



January 2025

NEW YEAR, NEW POLICIES

ACI's 2025 Resolutions for Consumers

Introduction

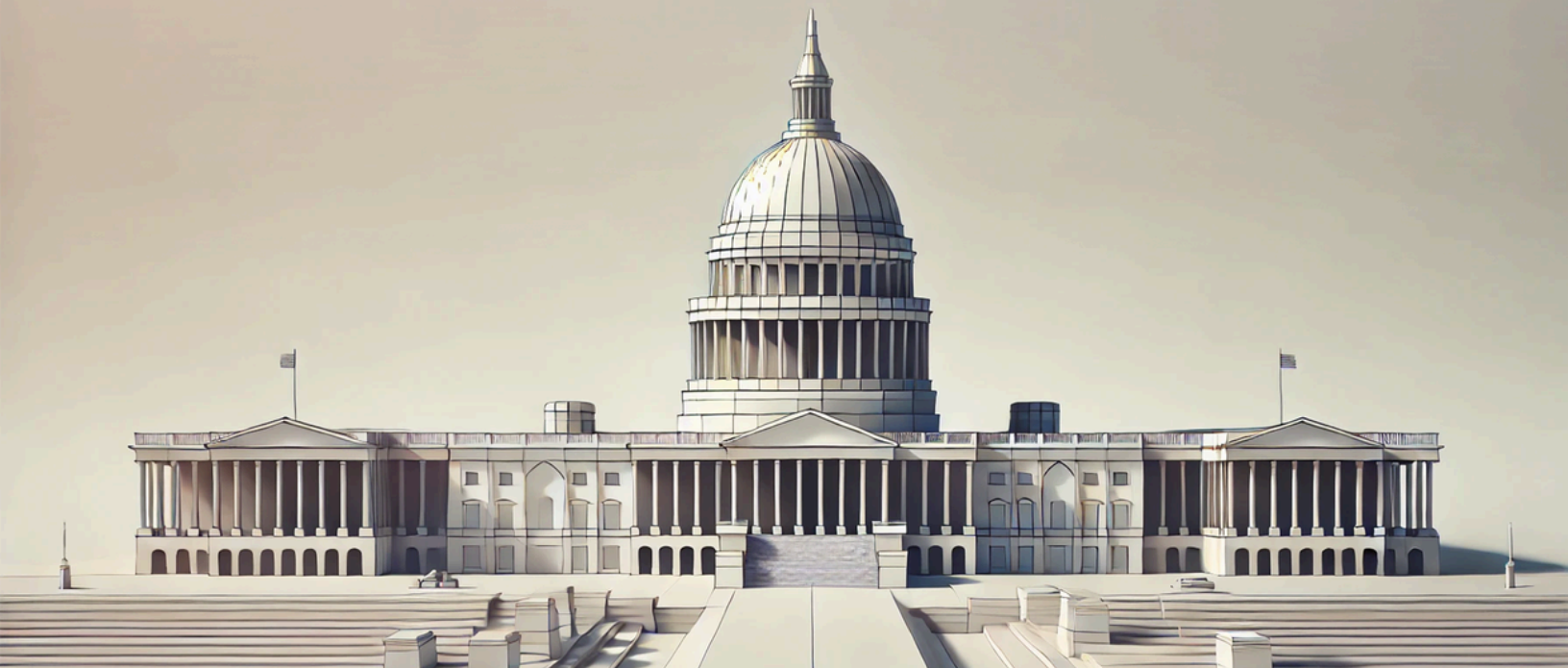
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As we enter 2025, millions of Americans are drafting their New Year's resolutions: spend less, focus on their loved ones, and make better-informed decisions. Sound familiar? At the American Consumer Institute (ACI), we've been busy pursuing policy resolutions for consumers since 2007.

Founded on the belief that consumers' interests deserve a stronger voice in the public policy arena, ACI is a 501(c)(3) nonprofit educational and research institute that works to bridge the gap between policies and people. Through rigorous and detailed policy research, empirical analysis, and econometrics, **ACI demonstrates and measures how public policies and regulations impact consumer welfare—measured through cost, access, quality & innovation, and respect for individual choice.**

In 2025, we're doubling down on our resolutions to serve as an unwavering and informed voice for consumers as new opportunities arise with a new administration in office and fresh faces in Congress. Through insightful, data-driven research, ACI will tackle key policy questions in energy, healthcare, finance, insurance, and technology policy to lower costs for consumers, improve quality and access to goods and services, and empower informed decision-making—all through a vibrant and competitive free market.

