



# MAKING THE AMERICAN DREAM AFFORDABLE AGAIN

*Codifying the Trump Agenda for the Next Generation*



# A FRAMEWORK FOR THE NEXT RECONCILIATION BILL:

## MAKING THE AMERICAN DREAM AFFORDABLE AGAIN

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*For Democrats, affordability is a buzzword. For us, it's a mission. A strategy to deliver for hardworking American families that are still reeling from four years of the failed Biden-Harris Agenda must include policies that will:*

- 1 RESTORE THE AMERICAN DREAM OF HOMEOWNERSHIP** by incentivizing the sale of affordable homes, selling off underutilized government buildings, and enabling the free market to slash the cost of mortgages and down payments.
- 2 DELIVER HEALTH CARE FREEDOM AND LOWER DRUG PRICES** by redirecting subsidies away from big insurance companies and into the hands of the American people, eliminating regulatory barriers that increase the price of drugs, and promoting choice and competition.
- 3 REDUCE ENERGY BILLS AND PRICES AT THE PUMP** by accelerating permitting approvals, reducing the power of federal bureaucrats, and providing regulatory certainty to America's energy producers.
- 4 REBUILD THE AMERICAN FAMILY** by eliminating marriage penalties, supporting stay-at-home parents, and eviscerating radical gender ideology.
- 5 CUT WASTEFUL GOVERNMENT SPENDING** by eliminating over \$1.6 trillion in woke, wasteful, and weaponized government expenditures driving up costs for working families.
- 6 CODIFY PRESIDENT TRUMP'S SWEEPING EXECUTIVE ORDERS** by making his historic deregulatory agenda permanent and ensuring that these actions remain the law of the land for generations to come.

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*President Trump, in his 2025 address to Congress, declared that "Americans have always been the people who did whatever it took to defend our **children**, our **country**, and our **freedom**." A second reconciliation bill focused on making homeownership, health care, and energy affordable again will breathe new life into this eternal commitment.*

# WE'VE UNLEASHED AMERICA'S GOLDEN AGE. NOW, IT'S TIME TO RESTORE THE AMERICAN DREAM.

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On July 4, 2025, President Donald J. Trump signed the *Working Families Tax Cuts Act* reconciliation bill into law. In doing so, the President enacted one of the most transformational legislative projects in American history. From delivering the largest tax cut in American history, to providing more than \$140 billion in new border security funding, to delivering the most comprehensive welfare reform package in a generation, Republicans achieved an unprecedented victory for the American people and the America First movement.

The major conservative wins included in the first reconciliation bill would not have been possible without the hard work and determination of the Republican Study Committee and House conservatives, led by Speaker Mike Johnson, who were resolute in using the reconciliation process to advance the America First agenda.

From the outset of the first reconciliation process, the Republican Study Committee staked the most aggressive possible position—advocating for the bill to be deficit neutral and forcefully pursuing the inclusion of our members' priorities in the final bill, ultimately achieving arguably the single greatest legislative victory for the conservative movement in history.

We must build on this momentum. The Congressional Budget Act of 1974 permits additional reconciliation bills in the 119th Congress, and with so much of President Trump's America First agenda still to enact, failing to seize this opportunity would be political malpractice.

The Republican Study Committee is calling on congressional Republicans to immediately begin developing the next reconciliation bill. As Democrats mount an all-out campaign to obstruct and delay the conservative legislative agenda, Republicans must seize on the opportunity to make real progress on behalf of the American people through the budget reconciliation process.

This means crafting a Republican-only bill rooted in legislative solutions and the codification of the President's executive orders that **promote homeownership, drive down the cost of health care, and reduce energy costs by unleashing American energy dominance**. With so much more left to achieve, the time is now for us to build on the success of the *Working Families Tax Cuts Act* and deliver a second legislative victory for American families.

The first reconciliation bill launched America's Golden Age through economic and security reforms. The next reconciliation bill should focus on cementing the progress we've made on affordability in order to **restore the American Dream for every family**.

# SUMMARY OF THE RSC RECONCILIATION 2.0 FRAMEWORK

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## WHAT

The Republican Study Committee's Making the American Dream Affordable Again Framework delivers a conservative blueprint for the next reconciliation bill. As Congress pursues additional reconciliation opportunities, we're providing House and Senate Leadership—and President Trump—a vetted menu of policy options that:

1. Builds on the success of the first reconciliation bill with an agenda **Republicans can unite around** to restore the American Dream, cut costs, and put workers first.
2. Cuts excessive government spending and delivers real savings—**over \$1.6 trillion in reductions, achieving net deficit reduction of over \$1 trillion.**
3. Features common-sense proposals: **nearly 70 percent** already introduced as bills or passed by House Republicans.

