

Embracing the American Dream

Confronting the Cost of Living Crisis



Table of Contents

- Reform #1**
- 04** Simplify occupational license processes and recognize licenses across state lines
- Reform #2**
- 06** Adopt tax relief on essential goods
- Reform #3**
- 08** Ditch unnecessary college degree requirements
- Reform #4**
- 10** Adopt fiscal responsibility
- Reform #5**
- 12** Reduce barriers to affordable housing



Executive Summary






As inflation eats away at the paychecks of every working American, many feel uncertain about their own financial futures and pessimistic about the future of our country.

While some believe the answer to the cost-of-living crisis is to raise the minimum wage, the reality of the situation is more complicated. In fact, some studies suggest that increasing the minimum wage leads to employers having to cut hours. That means that **increasing the minimum wage actually leads to smaller paychecks.**

Most Americans understand that inflation comes from wasteful government spending. This is why **76% of Americans support limiting government spending** to reduce the risk of inflation.

“The American Dream used to be synonymous with opportunity and economic mobility. But the ever-increasing cost of living has stolen that dream from generations of Americans.”

To address America’s cost of living crisis, America must:

-  Simplify occupational license processes and recognize licenses across state lines
-  Adopt tax relief on essential goods
-  Ditch unnecessary college degree requirements for employment
-  Adopt fiscal responsibility
-  Reduce barriers to affordable housing

Reform #1

Simplify occupational license processes and recognize licenses across state lines

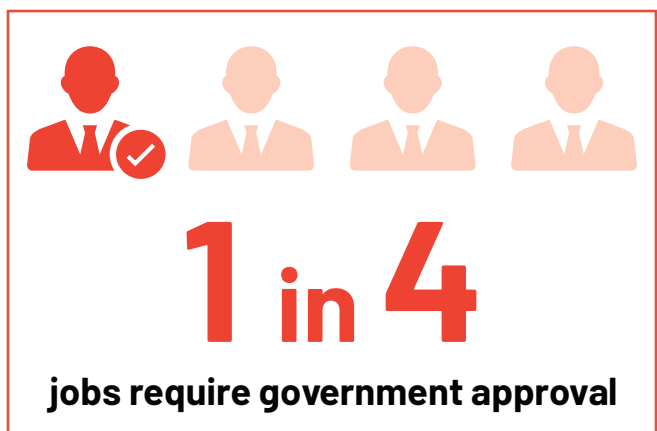
Summary

State-approved licensing programs often take several years to complete, yet many are not recognized by other states. This makes it difficult for people to complete the training programs or move across state lines, which prevents many Americans from achieving the American Dream.

Eliminating occupational license requirements that do not relate to public safety and expanding the number of states which recognize licenses from other states (reciprocity) would simplify entry into these professions and broaden the pool of qualified candidates. This would save would-be professionals thousands of dollars.

An occupational license is a government-issued permit for an individual to practice a particular job. Around 60 years ago, one in 20 jobs required an occupational license. **Today, one in 4 jobs requires government approval.**

Every state and the District of Columbia have unnecessarily difficult or long occupational licensing requirements. Many of these requirements often involve students paying thousands of dollars and can take several years to complete. For example, **it can cost an average of \$16,000 to become a cos-**



metologist and anywhere from 233 to 963 days to complete a state-approved training program.

What's worse, even after completing years of training and several additional on-the-job years of experience, these licenses are often only recognized within a single state. This means that, if a barber in California or Texas wants to move to Hawaii or New York, he or she cannot continue to work as a barber. Instead, he or she must start state-specific licensing requirements from the beginning.

A solution to this problem would be to adopt licensing reciprocity in which states would honor the education and licenses of others.

While some regulation may be necessary to protect the health and safety of the American public, simplifying the occupational license process would make it easier for Americans to find employment and feel free to move throughout the country.





It can cost **an average of \$16,000** to become a cosmetologist and can take anywhere from



to complete a **state-approved** training program.

