

# Analyzing the Impact of Regulations on Private Property Owners and the Economy

Prepared by the Private Property Rights Institute

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## ABOUT US

The Private Property Rights Institute (PPRI) is a nonprofit organization committed to defending rights to own and protect private property, from homes to farmlands. Our mission is based on the foundation built by our country's Founding Fathers, who strongly believed that fundamental private property rights are essential to personal freedom and economic prosperity.

Our work includes hosting community events, leading public awareness campaigns, and conducting research to help property owners understand and defend their rights. We also support campaigns to encourage public policies that safeguard property rights for everyone, engaging with lawmakers at local, state, and national levels.

*“Government is instituted to protect property of every sort; as well that which lies in the various rights of individuals, as that which the term particularly expresses.”*

- James Madison

## **KEY FINDINGS**

### **Erosion of Property Rights through Overregulation**

- Regulatory expansion at all levels has created significant barriers to property utilization and economic growth. Federal regulations alone have tripled since 1970, adding a staggering average of 14,000 new regulations each year.
- Localities and states have added regulations too that often overlap, causing confusion, complicating compliance and increasing costs for property owners.

### **Impact on Housing and Zoning**

- Restrictive zoning laws have constrained the construction of affordable housing, contributing to today's skyrocketing home prices and rental rates.
- About 75% of U.S. residential land is zoned exclusively for single-family homes, limiting higher-density developments and exacerbating housing shortages.

### **Challenges in Infrastructure Development**

- Regulations on cellular tower construction, for example, prevent property owners from benefiting financially while hampering connectivity and technological innovation.
- Streamlined and standardized permitting processes and revised zoning ordinances could unlock billions in economic value and enhance digital infrastructure.

### **Energy Production Restrictions**

- Overregulation in oil, natural gas, solar, and wind energy production reduces landowners' income opportunities and impedes national energy goals.
- Simplifying processes, expanding landowner rights, and increasing community transparency can balance environmental protection with economic growth.

### **Agriculture and Food Security**

- Farmers and ranchers face stringent regulations on land use, environmental compliance, and labor policies, undermining their competitiveness and profitability.
- Modernizing and harmonizing federal, state, and local rules could enhance productivity and food security while reducing operational costs.

### **Rental Property Constraints**

- Rent control policies and restrictive permitting processes deter investment in rental properties, limiting market supply and quality.
- Reforming harmful pricing regulations and squatter rights can foster a more robust and equitable rental market.

### **Short-Term Rental Restrictions**

- Strict local regulations on platforms like Airbnb harm property owners, reduce tourism revenue, and limit accommodation options for travelers.
- Removing outright bans and creating a consistent and clear regulatory framework can support property owners while addressing community concerns.

## INTRODUCTION

The United States has a strong tradition of private property rights that has served as an essential foundation for our country's economic prosperity. For centuries, these fundamental rights have encouraged Americans to invest in property and build businesses that have fostered our nation's unprecedented growth and technological dominance. This includes development of thriving agricultural, homebuilding and energy sectors and the rapid expansion of our infrastructure.

However, over time, an ever-increasing web of regulations at the local, state, and federal levels has begun to erode fundamental property rights. The [Mercatus Center](#) at George Mason University calculated that federal regulations alone have nearly tripled in the last 50 years — from around 400,000 in 1970 to more than 1,100,000 today — adding an staggering average of 14,000 new regulations each year. Well-intentioned rules have metastasized into bureaucratic tangles, are often severely outdated, or were never carefully crafted in the first place. State and local regulations have grown at a similar rate and often overlap with other regulations, making compliance difficult, especially for small operators.

