# A Roadmap for Housing Policy Reform

Proven tools and model policies for states to cut red tape and increase housing supply

Americans for Prosperity (AFP) strives to create an economy that works for all—empowering people to earn success and realize their potential. **Overly burdensome regulations** related to housing, land use, and zoning make housing more costly and erect barriers to economic growth that inhibit opportunity and geographic mobility. For example, expensive housing prevents people from moving to areas with the most economic opportunities. It also makes it harder to start and raise families and seek out other opportunities. This erodes their dignity and diminishes their ability to self-actualize. **Preempting these local barriers through changes in state law** would bolster property rights and foster economic opportunity, improving outcomes for workers, renters, homeowners, and landlords.

AFP is focused on enacting these **foundational housing reforms** in all 50 states. The accompanying report provides model legislation, success stories, and resources for policymakers. Policy reforms are split into three tiers based on their potential impact on property rights and housing supply:

## TIER 1 Highest Value

### Permit "missing middle" housing by right

Most residential land in the U.S. only allows single-family homes. Permitting "missing middle" housing would allow townhomes, duplexes, and other light-touch density housing. In 2023, AFP-Montana helped pass SB 323, which allows duplexes by-right on any lot zoned for single-family housing in cities with at least 5,000 residents.

### Legalize multi-family and mixed-use buildings in commercial zones

15 states have passed legislation allowing multi-family and/or mixed-use buildings in commercial areas. AFP state chapters have helped pass this reform in several states, including Texas, New Hampshire, and Nevada in 2025, and North Carolina in larger cities in 2026.

### Legalize accessory dwelling units (ADUs)

22 states have legalized ADUs at the state level. AFP state chapters have helped remove all major barriers to ADUs in Montana in 2023 and Iowa in 2025. In 2026, AFP-Virginia and AFP-North Carolina helped pass ADU legalization in their respective states.

### Eliminate or reduce minimum lot size requirements

7 states have passed statewide minimum lot size reform, including AFP-led efforts in Texas, Idaho, and Kansas. In 2026, AFP-Kansas helped reduce the minimum lot size for many single-family homes to 3,000 sq ft, while Idaho reduced the minimum lot size for new single-family home developments to 1,500 sq ft.

### Eliminate or reduce parking requirements

14 states have reduced or eliminated parking requirements, including AFP-supported efforts in Montana, New Hampshire, Virginia, and North Carolina. In 2026, AFP-North Carolina helped pass the most comprehensive parking reform in the nation, repealing parking requirements for most new residential and commercial buildings statewide.

## TIER 2 Moderate Value

### Repeal restrictions on manufactured housing, tiny houses, and innovative construction

AFP state chapters have reduced restrictions on manufactured housing in 6 states nationwide. In 2026, AFP chapters helped reduce restrictions on modular and manufactured housing in Idaho, Virginia, and Florida.

### Repeal or prohibit mandatory inclusionary zoning

Four states prohibit localities from mandating that a certain percentage or number of housing units in a development be income-restricted, while other states such as Oregon require that localities compensate developers for the costs associated with inclusionary zoning.

### Repeal and preempt rent control laws

32 states ban and preempt local rent control laws. Texas and Connecticut limit the usage and scope of rent control in their localities. In 2023, AFP-Montana helped Montana become the latest state to ban and preempt local rent control.

### Enact "shot clock" provisions

In 2024, AFP-Florida helped pass legislation instituting clear time limits on local approvals on lot and plat permit applications, and AFP-Kansas helped pass HB 2088 in 2025, instituting clear time limits on building permits for single-family homes. In 2026, AFP-Wyoming and AFP-Georgia helped pass shot clock legislation, instituting shot clocks for permit approvals in their respective states.

### Repeal or reform protest petitions

27 states do not have or have recently repealed rezoning protest petitions. In 2025, AFP-Texas helped pass HB 24, reforming the protest petition process and making it easier to approve more housing. In 2026, Iowa reformed its protest petition process, and AFP-Kansas helped repeal protest petitions for single-family homes.

### Eliminate or reform building height restrictions

These restrictions limit the height of apartment buildings, especially in urban and downtown areas. In 2025, AFP-Montana helped pass SB 243, which prevents local authorities from imposing restrictive building heights in downtown areas.

## TIER 3 Lower Value

### Eliminate Urban Growth Boundaries (UGB)

These boundaries around city centers limit housing and commercial development outside the urban area, increasing housing costs and reducing supply. Currently, Oregon, Washington, and Tennessee mandate UGBs for localities statewide.

### Allow single-room occupancy housing (SRO)

Over the past 50 years, many localities nationwide have banned SROs, reducing housing options for low-income individuals and reducing property rights for homeowners looking to rent out spare rooms.

### Allow single-stairway apartment buildings

8 states have legalized single-stair apartment buildings, and an additional 9 states have directed agencies or committees to explore legalizing such buildings. In 2026, AFP-Idaho and AFP-Michigan helped pass single-stair building legalization in their respective states.

### Allow third-party reviews and inspections

AFP state chapters have helped pass legislation allowing qualified, private reviewers to conduct inspections and plan reviews in Tennessee, New Hampshire, and Kansas.

### Create a housing task force

In 2022, Montana created a bipartisan housing task force that recommended numerous reforms that have ultimately passed and been adopted by the legislature. In 2025, AFP-New Hampshire helped pass HB 399, which created a legislative committee to propose zoning and land-use reforms in the Granite State.

**Read the full report**

Model legislation, success stories, and resources for policymakers. Scan the code or visit americansforprosperity.org/policy-corner/a-roadmap-for-housing-policy-reform-2026.

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