Opportunities for Reform

-  **Eliminate unnecessary occupational license** requirements that do not directly protect public health and safety
-  **Expand professional license reciprocity** across state lines so credentialed professionals can practice their profession

Reform #2

Adopt tax relief on essential goods

Summary

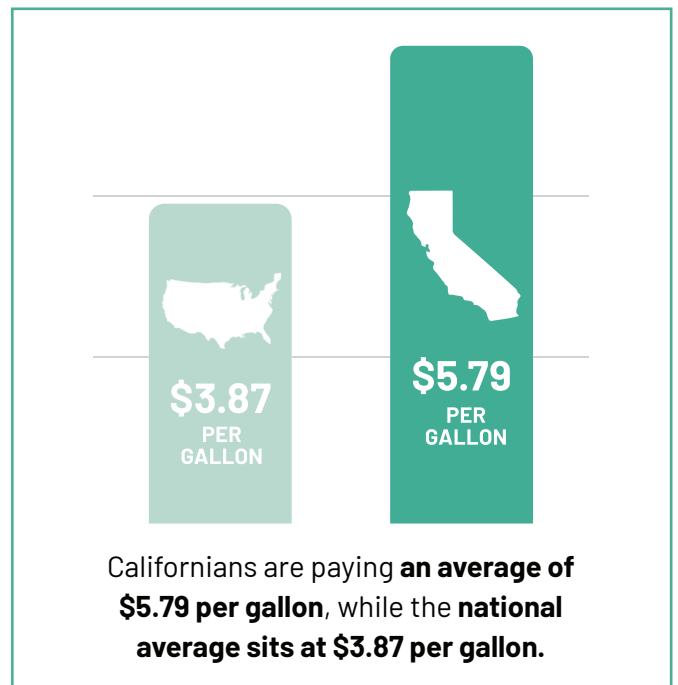
When the government prints excess money, it causes inflation and salaries will fail to keep up. This is because increasing the supply of money greatly reduces its value. **Despite any modest salary increases, printing money steals the value of every dollar, leaving Americans poorer.**

Lowering and repealing taxes on essential goods would immediately help families who are living paycheck to paycheck.

California has one of the highest gasoline prices in the country. **They are paying an average of \$5.79 per gallon, while the national average sits at \$3.87 per gallon.** Many blame oil companies for price gouging Americans, but it is the government who rakes in the cash.

For every gallon of gas sold in California in 2022, PBF Energy, California's third-largest oil refinery, made 78 cents per gallon. Yet, **during that same period, the State took in 97 cents per gallon, plus 3.7% in state and local sales taxes.** That is not to mention the federal tax of 18.4 cents per gallon.

Gas taxes increase the price of gas and every good and service that requires transportation. Lowering excise taxes on gasoline would help lower the price

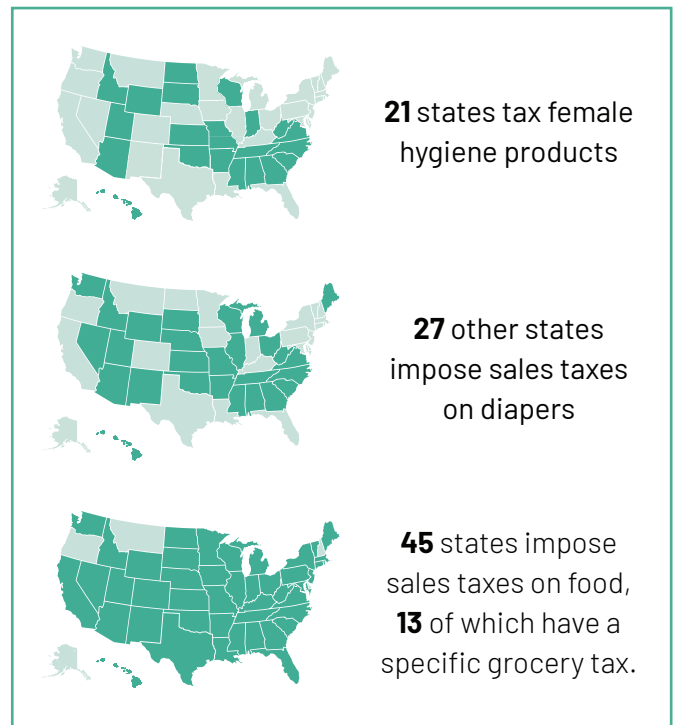


of most goods and make it easier for Americans to fill up their tanks.