These restrictions have made it all but impossible in some cases for Americans to fully utilize their property, and the effects are far reaching across our economy. When local land-use policies are convoluted and inflexible, homebuilding slows and housing costs rise. Restrictions on renting property limits the economic utility of real estate to the point that investors put their money elsewhere, driving up rental costs for families. Excessive environmental regulations raise the cost and complexity of essential energy projects even as our need for new power surges. Our food system is at risk under layers of required permits and controls that limit farmers' flexibility, impede their competitiveness, and lower their profitability. Even small infrastructure projects—like building cell towers—have become next to impossible, as landowners must navigate a maze of red tape just to provide the connectivity our society relies on daily.

It is crucial to recognize that strengthening private property rights does not mean abandoning common-sense safeguards. Reasonable regulations that protect public health, safety, and the environment remain important. Yet, we must find a balanced approach. By rethinking, updating and revising our regulatory frameworks, we can encourage new home construction, spur responsible energy production, support agricultural innovation, and accelerate infrastructure improvements. Doing so will benefit citizens in the short term—through lower housing costs, better job opportunities, and more reliable services—and in the long term—by cultivating stable, economically vibrant communities that can adapt to changing circumstances and global markets.

This report will examine how overregulation is undercutting America's economic engine, highlight specific examples of where and how private property rights have eroded, and offer strategic reforms to restore the balance. With a renewed commitment to robust property rights, we can once again unleash the dynamism that has long defined the American economy and secure our nation's prosperity for generations to come.

## SECTION 1 - RESTRICTIONS ON CELLULAR INFRASTRUCTURE

Despite modern communications infrastructure being essential to our economy and way of life, current laws and regulations often prevent property owners from building cellular towers and other communications infrastructure on private land.

At the local and state level, restrictive zoning codes, prolonged approval timelines, and even neighborhood covenants can complicate or prohibit tower construction, as discussed by the [National Law Review](#). The [National Conference of State Legislatures](#) documents that state-level statutes and regulations can add layers of complexity, often over aesthetics, property values, and community character.

At the federal level, the [Federal Communications Commission](#) enforces extensive environmental and radiofrequency emission guidelines that require legal and other professional guidance that many landowners cannot afford.

These overlapping layers of governance create a hostile regulatory environment that impedes private property owners from installing cellular towers and related equipment.

For property owners, allowing cell towers on private land can yield significant financial benefits. Data from [Steel in the Air](#) shows the average proposal for a new cell tower lease in 2018–2019 was around \$1,050 per month, adding up to almost \$500,000 in income over the life of a 25-year lease. When regulations prevent landowners from leasing their property for tower installations, they lose out on these earnings.

For communities, restrictions on cellular infrastructure deployment can hamper both connectivity and innovation. Insufficient infrastructure leads to poor reception, dropped calls, and slow data speeds. Residents in the Hamptons, for example, have suffered persistent connectivity issues due to local opposition against new tower installations, as reported by the [New York Post](#), forcing them to rely on expensive and unsightly signal boosters on their homes and vehicles.

Beyond property owners and local communities, these regulations have a broader impact across our economy. Research from the [Wireless Infrastructure Association](#) shows that new wireless network equipment injected \$63 billion into the U.S. economy in 2023. This investment fuels growth, supports local businesses, and creates jobs. The [American Legislative Exchange Council](#) also documents how restrictions on cellular infrastructure impedes these economic benefits.

[Reason](#) writes that regulatory delays have a long history of slowing the adoption of cellular technology along its economic advantages, reporting that America could have had access to cellular networks 40 years earlier if the government had not resisted licensing the new technology that was first available in 1946.

These cumulative effects underscore that these regulatory barriers do more than simply limit where and how cell towers can be built. They can actually shape the economic, social, and infrastructural landscape, to the detriment of property owners and communities at large.

In examining these effects, it is important to understand both the often-outdated rationale behind such regulations and the flaws in the arguments that continue to support them.

Proponents of restrictive regulations commonly invoke health concerns, property value preservation, and aesthetic considerations to justify limits on cell tower infrastructure. However, closer examination shows that many of these claims are unfounded. For example, while some community members fear potential health risks from radiofrequency emissions, extensive research, including studies referenced by the [American Cancer Society](#), has found no strong evidence linking these emissions to adverse health effects.

