EPA Proposes Repeal of Legal Foundation for Greenhouse Gas Rules

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The U.S. Environmental Protection Agency (EPA) has proposed a major shift in regulatory policy—to rescind the agency's 2009 "Endangerment Finding" and to repeal all resulting emission standards for new motor vehicles and engines. The proposed rescission could have a ripple effect because the Endangerment Finding has served as the legal basis for federal climate regulations that govern the emission of greenhouse gases (GHGs).

In 2009, the EPA concluded that GHG emissions contribute to global climate change and endanger public health and welfare (the Endangerment Finding) and that it, therefore, had authority to regulate those emissions under the federal Clean Air Act (CAA). The finding was triggered by the Supreme Court's decision in *Massachusetts v. EPA* (2007) that directed the EPA to either issue an endangerment finding for GHGs or provide a basis in the Clean Air Act for not doing so.

The EPA initially used the Endangerment Finding as the legal basis to regulate nationwide emissions from light-, medium-, and heavy-duty motor vehicles and engines. Subsequently, the EPA used the Endangerment Finding to regulate GHG emissions from various stationary sources, such as power plants and oil and gas operations. In its newly proposed rule, the EPA argues that the Endangerment Finding exceeded its statutory authority under the Clean Air Act and that the term "air pollution," as used in the CAA section 202(a), is "referring to local or regional exposure to dangerous air pollution." EPA-HQ-OAR-2025-0194.

According to the EPA, rescinding the Endangerment Finding would eliminate its legal obligation to regulate GHG emissions from new light-, medium-, and heavy-duty vehicles and engines. The repeal could also effectively remove the basis for a range of rules that regulate GHG emissions from stationary sources, such as power plants and oil and gas operations.

The proposed rescission, if finalized, will have significant implications for industry. For automakers and suppliers, eliminating federal GHG standards may reduce short-term regulatory burdens but could result in uncertainty. Companies that have invested heavily in low-emission technologies may face shifting market expectations and an increasingly fragmented regulatory landscape.

Public comments on the proposed rule must be received by the agency on or before September 15, 2025. The EPA plans to hold a virtual public hearing for this proposed rule on August 19 and August 20, 2025, and has asked parties to pre-register by August 12, 2025, if they wish to speak at the hearing. Industry and other stakeholders should monitor this rulemaking and consider participating in the rulemaking process by filing comments or attending the public hearing.

Attorneys at Haynes Boone will continue to track this rulemaking and are available to assist stakeholders with drafting public comments and navigating the evolving regulatory landscape. For assistance or more information, please contact one of the attorneys listed below or a member of the Environmental Practice Group.

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