And harmful taxes exist far beyond the gas station.




For example, **21 states tax female hygiene products while 27 other states impose sales taxes on diapers. Meanwhile, 45 states²¹ impose sales taxes on food, 13 of which have a specific grocery tax.** These taxes unfairly increase their price, making it harder for women, new parents and every American to make ends meet.

We shouldn't have to pay the government extra money to get necessary items. Lowering or removing taxes on essential goods would help reduce the overall cost of living for Americans, making it easier for every one of us to meet our everyday needs.



“Adopting fiscal responsibility would help the economy stabilize and ensure Americans can afford to live in America.”

Opportunities for Reform

-  **Adopt gas holidays and permanently reduce excise taxes on gas** to help Americans at the pump and through lower prices on goods
-  **Repeal the “Pink tax”** so women are not penalized for having to purchase necessary feminine hygiene products
-  **Repeal taxes on essential goods** like food and diapers

Reform #3

Ditch unnecessary college degree requirements

Summary

Today, **nearly 60% of all jobs in the U.S. require a college degree, but only 25% actually need one.** Requiring college degrees for positions that don't need them forces students to take out unnecessary student loans and spend years in college instead of entering the workforce.

Eliminating unnecessary college degree requirements would help Americans start work sooner without having to worry about crushing student loans.

Americans owe nearly \$1.8 trillion dollars in student loan debt, an average of \$29,100 per 2021 graduate. This debt load is driven by the unreasonable requirements that applicants for even entry-level jobs have college degrees when they are not necessary.

While every private business can set its own standards, the government can lead the way by eliminating degree requirements for entry-level jobs, as Virginia did in 2023.

Eliminating needless degree requirements in government jobs will lead private companies to follow suit to stay competitive. This opens doors for qualified but non-college-educated applicants.

Americans owe nearly
\$1.8 Trillion
in student loan debt



In 2021, graduates owed an
average of \$29,100



In the end, both the private and public sectors would be improved as they gain a larger pool of qualified applicants.

Many young adults may also choose not to attend college, which would save them tens or hundreds of thousands of dollars in debt. The extra money they saved from not paying interest on loans would be beneficial to the economy while reducing their reliance on government welfare programs.




Choosing to enter the workforce instead of attending college may especially help **Black adults, who on average take out around \$25,000 more in student loans³⁰ than their white peers.**



Black adults average around
\$25,000
more in student loans than
their white peers

“Eliminating unnecessary degree requirements would not only provide Americans with more immediate access to the workforce but also alleviate the burden of student loan debt and foster economic opportunity.”

Opportunities for Reform

-  **Eliminate unnecessary college-degree requirements** to increase the number of applicants for various entry-level government position
-  **Make work experience equivalent to college education** for more senior roles in government
-  **Encourage the private sector to drop college degree requirements** so young adults do not feel pressured to attend college to get a job

Reform #4

Adopt fiscal responsibility

Summary

When the government prints excess money, it causes inflation and salaries will fail to keep up. This is because increasing the supply of money greatly reduces its value. Despite any modest salary increases, **printing money steals the value of every dollar, leaving Americans poorer.**

By adopting fiscal responsibility, one of the main factors that drives down of inflation, inflation can be brought under long-term control.

Fiscal responsibility means that the government does not print money to spend beyond its means as they did in March of 2021.