The notion that cell towers significantly depress nearby property values is also not well supported. Although some studies, such as one conducted in Savannah, Georgia, observed [slight declines](#) (7.6%) in home prices, the effect disappears completely starting only 1,500 feet away from a tower. Other [studies](#) show negligible or no negative impact to property values. In some cases, a cell tower could actually [increase](#) the property value, suggesting that these fears are overblown.

Aesthetic objections, another common argument, can be addressed through evolving tower designs and technologies that allow infrastructure to blend more naturally with the surroundings, mitigating visual impact.

## **Policy Recommendations**

To encourage the deployment of cellular towers and related infrastructure on private land—thereby increasing revenue opportunities for property owners, improving consumer access to reliable networks, and fostering economic growth—policymakers can take the following steps:

### **1. Streamline Permitting Processes:**

- Simplify Applications: Establish clear, standardized protocols to reduce bureaucratic delays and uncertainties.
- Set Approval Timelines: Implement “shot clock” rules requiring local authorities to approve or deny permit requests within a fixed timeframe.

### **2. Standardize Zoning Regulations:**

- Adopt Model Ordinances: Promote consistent, community-friendly guidelines that balance infrastructure needs with local aesthetics.
- Encourage Co-Location: Incentivize the use of existing structures (rooftops, utility poles) for new antenna installations to minimize the need for new towers.

### **3. Enhance Stakeholder Collaboration:**

- Form Public-Private Partnerships: Work with government entities, private landowners, and wireless providers to identify optimal sites that benefit both communities and industry.
- Engage Communities: Involve local residents early in the planning process to address concerns about health, property values, and aesthetics, ensuring broader public support.

### **5. Provide Financial Incentives and Support:**

- Offer Tax Incentives: Provide tax breaks or credits to property owners leasing their land for wireless infrastructure, encouraging participation and addressing value concerns.

### **6. Establish Clear Aesthetic and Safety Guidelines:**

- Design Standards: Implement uniform criteria that ensure wireless facilities blend with local architectural styles and limit visual impacts.
- Health and Safety Rules: Adopt and enforce regulations based on sound science, offering transparent information to reassure the public and ease health-related worries.

Striking a thoughtful balance between legitimate regulatory interests and the urgent need for dependable wireless infrastructure is crucial. By doing so, we can support property owners' rights, foster thriving communities, and ensure that everyone benefits from the possibilities afforded by a more connected world.

## **SECTION 2 - RESTRICTIONS ON OIL AND NATURAL GAS DEVELOPMENT ON PRIVATE LANDS**

Restrictions on oil and natural gas production on private lands can have significant repercussions for landowners, the economy, and the broader community as AI technology increasingly consumes massive amounts of power that makes new energy sources crucial.

According to the [Houston Law Review](#), mineral rights for underground oil and natural gas resources for landowners have faced mounting regulatory pressures, including environmental safeguards, local zoning mandates, and additional permitting hurdles. These measures have complicated the ability of mineral rights holders to develop their resources profitably. As a result, individual landowners find that what was once a straightforward path to income

generation—through leasing rights or direct resource extraction—has become fraught with complexity and diminished financial returns.

[NPR](#) notes that while millions of Americans technically own mineral rights, only some ever see meaningful economic gains. Complex permitting processes, environmental compliance costs, and local opposition limit the number of successful extraction projects. For many landowners, these restrictions mean that the promise of energy-driven prosperity remains out of reach.

Similarly, guidance from the [Cornell Cooperative Extension](#) underscores how stringent rules reduce landowners' bargaining power and economic opportunities, while also discouraging industry investments that would otherwise contribute to community growth.

Additional evidence from the [Institute for Energy Research](#) reveals that private lands, which historically fostered more dynamic and responsive development of oil and gas, are increasingly subject to delays, more intensive environmental reviews, and less predictable regulatory frameworks. The cumulative effect not only depresses royalty payments for individual landowners but also strips local communities of the jobs, tax revenues, and infrastructure investments that often accompany robust energy extraction activities.

