

The problem with overreach

3,000-4,500

number of new rules published each year

\$100 million

added cost to the economy of new regs annually (avg.)

\$1 trillion

economic cost of federal regs added over last 3.5 years

This does not include state/ local regulations.

The cost of regulatory burden falls to workers, businesses and consumers.

What is government itself, but the greatest of all reflections on human nature? The

very need for government with checks and balances reflects the reality that humans cannot be trusted with unlimited power—they will inevitably overreach if given the opportunity.

—James Madison
Federalist Paper #51

The Trump administration's repeal of the EPA's 2009 "endangerment finding" for greenhouse gas emissions eliminates approximately **\$54 billion in annual regulatory costs** across all sectors. This massive deregulatory action directly reduces compliance burdens that have been filtering through to apartment development costs, as regulatory expenses currently account for **40.6 percent of multifamily development costs.**



Clean Air Act no longer applies to carbon dioxide, greenhouse gases

Energy Secretary Chris Wright and EPA Administrator Lee Zeldin have determined that CO₂ is fundamentally different from traditional pollutants as it is "odorless, does not affect visibility and has no toxicological effects at ambient levels."

This legal interpretation removes the Clean Air Act's application to greenhouse gas regulation, eliminating a major source of environmental compliance costs for apartment buildings and construction projects.

Energy Secretary Chris Wright said that the last "sixteen years of uncertainty" are being eliminated for businesses. **By**

establishing legal precedent that agencies cannot regulate greenhouse gases without explicit Congressional authorization, apartment

builders and operators gain long-term regulatory certainty—enabling more confident investment and development planning. Wright's agency is rolling back many other regulations including climate-based zoning and land-use restrictions.

SOURCE: BEN SHAPIRO'S INTERVIEW WITH ENERGY SECRETARY CHRIS WRIGHT, JULY 30, 2025; NAHB, JUNE 2022; "TRUMP'S EPA TARGETS KEY HEALTH-RULING UNDERPINNING ALL US GREENHOUSE GAS RULES," REUTERS, JULY 29, 2025; "EPA TO REVOKE 'ENDANGERMENT FINDING,' LANDMARK BASIS FOR REGULATING GREENHOUSE GASES," CBS NEWS, JULY 29, 2025; "EPA RELEASES PROPOSAL TO REScind OSAMA-BINA 'ENDANGERMENT FINDING' RULES," EPA, NEWS RELEASE, JULY 30, 2025; "ENERGY DEPARTMENT GOES ON DEREGULATION BINGE," THE WELL NEWS, MAY 12, 2025; "ENERGY DEPARTMENT SLASHES 47 BURDEISOME AND COSTLY REGULATIONS," U.S. DOE, MAY 12, 2025; "EPA LAUNCHES NEW ENERGY STAR RESIDENTIAL STANDARD," MULTIFAMILY DIVE, MAY 9, 2024; "MULTIFAMILY PROGRAM REQUIREMENTS," ENERGY STAR, JAN. 1, 2016

Regulating air: A fast history

Clean Air Act

Supreme Court ruled in Massachusetts v. EPA that greenhouse gases could qualify as pollutants under an expansive reading of the law. As such, the EPA must regulate them if it finds they endanger the public.

EPA repeals endangerment finding making it harder to mandate the types of cars, tools and more that may be manufactured.

1970

2007

2009

2025

Clean Air Act authorizes EPA to regulate pollutants such as ozone, particulate matter, sulfur dioxide and others that "may reasonably be anticipated to endanger public health or welfare."

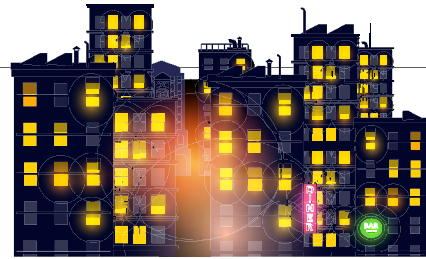
Obama endangerment finding is used to mandate massive regulations costing the economy billions of dollars.

Gone regulations



Eliminating building code changes related to climate regulations

Wright commissioned five climate scientists who found that climate regulations don't meaningfully impact global emissions but "massively grow the government" and "increase costs." This supports rolling back building code changes that have added **11.1 percent to multifamily development costs over the past decade**, the largest regulatory cost category for apartment developers.



Massive reduction in federal building energy regulations

The DoE has eliminated 47 regulations in its "largest deregulatory effort in history," including rules affecting commercial and multifamily high-rise residential buildings. These rollbacks **remove compliance costs and operational restrictions that have burdened apartment operators**, particularly regarding energy efficiency mandates.



Natural gas infrastructure development for apartment buildings

Wright emphasized that natural gas will be "the dominant growth" source for electricity generation, describing it as "abundant, affordable and works all the time." This benefits apartment operators by ensuring reliable, cost-effective energy for buildings and reducing pressure to convert to more expensive electric heating and cooling systems.



Elimination of federal appliance efficiency standards

DoE's rollback of efficiency regulations for "shower heads to stoves to dishwashers and microwaves" reduces compliance costs for apartment builders and operators. These standards previously required more expensive appliances and systems, increasing both construction costs and ongoing replacement expenses for multifamily properties.