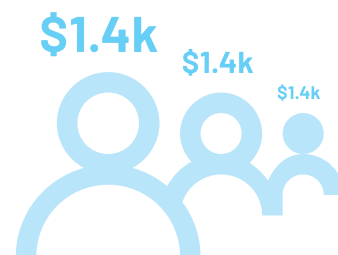
During this period, **the U.S. government issued \$1.9 trillion in COVID-19 stimulus payments – about \$1,400 for every eligible American.** To pay for the program, the Federal Reserve had to print money, seemingly out of thin air.

This failed policy allowed the government to irresponsibly spend money it didn't have. While some families benefited in the short term, every American is now paying interest through higher prices for a variety of household necessities.

For example, in 2022 American families spent an average of \$5,000 in gasoline – \$2,200 more than

During March 2021,
the U.S. government issued
\$1.9 Trillion

in COVID-19 stimulus payments **about \$1,400 for every eligible American.**



the year before. And as gas prices rise, so do prices for almost everything else as businesses must spend more to transport items across the country.

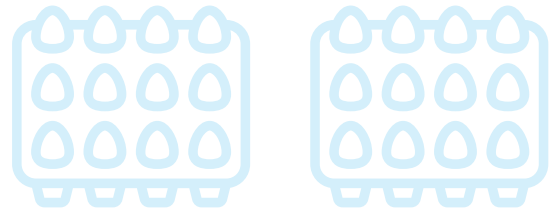
This also helps explain why **the price of eggs doubled from 2021 to April 2023** leading some Americans to smuggle eggs from Mexico. In fact, food prices for almost everything from cereal to meat and dairy rose higher than the consumer price index.¹¹

Meanwhile energy bills for households have also increased faster than the rate of inflation. As of early 2023, **20.8 million households were behind on energy bills**, with the average owing \$791.

The ever-increasing cost of living spurred by irresponsible government spending is why **69% of American families now live paycheck to paycheck**.

Adopting fiscal responsibility would help the economy stabilize and ensure Americans can afford to live in America.

The price of eggs **doubled** from 2021 to April 2023



2021 2023

leading some Americans to smuggle eggs from Mexico.

Opportunities for Reform

 **Oppose government “stimulus” plans** which steal from future generations through inflation

 **Ensure the government spends only as much as it raises**

Reform #5

Reduce barriers to affordable housing

Summary

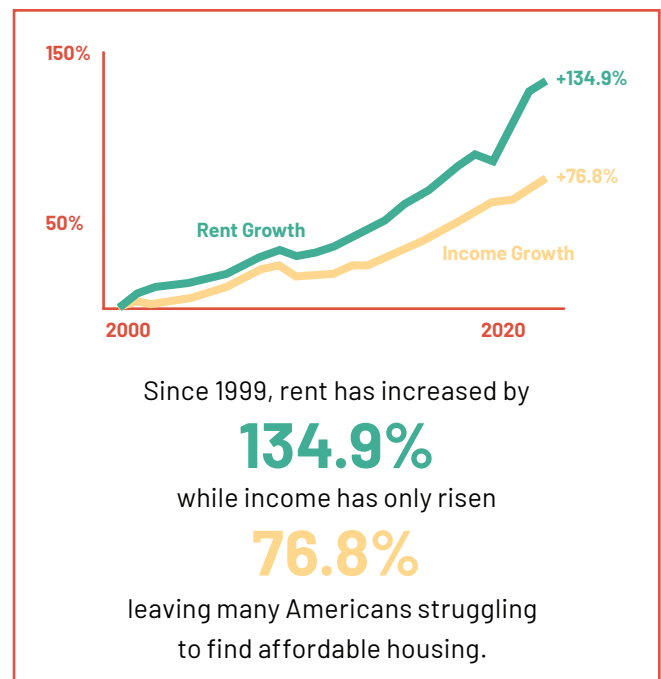
Housing prices rise faster than inflation when the supply has not kept up with population growth and demand. The lack of supply is often the result of local government regulations and property taxes which make renovations and housing expansions difficult.