As individuals aim to hit their fitness goals or organize their closets, ACI is laser-focused on creating a policy landscape where consumers thrive. **Here's to a year of meaningful change—one that puts consumers first.**



ACI on Energy: Powering Consumer Choice in 2025

Reliable, affordable energy doesn't just keep the lights on—it fuels economic growth, industry, and innovation. Yet, government interference and outdated regulations often increase costs, limit competition, and stifle progress. The North American Electric Reliability Corporation's annual long-term reliability assessment indicates elevated levels of risk for electricity shortages. It is imperative to employ energy sources that keep our grid dependable and secure, especially as we face unprecedented demand. At ACI, we champion an “all-of-the-above” energy policy that maximizes consumer choice, prioritizes reliability, unleashes abundance, and reduces costs for households and businesses alike.

In 2025, ACI is committed to advancing key energy reforms that will put consumers first, support economic development, and ensure America's energy future remains strong and competitive.

Nuclear: Advancing Innovation for Reliability

Nuclear energy is poised for a renaissance. Once sidelined, it's now enjoying bipartisan support as industries recognize its immense potential to power the future. Major tech companies are already planning to leverage nuclear energy to fuel the rapid expansion of data centers—a sign of what's to come.

Nuclear is one of the safest, most affordable, and reliable energy sources available, boasting the highest capacity factor of any energy source. ACI will advocate for policies that enable the expansion of nuclear infrastructure, including new plants and reactors, while researching and communicating its benefits to consumers, businesses, and policymakers.



Permitting Reform: Unclogging the Pipeline for Progress

Energy projects that could lower costs and expand access are routinely stalled by an outdated and sluggish permitting process. Some critical projects take up to a decade to approve, bleeding billions in costs and forcing cancellations that harm consumers and taxpayers alike.

ACI will push for common-sense permitting reforms that simplify the process, reduce delays, and unlock investment in energy infrastructure. We'll advocate for bipartisan solutions that bring affordable energy online faster, without unnecessary bureaucratic hurdles.

Addressing Harmful EPA Rules: Restoring Market Competition

Government mandates and regulatory overreach from the EPA distort energy markets, increase costs, and threaten reliability. Two key examples demand immediate action:

Power Plant Regulations: The Biden administration's stringent power plant rules force coal and gas plants to control 90% of their emissions using technology that isn't yet proven at scale. This approach will close existing plants, prevent new ones from opening, and strain the electric grid. Wind and solar alone cannot fill the gap, and prioritizing them, jeopardizes energy reliability and affordability

Electric Vehicle Mandates: EPA standards effectively mandate a transition to electric vehicles (EVs) by setting unrealistic emission standards for internal combustion engines. These mandates distort markets, limit consumer choice, and artificially shift the economy through government intervention. EVs should compete based on their merits—not on subsidies or regulations.

ACI will continue to highlight the risks of these policies and advocate for solutions that prioritize consumer needs over government mandates.

In 2025, ACI's energy resolutions are clear: reduce regulatory barriers, restore market-driven competition, and prioritize policies that deliver affordable, reliable energy to all consumers. By championing these reforms, we can power a future where energy is abundant, innovation thrives, and consumer choice reigns supreme.

ACI on Consumer Health and Access: Priorities for 2025

In 2025, ACI is doubling down on efforts to promote consumer health and healthcare access by addressing critical issues in public health regulation and the pharmaceutical supply chain. Through rigorous research and public advocacy, we aim to empower informed decision-making and improve policy outcomes.

Highlighting the FDA's Approval Process Problems

The FDA's sluggish approval process for vape products—especially flavored options—is harming smokers nationwide. While hundreds of thousands die annually from preventable smoking-related diseases, the FDA's delays and rejections limit access to effective quitting tools. This has culminated in a pivotal Supreme Court case, where vape manufacturers are challenging the rejection of flavored products. This year, ACI will continue to emphasize the human cost of a slow approval process and restrictive FDA policies, to reform harmful limitations on flavored vape products.

Exposing the Effects of Flavor Bans

State and local governments continue to implement flavor bans or outright restrictions on vaping products under the guise of protecting children, despite evidence that vaping is the most effective tool for smoking cessation and youth nicotine use is declining. These bans harm adult smokers by removing key options for quitting. By informing the public discourse through research-driven publications that challenge misconceptions about vaping and advocate for balanced policies, ACI hopes to improve health outcomes for current and future generations.