## WHY

Because there's more work to be done. Democrats enacted two of three attempted reconciliation bills during the first two years of the Biden Administration. Republicans must seize the same opportunity to undo that damage.

The fall 2025 government shutdown proved a critical lesson: today's Democrat Party won't work across the aisle. For more than 40 days, the Democrats shut the government down over a list of radical demands they themselves knew were non-starters, and publicly admitted that they were willing to inflict untold pain on the American people in order to use them as "leverage." The only viable path to deliver our promises and codify President Trump's agenda is through Republican-only votes: a second reconciliation bill.

## HOW

The process starts with the House Budget Committee issuing instructions to multiple committees, with narrowly tailored goals emphasizing affordability and deficit reduction. To ensure success, we must learn from Reconciliation I.0 and address procedural challenges head-on.

- The RSC has built an AI tool trained on thousands of Byrd Rule documents to generate compliant legislative text and preempt Democrat challenges.
- To avoid delays associated with the Congressional Budget Office (CBO), the Senate Budget Committee should strongly consider accepting alternative scores from the Office of Management and Budget (OMB).

This framework isn't exhaustive—it's a curated list of Byrd-tested proposals submitted for Conference consideration as we chart the path forward.

# MAKING THE AMERICAN DREAM AFFORDABLE AGAIN

## A CONSERVATIVE FRAMEWORK FOR THE NEXT RECONCILIATION BILL

### A PATHWAY TO HOMEOWNERSHIP

1. Create “The Don” Down Payment program, a zero-to-low down payment option through the Federal Housing Administration (FHA) for creditworthy borrowers, eliminating one of the single greatest barriers to homeownership for working families.
2. Expand access to mortgage portability and assumability for Americans with mortgages guaranteed by Fannie Mae or Freddie Mac, allowing homeowners to keep their existing mortgage rate when purchasing a new home and/or enabling new homeowners to assume the previous owner’s mortgage.
3. Direct relevant federal agencies to sell off or lease at a low rate underused and/or underutilized federal properties to expand access to affordable private-sector housing that enables homeownership.  
» **Score: \$115 billion increase in revenues\***
4. Eliminate capital gains tax on the sale of homes to first-time home buyers, and on sales of rental homes to tenants, incentivizing property sales and enabling Americans to realize the American Dream of homeownership.  
» **Score: \$126.1 billion reduction in revenues\*\***
5. Establish Home Savings Accounts, through the existing Trump Account structure, and allow individuals to leverage other tax-advantaged savings accounts to make it easier than ever before for working Americans to save towards owning their first home.  
» **Score: \$8.6 billion reduction in revenues\***
6. Impose a substantial tax penalty on foreign nationals, particularly those with ties to hostile foreign governments, who purchase land and real estate in the United States for investment purposes, crowding out Americans and artificially increasing the price of homes.
7. Impose a 5 percent remittance tax on funds sent by non-citizens back to their country of origin and expand the capture components of the existing remittance tax to include money transferred through electronic funds transfer services and mobile payment apps.  
» **Score: \$65.7 billion increase in revenues**
8. End the Child and Dependent Care Tax Credit (CDCTC) marriage penalty by ending the requirement that both parents work in order to be eligible for CDCTC, supporting stay-at-home parents and young families.  
» **Score: \$25 billion reduction in revenues\***
9. Allow households with only one working parent to contribute double the annual contribution limit to their 401(k), ensuring families aren’t penalized for having a stay-at-home parent.