By changing zoning laws at the local level and property tax at the state level, we can end America's 20 million home housing deficit and reduce barriers to affordable housing.

Since 1999, **rent has increased by 134.9%, while income has only risen 76.8%, leaving many Americans struggling to find affordable housing.** Cities tried addressing the problem by creating "inclusionary zoning" programs that allow companies to build apartments in return for building units for people with lower incomes.

However, instead of decreasing prices, owners were forced to charge more in the other units to make up for lost profits, leading to higher rent for everyone.

Uniquely, Houston has no zoning code preventing construction, which allows the supply of housing to keep up with demand. The freedom to build is why Houston is one of only four cities in the entire country where it is cheaper to buy than rent.

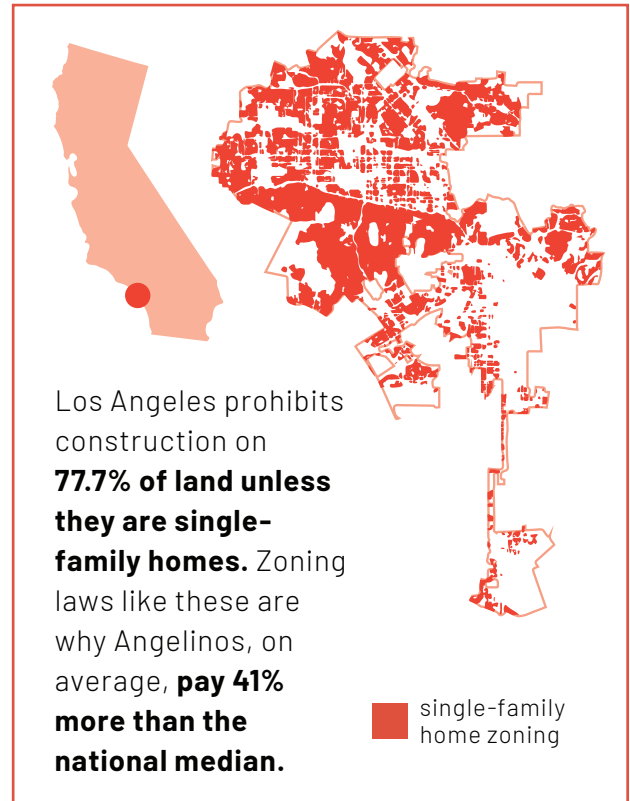


Meanwhile, **Los Angeles prohibits construction on 77.7% of land unless they are single - family homes. Zoning laws like these are why Angelenos, on average, pay 41% more than the national median.**




Removing zoning codes would help lower housing costs of for millions of Americans.

A change to taxation would also make housing more affordable, because most properties are taxed at their assessed value, instead of the land value. This means homeowners are unfairly penalized through higher taxes whenever they want to add a room or convert their empty garage spaces into added bedrooms.

By taxing property based on land value instead of the property itself, Americans who own homes would save hundreds in taxes when making home improvements.



Opportunities for Reform

-  **Terminate zoning** to allow density to match demand
-  **End rent control and inclusionary zoning** to spur new housing
-  **Tax land instead of homes** so Americans aren't penalized for improving their homes



