

# EPA's endangerment finding repeal signals federal exit from regulating motor vehicle GHG emissions, but state efforts continue

By Pamela Wu, Esq., and Douglas Hastings, Esq., Morgan Lewis

MAY 19, 2026

The U.S. Environmental Protection Agency's decision to rescind its 2009 Endangerment Finding marks a significant turning point in U.S. climate policy. While the direct impacts of the rule are limited to federal regulation of greenhouse gas (GHG) emissions from motor vehicles, it also signals a broader change in approach that is part of an effort to eliminate GHG regulation across a host of programs at the federal level.

For more than a decade, the Endangerment Finding served as the legal and scientific foundation for federal regulation of motor vehicle GHG emissions. EPA also relied on its scientific findings and analysis in other endangerment findings and in various other regulations across the Clean Air Act and other regulatory programs.

---

*The most immediate impact of the rule is the elimination of all federal greenhouse gas standards for motor vehicles and engines for model years 2012 through 2027 and beyond as well as all of the associated compliance, credit, reporting, and certification programs.*

---

The agency's rescission removes that predicate finding and eliminates federal GHG standards for vehicles, along with associated compliance mechanisms. While the implications of EPA's move are clear in the short term, uncertainty remains in the long term.

The rule has already been challenged in the DC. Circuit and is likely to be litigated all the way to the Supreme Court, which could result in another watershed opinion addressing climate regulation. And future administrations may take a dramatically

different approach, though whether they are able to do so could be impacted by the result of the ongoing litigation, particularly if the Supreme Court weighs in.

At the same time, states are attempting to fill the void by continuing to pursue regulation of vehicle GHG emissions. The charge is led by California, which has a special status to pursue such regulations under the Clean Air Act, and other states can and are following (as discussed below). But the federal government is pushing back on those efforts as well, seeking to limit state authority by declining to provide required sign-off on state regulations and withdrawing existing approvals.

## Background

In *Massachusetts v. EPA*, 549 U.S. 547 (2007), the Supreme Court held that greenhouse gases qualify as "air pollutants" under Section 202(a) of the Clean Air Act. That conclusion required EPA to determine whether emissions from new motor vehicles "cause or contribute to air pollution which may reasonably be anticipated to endanger public health or welfare."

In 2009, EPA issued the Endangerment Finding, concluding that six well-mixed greenhouse gases (including carbon dioxide and methane) endanger public health and welfare and that motor vehicle emissions contribute to that endangerment. That determination triggered EPA's obligation to promulgate greenhouse gas standards for vehicles. It also had secondary impacts on many of EPA's efforts to regulate greenhouse gases by providing scientific factual findings on which EPA relied in other contexts.

## The rescission

In February 2026, EPA rescinded the 2009 Endangerment Finding and repealed all of the annual motor vehicle greenhouse gas standards that were based on it. EPA's basis for its final rule relied heavily on statutory interpretation, including its interpretation that "air pollution" as used in Section

202(a) of the Clean Air Act refers only to pollutants that harm human health or welfare through local or regional exposure (and not global climate impacts).

EPA also found that the 2009 finding was procedurally improper because it was issued separately from any particular vehicle standards and concluded that EPA had been unauthorized to issue it under the major questions doctrine, as it was a “matter of vast economic and political significance.”

*In the absence of any federal regulation of motor vehicle GHG emissions, a number of states are continuing or ramping up their vehicle GHG regulations.*

One of the most notable aspects of EPA’s final rescission was also what was *not* in it. EPA proposed a rule in 2025 that would have made a scientific finding that GHGs from motor vehicles do not threaten human health or welfare, based in part on the conclusions of a Department of Energy panel. That panel, which included outside academics and policy experts, examined the scientific and economic literature on climate change and found, among other things, that the uncertainty surrounding climate science was greater than previously anticipated and that certain benefits of climate change had been overlooked.

EPA did not finalize those scientific conclusions in its 2026 rule. Instead, it relied on legal and statutory interpretation grounds, leaving the scientific questions unresolved at the federal regulatory level.

### Regulatory implications

The most immediate impact of the rule is the elimination of all federal greenhouse gas standards for motor vehicles and engines for model years 2012 through 2027 and beyond as well as all of the associated compliance, credit, reporting, and certification programs. Automobile manufacturers will no longer need to measure or report vehicle tailpipe emissions.

