTTOM LINE: Stringent regulations push Americans into vehicle options they don't want or out of the vehicle market altogether, while crowding out other innovations.