Endnotes



1. Mankad, S. et al. (2021). Research: When a Higher Minimum Wage Leads to Lower Compensation. Harvard Business Review. Retrieved from <https://hbr.org/2021/06/research-when-a-higher-minimum-wage-leads-to-lower-compensation>
2. Join our America. (2023). Our America's Common Ground National Survey. Retrieved from <https://joinouramerica.org/our-americas-common-ground-national-survey/>
3. Lorsh, E. (2022). Here's why salaries in the U.S. don't keep up with inflation. CNBC. Retrieved from <https://www.cnbc.com/2022/12/14/why-salaries-in-the-united-states-dont-keep-up-with-inflation-.html>
4. Money Staff, et al. (2023). What Is the Law of Supply and Demand? Money. Retrieved from <https://money.com/what-is-the-law-of-supply-and-demand/>
5. Miran, S. (2023). Filling the Punch Bowl. City Journal. Retrieved from <https://www.city-journal.org/article/high-government-spending-undermines-feds-inflation-measures>
6. Rivera, T. (2021). Where does the stimulus money come from? WFMV News 2. Retrieved from <https://www.wfmynews2.com/article/news/local/2-wants-to-know/does-the-stimulus-money-come-from-401ks-taxes-or-social-security-funds/83-f138e37a-c043-4af9-8eff-2a7ec3ef20c8>
7. Ng, Madeline. (2022). Is the stimulus to blame for high inflation? Vox. Retrieved from <https://www.vox.com/policy-and-politics/2022/10/17/23401726/inflation-stimulus-american-rescue-plan>
8. Domm, P. (2022). Households are now spending an estimated \$5,000 a year on gasoline. CNBC. Retrieved from <https://www.cnbc.com/2022/05/18/households-are-spending-the-equivalent-of-5000-a-year-on-gasoline.html>
9. Smialek, J. (2023). Inflation Sped Up as Gas Prices Rose. New York Times. Retrieved from <https://www.nytimes.com/2023/09/13/business/august-inflation-report.html>
10. Ivanova, I. (2023). Food prices are rising at the highest rate in decades. Here's where that money goes. CBS News. Retrieved from <https://www.cbsnews.com/news/food-prices-inflation-inputs-profits-heres-where-that-money-goes/>
11. Ibid
12. Lee, M. (2023). Food prices are rising at the highest rate in decades. Here's where that money goes. USA Today. Retrieved from <https://www.usatoday.com/story/money/personalfinance/2023/01/30/energy-prices-inflation-help-with-utility-bills/11151340002/>
13. Lending Club Corporation. (2023). 69% of Americans in Urban Areas are Living Paycheck to Paycheck; 14 Percentage Points Higher than Suburban Consumers. Retrieved from <https://www.prnewswire.com/news-releases/69-of-americans-in-urban-areas-are-living-paycheck-to-paycheck-14-percentage-points-higher-than-suburban-consumers-301832741.html>
14. Cwik, P. (2020). Why Government Stimulus Is Bad Policy. FEE. Retrieved from <https://fee.org/articles/why-government-stimulus-is-bad-policy/>
15. Povey, O. (2023). Gas prices today, September 21 in California by county: what's the average price near me? AS. Retrieved from https://en.as.com/latest_news/gas-prices-today-september-21-in-california-by-county-whats-the-average-price-near-me-n/
16. Tucker, L. (2022). ENERGYNEWS RELEASES PBF's Oil Refining Profits Triple, Makes 78 Cents Per Gallon On California Gasoline Compared To 50 Cents In Rest Of US. Consumer Watchdog. Retrieved from <https://consumerwatchdog.org/energy/pbfs-oil-refining-profits-triple-makes-78-cents-gallon-california-gasoline-compared-50-cents/>
17. Allyn, R. (2022). A breakdown of the taxes and fees in California gas prices. CBS8. Retrieved from <https://www.cbs8.com/article/traffic/gas-prices-gap-between-californias-gas-prices-and-the-us-has-never-been-larger/509-17522867-a344-4cbc-bc5d-ac617eb21268>
18. Ibid. 9.
19. Tyko, K. (2023). Momentum builds to ban "period taxes". Axios. Retrieved from <https://www.axios.com/2023/03/08/period-tax-women-taxes-gender-equality>
20. National Diaper Bank Network. (2023). Diaper Tax. Retrieved from <https://nationaldiaperbanknetwork.org/diaper-tax/>
21. Van Cleave, V. (2023). These 5 States Are Slashing Grocery Taxes. Taste of Home. Retrieved from <https://www.tasteofhome.com/article/grocery-tax-by-state/>