10. Establish the “Safe Cities Fund” to be extended during the Trump Administration to cities and municipalities working in good faith with the Administration to reduce crime rates, deport illegal aliens, and that permit the National Guard to assist in public safety initiatives.  
» **Score: \$1 billion increase in spending\***
11. Restructure federal housing programs by conditioning federal funding on local buy-in to streamline permitting processes and fast-track local permitting while repealing onerous Biden-era housing regulations like the 2022 Energy Efficient Standards rule.
12. Establish Residential Emergency Asset Accumulation Deferred Taxation Yield (READY) accounts that allow Americans to contribute to a new tax-free savings account specifically for home mitigation and disaster recovery expenses consistent with the provisions included in the *READY Accounts Act*.
13. Restrict Housing and Urban Development funding from going to sanctuary jurisdictions that prevent or impede federal law enforcement operations and cities that impose rent control policies.  
» **Score: \$48 billion reduction in spending\***
14. Prohibit illegal aliens and non-permanent residents from using the Low Income Housing Tax Credit.  
» **Score: \$11 billion reduction in spending\***
15. Repeal the federal death tax.  
» **Score: \$281 billion decrease in revenues**

## REAL HEALTH CARE AMERICANS CAN AFFORD

1. Establish a new, parallel option for individuals to buy comprehensive health insurance coverage with lower premiums in a separate marketplace, consistent with the provisions included in the *New Health Options Act* and the *MAHA Act*.
2. Reform the existing Affordable Care Act (ACA) subsidy structure so that money flows directly into the hands of patients through Health Freedom Accounts, codifying President Trump’s proposal and empowering Americans to shop for the care that meets their needs.
3. Accelerate the development of affordable, high-quality pharmaceutical drugs by implementing the provisions included within the *Biosimilar Red Tape Elimination Act*.  
» **Score: \$6 billion reduction in spending**
4. Require health insurance companies and providers to disclose cash prices for medical care and disclose out-of-network access to low-cost providers, enabling patients to pay cash rates for care and see the doctor they want.
5. Codify the TrumpRx program, dramatically reducing drug prices by allowing pharmaceutical companies to bypass middlemen in order to provide direct discounts to patients.

6. Appropriate funding for cost-sharing reductions, in turn reducing premiums by 11 percent for working class Americans.  
» **Score: \$37 billion reduction in spending\***
7. Eliminate Washington, D.C.'s special Federal Medical Assistance Percentage (FMAP) status.  
» **Score: \$9.5 billion reduction in spending**
8. Eliminate the failed Prevention and Public Health Fund.  
» **Score: \$11 billion reduction in spending\***
9. Enact iron-clad program integrity reforms for federal childcare programs to prevent the next Minnesota fraud scandal.
10. Prohibit foreign nationals from receiving welfare benefits if they send remittances to their home country, preventing American taxpayers from subsidizing lifestyles abroad.
11. Require federal agencies to only consider U.S. citizens when allocating population-based funding streams for cities and urban centers.  
» **Score: \$629 billion reduction in spending**
12. Codify President Trump's Public Charge Rule from his first term, expanding the definition of the cost of a foreign national entering the country to include the amount of non-cash welfare benefits they are likely to utilize.  
» **Score: \$65 billion reduction in spending\***
13. Codify policies included in the *Lower Health Care Premiums for All Americans Act* to expand Individual Coverage Health Reimbursement Agreements and offer two-year, per-employee tax credits for businesses under 50 employees, and codify Association Health Plans.
14. Ensure tax parity for health sharing ministries, short-term plans, medical cost sharing, and subscription-based medical care.
15. Require pharmacy benefit managers (PBMs) to pass on a portion of their rebates directly to patients.  
» **Score: \$18 billion reduction in spending**
16. Impose site-neutral payment requirements on hospital billing in the Medicaid program.  
» **Score: \$172 billion reduction in spending**
17. Expand language included in the *Working Families Tax Cuts Act* to make all non-citizen foreign nationals ineligible for Medicaid, The Supplemental Nutrition Assistance Program (SNAP), housing assistance, and other forms of government benefits.  
» **Score: \$231 billion reduction in spending\*\***
18. Implement a 20 percent FMAP penalty for states that refuse to prohibit illegal aliens from participating in state Medicaid programs.
19. Eliminate Broad-Based Categorical Eligibility, restoring common-sense and fairness to our

welfare system through asset tests that limit millionaires from getting taxpayer-funded benefits.

» **Score: \$100 billion reduction in spending\***

20. Expand access to paid family leave, supporting young families and childhood development by investing in and supporting state-based paid family leave initiatives, consistent with the provisions included in the *More Paid Leave for More Americans Act*.

» **Score: \$500 million reduction in revenues**

21. Fully eliminate the ability to collect the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) for anyone not authorized to work in the United States, and/or if they are not a legal permanent resident.