Pharmacy Benefit Managers (PBMs): Increasing Transparency and Competition

ACI has previously written on the link between PBMs and high prescription drug prices. The lack of transparency in the PBM industry has left consumers, employers, healthcare providers, and policymakers in the dark about how the system truly operates. Bipartisan efforts are underway to pass legislation that would require PBMs to pass discounts to customers and be transparent about consumer benefits. Through consumer-focused research, ACI hopes to help push these efforts over the finish line.

Generic Pharmaceuticals: Accelerating Access and Innovation

Prescription drug costs remain high, in part due to delays in generic drug availability caused by misuse of patent protections and intellectual property (IP) laws. Striking the right balance between incentivizing innovation and ensuring timely access to generics is key to reducing costs while still supporting the current pro-innovation landscape. Through the development of research and policy proposals that better align IP incentives with consumer health, ACI will work to ensure access to life-saving medicines without stifling innovation.

By addressing these pressing issues in vaping, PBM transparency, and pharmaceutical innovation, ACI aims to deliver impactful reforms in 2025 that prioritize consumer health and welfare to drive meaningful change.



ACI on Tech Policy Priorities: Innovating for the Future in 2025

As technology continues to redefine industries and daily life, policymakers face both opportunities and challenges. At ACI, we believe that fostering innovation requires clear, balanced policies that empower consumers and businesses while protecting consumer choice and access. In 2025, ACI will focus on advancing pragmatic, forward-thinking solutions to critical tech policy issues.

State Collaboration on Artificial Intelligence

The rapid growth of artificial intelligence has inspired over 700 proposals in state legislatures, creating a confusing patchwork of rules that could stifle AI's transformative potential. ACI's research finds that streamlined policies, including federal baseline standards and incentives for interstate cooperation, are key to creating a pro-innovation environment. Above all else, state and federal policymakers must avoid counterproductive regulations, such as amorphous anti-bias laws that hinder innovation. They must instead embrace policy ideas like the right to compute—which guarantees Americans a right to free expression through computational power—and then spread those ideas in statehouses across the country. Pro-innovation policies expand the scope and scale of AI innovation and preserve the promise of AI for healthcare, defense, and beyond.

Advancing Smart Data Privacy Standards

In many ways, the United States has been an exemplar of how free markets can propel economic growth in the digital world. The highly varied and carefully tailored industry-by-industry approach has encouraged experimentation and change while allowing innovation to flourish. But as the internet age matures and online applications evolve, states across the country have deviated from this approach, instead passing heavy-handed Euro-style data privacy regimes that deviate from the successes of the internet age.

ACI recommends a federal data privacy standard that builds on America's success with sector-specific regulations, focusing on consumer preferences. By protecting sensitive data like health and location information while reducing burdensome compliance costs, such a framework can enhance privacy without sacrificing economic growth.

Keeping Consumers at the Heart of Tech-Focused Industrial Policy

The technology sector has taken center stage in industrial policy debates, with initiatives aimed at restoring domestic manufacturing to protect jobs, offering costly incentives to strengthen critical industries, and imposing restrictions to safeguard national security. While protecting national security is a fundamental responsibility of government, it is equally vital to ensure that these actions are pragmatic, goal-oriented, transparent, and balanced with pro-growth reforms.

Businesses thrive where they can source talent to deliver consumers goods and services at prices they can afford. Therefore, ACI believes that industrial policy must prioritize consumers, even as policymakers address broader strategic concerns by equipping workers with the skills they need to compete in a globalized world. Lawmakers should champion thoughtful, evidence-based reforms that strike a balance that promotes innovation, safeguards national interests, and drives economic growth. In 2025, ACI will continue to advocate for policies that align these priorities, creating win-win-win outcomes for consumers, businesses, and the United States. By prioritizing workforce development and reducing bureaucratic hurdles, industrial policy can drive economic success and innovation, not stifle it with unnecessary red tape.

Broadband: The Backbone of the Modern Economy

Broadband access is essential to participating and competing in today's economy. Internet access powers remote work, online banking, telemedicine, record keeping, modernized agriculture, and more. Very little can be done without it. Yet, harmful regulations and costly delays undermine internet access at every turn. The lapse in auction authority has stalled new spectrum allocation, creating uncertainty in expanding broadband capacity. At the same time, contentious regulations like net neutrality are navigating the courts, adding further unpredictability to the industry.