Endnotes



22. Hanford, E. (n.d.) The Value of a College Degree. American Public Media. Retrieved from <https://americanradioworks.publicradio.org/features/tomorrows-college/dropouts/value-of-college-degree.html>
23. Henderson, C. (2022). Here's why you shouldn't require a 4-year degree in your job descriptions. Insider. Retrieved from <https://www.businessinsider.com/four-year-degree-not-necessary-most-jobs-2022-3>
24. Schulz, M., & et al. (2023). 2023 Student Loan Debt Statistics. Lending Tree. Retrieved from <https://www.lendingtree.com/student/student-loan-debt-statistics/>
25. Maurer, R. (2023). Virginia Drops Degree Requirements for Most State Jobs. SHRM. Retrieved from <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/virginia-drops-degree-requirements-most-state-jobs.aspx>
26. Vozzella, L. (2023). Virginia Gov. Youngkin scraps degree requirement for most state jobs. Washington Post. Retrieved from. <https://www.washingtonpost.com/dc-md-va/2023/05/30/youngkin-college-degree-state-workforce/>
27. Hanson, M. (2023). Economic Effects of Student Loan Debt. Education Data Initiative. Retrieved from <https://educationdata.org/student-loan-debt-economic-impact>
28. Ibid.
29. Brown, D. A. (2021) College isn't the solution for the racial wealth gap. It's part of the problem. The Washington Post. Retrieved from <https://www.washingtonpost.com/outlook/2021/04/09/student-loans-black-wealth-gap/>
30. Singletary, M. (2020). Stop telling Black people we could close the wealth gap if we valued education more. The Washington Post. Retrieved from <https://www.washingtonpost.com/business/2020/09/25/black-parents-college-education/>
31. National Commerce of State Legislatures. (n.d.) Executive Summary. Retrieved from <https://www.ncsl.org/labor-and-employment/the-national-occupational-licensing-database>
32. Institute for Justice. (n.d.) Cosmetology. Retrieved from <https://ij.org/issues/economic-liberty/cosmetology/>
33. Paul Mitchell Schools. (2020). List of State Reciprocity Requirements. Retrieved from https://paul-mitchell-schools-website-lightsail.s3.amazonaws.com/uploads/sites/163/List-of-State-Reciprocity-Requirements-Barber_620-1slc.pdf
34. Corinth, K. & Dante, H. (2023). IZA DP No. 15447: The Understated 'Housing Shortage' in the United States. IZA Institute of Labor Economics. Retrieved from <https://www.iza.org/publications/dp/15447/the-understated-housing-shortage-in-the-united-states>
35. Peck, E. (2023). America's growing rent burden. Axios. Retrieved from <https://www.axios.com/2023/05/22/americas-growing-rent-burden>
36. Hamilton, E. (2021). Inclusionary Zoning Hurts More Than It Helps. Mercatus Center. Retrieved from <https://www.mercatus.org/research/policy-briefs/inclusionary-zoning-hurts-more-it-helps>
37. Ibid
38. Saltzman, J. (1994). Houston Says No to Zoning. FEE. Retrieved from <https://fee.org/articles/houston-says-no-to-zoning/>
39. Garcia, S. (2023). Houston is 1 of just 4 cities in which it's cheaper to buy than rent, analysis shows. Houston Chronicle. Retrieved from <https://www.houstonchronicle.com/news/houston-texas/trending/article/home-buying-cheaper-renting-houston-18112941.php>
40. Zillow Rental Manager. (2023). Los Angeles, CA Rental Market. Retrieved from <https://www.zillow.com/rental-manager/market-trends/los-angeles-ca/>
41. U.S. Department of Transportation Center for Innovative Finance Support. (n.d.). Land Value Tax. Retrieved from https://www.fhwa.dot.gov/ipd/value_capture/defined/land_value_tax.aspx
42. Local Housing Solutions. (n.d.) Overview. Retrieved from <https://localhousingsolutions.org/housing-policy-library/land-value-taxation/>





JoinOurAmerica.org



[@JoinOurAmerica](https://www.instagram.com/JoinOurAmerica)