Because EPA declined to finalize the 2025 proposal’s scientific conclusions regarding climate change, the rescission’s implications for other regulatory programs are somewhat narrower. But the rule still signals the agency’s shift in approach on greenhouse gas regulation, and EPA is likely to take similar regulatory steps in a number of areas. Indeed, EPA has already rescinded certain oil and gas emissions regulations and has proposed to repeal or modify the greenhouse gas reporting requirements and emissions standards for power plants (known as the “Clean Power Plan 2.0”).

### Litigation

A number of interested stakeholder groups, including State AGs and environmental and public health organizations have already filed litigation challenging the endangerment finding rescission in the U.S. Court of Appeals for the D.C. Circuit. The specifics of those challenges will be further fleshed out as briefing proceeds.

A particular focus is likely to be EPA’s interpretation that “air pollution” as used in Section 202(a) refers only to pollutants with regional or local impacts, which challengers will characterize as in tension with *Massachusetts v. EPA*.

EPA’s decision to make that broad argument may be a strategic calculation that the current Supreme Court would be willing to revisit *Massachusetts*. If the Court were to overturn or narrow *Massachusetts*, it would proscribe regulation of greenhouse gases from vehicles under Section 202(a) in a way that could not easily be undone by a different administration.

Resolution could take several years, particularly if the Supreme Court ultimately grants certiorari. In the interim, there will be legal uncertainty about the status of the Endangerment Finding rescission itself, though there should be little uncertainty about the administration’s approach to regulation of vehicle greenhouse gases: even if it could not rescind the Endangerment Finding, EPA has made clear that it would not set technology-forcing tailpipe greenhouse gas standards (i.e., standards designed to require the development or adoption of new or more advanced emissions-reduction technologies).

### State efforts and federal pushback

In the absence of any federal regulation of motor vehicle GHG emissions, a number of states are continuing or ramping up their vehicle GHG regulations. California is the leader of that effort, as it has a special status under the Clean Air Act under which it can obtain a waiver from EPA to promulgate more stringent vehicle standards. If California obtains a waiver and promulgates its own standards, Section 177 of the Clean Air Act allows other states to follow.

Using that capacity, California has established multiple sets of vehicle GHG regulations in recent years. Its Advanced Clean Cars program requires auto manufacturers that sell light-duty vehicles in California to both decrease GHG emissions over time and specifically produce increasing numbers of EVs. And its Advanced Clean Trucks program establishes similar targets for heavy-duty vehicles.

But the federal government continues to push back. Congress used the expedited procedures under the Congressional Review Act to revoke the waiver that EPA had previously issued for Advanced Clean Cars II — the most recent (and most stringent) iteration of California’s program. EPA also declined to sign off on recent California efforts, such as declining to issue a waiver for California’s heavy-duty vehicle inspection and maintenance requirements to the extent they were applied to out-of-state vehicles.

Advanced Clean Cars I remains in place, but individual stakeholders are also challenging those regulations. The Supreme Court recently recognized in *Diamond Alternative Energy v. EPA* that at least some of those challengers may satisfy Article III standing requirements, allowing their claims to proceed in the lower courts. Together, those developments

inject uncertainty with respect to state regulation of motor vehicle GHGs and illustrate the ongoing struggle between federal and state regulators.

*Pamela Wu is a regular contributing columnist on energy and decarbonization issues for Reuters Legal News and Westlaw Today.*

## About the authors



**Pamela Wu**, (L) a partner at **Morgan Lewis**, represents companies in the energy industry in matters involving rates, market rules and regulation, and energy commodity trading before the Federal Energy Regulatory Commission (FERC) and Commodity Futures Trading Commission (CFTC). She advises clients seeking to reduce their carbon footprint through new infrastructure assets, clean energy technologies, and transacting carbon credits and carbon offsets. An active member of the firm's energy commodity trading and compliance working group, hydrogen working group, electric vehicles working group, and renewables working group, she can be

reached at [pamela.wu@morganlewis.com](mailto:pamela.wu@morganlewis.com). **Douglas Hastings**, (R) a partner at the firm, focuses his practice on complex litigation, particularly involving administrative and environmental law. He has extensive experience litigating claims under the Administrative Procedure Act and other matters involving federal agencies, assisting clients with regulatory issues such as compliance guidance, administrative comments, and agency adjudicative proceedings. In the environmental space, he represents clients in matters related to climate change and other Clean Air Act issues. He can be reached at [douglas.hastings@morganlewis.com](mailto:douglas.hastings@morganlewis.com). The authors are based in Washington, D.C.

This article was first published on Reuters Legal News and Westlaw Today on May 19, 2026.