» **Score: \$29.4 billion increase in revenue**

22. End zero-tolerance quality control in the SNAP system and require states to use multiple issuances of SNAP benefits to prevent multiple issuances of other benefits through the National Accuracy Clearinghouse.

» **Score: \$7.4 billion reduction in spending\***

23. Prohibit federal funding for illegal aliens temporarily enrolled in Medicaid prior to their formal immigration verification or enrolled via Hospital Presumptive Eligibility.

» **Score: \$14.1 billion reduction in spending**

24. Extend and make permanent the one-year freeze on federal funding for large abortion providers that was included in the *Working Families Tax Cuts Act*.

» **Score: \$31 million reduction in spending**

25. Prohibit Medicaid and ACA enhanced tax credits from financing gender transition/mutilation procedures and elective abortions.

» **Score: \$2.9 billion reduction in spending\*\***

26. Implement an excise tax on colleges and universities that allow biological males to compete in women's sports.

» **Score: \$275 million increase in revenues**

## **ENERGY INDEPENDENCE AND ECONOMIC SECURITY FOR ALL AMERICANS**

1. Prohibit the imposition of economically significant rules and regulations that have not been preemptively approved by Congress, consistent with the *REINS Act*.

» **Score: Hundreds of billions in reduced spending\***

2. Codify President Trump's executive orders focused on deregulation and affordability, modifying their language where necessary in order to adhere to the confines of the Byrd Rule.

3. Impose a fee for Clean Air Act preemption waiver applications made by states seeking to exceed U.S. Environmental Protection Agency federal emissions standards.

4. Impose a series of royalty-style fees on lawsuits challenging federal action under procedural environmental laws and use those fees to fund the Department of Justice's Environmental and Natural Resources Division.  
» **Score: \$4.4 billion increase in revenues**
5. Dramatically reduce Bureau of Land Management (BLM) permitting requirements in instances where less than half of subsurface minerals within a drilling spacing unit are owned by the federal government consistent with the provisions included in the Bureau of Land Management Mineral Spacing Act.
6. Tax third-party litigation to discourage frivolous lawsuits that undermine economic growth.  
» **Score: \$27 billion increase in revenues**
7. Establish the “Keeping the American Promise” program to provide economic protection against future Administrations cancelling already approved permits, licenses, and other private investments for fossil fuel development and sale.
8. End the taxation of inflation, ensuring that when Americans sell a home, farm, small business, or other assets, the taxes they pay on that sale are not influenced by how inflation has artificially altered the value of their investment.  
» **Score: \$272 billion reduction in revenues**
9. Establish a permit by rule for oil, gas, and liquid natural gas exports similar to the provisions included in the Full Responsibility and Expedited Enforcement Act.
10. Refill the Strategic Petroleum Reserve, in whole or in part with discounted Venezuelan oil made available by Operation Absolute Resolve, at the level proposed by the House-passed reconciliation bill.  
» **Score: \$1.1 billion reduction in revenue**
11. Limit or withhold federal transportation funding to states and cities granting driver's licenses to illegal aliens, and to sanctuary jurisdictions violating federal law and undermining the President's effort to secure the border.  
» **Score: \$76.3 billion reduction in spending**
12. Establish Jumpstart Accounts that allow individuals to make tax-free contributions to savings accounts that would finance apprenticeship education and initial business costs, and create a new tax credit to allow businesses to onboard additional apprentices, consistent with the President's efforts to register one million new apprenticeships in the United States.  
» **Score: \$8.1 billion reduction in revenues**
13. Reauthorize the Work Opportunity Tax Credit, incentivizing businesses to create new jobs and hire hardworking American citizens, thereby reducing the number of individuals who are dependent on government assistance.

**14. Establish categorical exclusions for forest management related-activities consistent with the provisions of the *Proven Forest Management Act*, protecting natural resources and promoting effective wildfire management provisions.**

NOTES:

- *The above framework serves as a strong menu of options for a second reconciliation bill, and is not intended to be an exhaustive list of every policy priority that conservatives may want to include in the next reconciliation bill.*
- *All revenue/outlay scores provided by the Fiscal Lab, except where noted with one asterisk (\*). Scores marked with two asterisks (\*\*) represent conservative estimates based on partial Fiscal Lab calculations—the actual savings may be higher once all aspects of the provision are fully scored. Additional scores were requested for provisions not included above and can be provided to RSC Member Offices upon request.*



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