Compounding these challenges is the mismanagement of the Universal Service Fund, which has fostered inefficiency and rent-seeking behaviors with minimal benefits for consumers. ACI has long highlighted the negative effects of poorly executed government programs and regulatory overreach. In 2025, ACI will continue to research and advocate for pro-consumer reforms that prioritize efficiency, innovation, and expanded access, ensuring the broadband industry can meet the needs of a connected society.

Technology-driven innovation is at a crossroads. As the AI revolution sweeps the planet, politicians threaten to inadvertently undermine it at every turn. The current AI debates emulate many past policy mistakes from the privacy wars, including a looming patchwork of rules and regulations that raise compliance costs, artificially concentrate markets, and siphon the American edge in innovation potential. Meanwhile, policymakers have been distracted from important fights like reinstating auction authority that can help build a foundation for modern online communications and commerce. As U.S. policymakers look for opportunities to strengthen America's innovative edge over adversarial nations, like China, they should focus their efforts on workforce development, talent attraction, deregulation, and maintaining a consistent and flexible rule of law as the internet age matures.



Antitrust in 2025: Building a Framework for Consumer-Centric Enforcement

Antitrust enforcement is one of the most influential regulatory tools, touching nearly every sector of the economy. From technology to healthcare, grocery stores to retail, its impacts ripple across industries, shaping competition and consumer outcomes. This far-reaching influence makes it essential to get antitrust enforcement right. Misguided or poorly implemented policies risk stifling innovation, raising costs, and limiting consumer choice.

In 2025, ACI will focus on key areas of antitrust reform to ensure enforcement is rooted in sound economic principles and delivers on its promise to enhance consumer welfare.

Reaffirming the Consumer Welfare Standard

The consumer welfare standard remains the bedrock of modern antitrust enforcement, serving as a guiding principle to evaluate the benefits and harms of market behavior based on tangible consumer outcomes. However, calls to abandon this standard often overlook the logistical challenges of replacing it with an alternative framework. Without a clear and viable replacement, antitrust enforcement risks becoming arbitrary, prioritizing theoretical harms over practical consumer benefits. ACI will research and communicate the benefits of preserving and refining the consumer welfare standard as a pragmatic and effective tool for assessing competition.

Reevaluating Relevant Markets

Defining the relevant market is one of the first—and most critical—steps in any antitrust case. The way markets are delineated can heavily influence the outcome of enforcement actions. Unfortunately, current methodologies sometimes fall short, either oversimplifying complex industries or gerrymandering definitions to secure regulatory wins. ACI will focus on improving market analysis techniques to ensure they accurately reflect the competitive landscape, providing a fairer and more reliable basis for antitrust decisions.

Optimizing the Use of Proxies in Antitrust

Proxies, such as market share or price movements, are often used to infer market dynamics and competitive behavior. While useful, these proxies can be misleading if applied without proper context or economic analysis. ACI will explore how advancements in economic theory and data analysis can refine the use of proxies in antitrust cases, ensuring they serve as accurate indicators rather than oversimplified metrics.

Antitrust enforcement plays a pivotal role in shaping the marketplace, making it imperative to ground its practices in robust economic principles and a clear focus on consumer welfare. Through thoughtful reforms in standards, methodologies, and tools, ACI aims to build a framework that fosters innovation, fair competition, and consumer-centric outcomes.



Unpacking Consumer Rates in Insurance and Financial Services in 2025

Well-intentioned lawmakers frequently aim to lower costs by meddling in insurance and financial markets through measures like rate caps on insurance premiums or lending rates. However, these policies overlook the critical information embedded within consumer rates. Risk, profit margins, losses, and contract terms all help determine what dollar figure consumers pay. Misguided interventions often disrupt this delicate balance, ultimately reducing access to lines of credit during times of need or expansion and further causing price markups. ACI will continue to fight for pro-market policies that ensure fair, transparent, and sustainable insurance and financial markets for consumers as they save, spend, and protect their dollars and assets.

A Toast to 2025

For nearly two decades, ACI has championed consumer welfare by highlighting the real-world impact of policies and regulations on the everyday lives of consumers. Using rigorous analysis and actionable insights, we've tackled issues that matter most—lowering costs, expanding access, improving quality, and defending consumer choice in a dynamic free market.

This year, as policymakers face challenges old and new, ACI remains steadfast in its commitment to pragmatic, pro-consumer solutions. Through data-driven research and thoughtful advocacy, we're working to transform good intentions into impactful results.

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