Local zoning ordinances also play an influential role in shaping the landscape of production, as outlined by [MAJR Resources](#). These rules, although well-intentioned, can prevent drilling in areas with high resource potential or impose conditions that make extraction economically infeasible.

Taken together, these reports show that tighter regulations and increased restrictions on oil and gas development on private lands can erode the financial stability of landowners, disrupt local and regional economic growth, and undermine efforts to enhance the nation's domestic energy supply.

Proponents of strict restrictions against oil and natural gas development say they are necessary to protect the environment and areas surrounding these energy projects. However, studies and reports suggest that overly stringent regulations and restrictions on oil and gas production on private lands often fail to achieve their environmental and community protection goals.

For example, overly restrictive regulations may simply push production elsewhere rather than encourage cleaner practices. So efforts to severely restrict domestic natural gas drilling could, paradoxically, lead to increased use of dirtier fuels or greater dependence on imports.

Research from [Bookings](#) found that blanket restrictions on oil and gas production may not always yield the intended public environmental improvements. [Brookings](#) also writes that if policies discourage production, reliance on foreign sources with looser standards can increase net global emissions. The [U.S. Chamber of Commerce](#) also says that producing more U.S. natural gas reduces global emissions because the U.S. produces these energy sources with fewer emissions than other countries.



Additional analyses by [Resources for the Future](#) highlight that alternative strategies—such as market-based mechanisms and innovation incentives—are more effective at mitigating environmental impacts without suppressing property owners’ economic rights.

## **Policy Recommendations**

To promote responsible oil and natural gas production on private lands—thereby supporting landowner rights, bolstering economic growth, and ensuring community energy needs are met—policymakers can implement the following strategies:

### **1. Streamline Regulatory Frameworks:**

- Simplify Permitting Processes: Develop clear and efficient permitting procedures to reduce bureaucratic delays, enabling timely and cost-effective project initiation.
- Establish Uniform Standards: Implement consistent regulations across jurisdictions to provide clarity for landowners and operators, facilitating smoother project development.

### **2. Enhance Landowner Engagement and Rights:**

- Protect Property Rights: Ensure that landowners retain autonomy over their property, allowing them to negotiate favorable terms for resource development.
- Provide Educational Resources: Offer guidance to landowners on leasing agreements and regulatory compliance to empower informed decision-making.

### **3. Implement Incentives for Sustainable Practices:**

- Offer Tax Benefits: Provide tax incentives for adopting environmentally friendly extraction methods, encouraging sustainable development.

### **4. Facilitate Community Involvement:**

- Encourage Public Participation: Involve local communities in decision-making processes to address concerns and build public trust.
- Promote Benefit-Sharing Models: Develop frameworks where communities receive direct benefits from local energy projects, fostering support and shared prosperity.

By adopting these policy measures, governments can effectively balance the rights and interests of private landowners with environmental stewardship and community welfare, promoting responsible energy development that contributes to economic prosperity and energy security.

### SECTION 3 - RESTRICTIONS ON SOLAR AND WIND ENERGY PRODUCTION ON PRIVATE LANDS

Our nation needs to expand renewable energy resources to lower emissions while providing for the growing power needs of our economy. But an increasingly-complex regulatory environment for renewable energy development, such as solar and wind projects, on private lands have significant consequences for landowners, local economies, and the broader environmental transition to cleaner energy sources.

According to research from the [Mackinac Center](#), local zoning laws and opposition groups often restrict the ability of private landowners—especially farmers—to lease their property for solar panels or wind turbines, undermining their property rights and limiting their ability to supplement their income. In states like California, as shown by [Real Estate Law Corp.](#) and Texas, as noted by the [Texas Farm Bureau](#), restrictions on solar access and easements further reduce landowners' capacity to maximize their property's value, creating both legal hurdles and lost economic opportunities.

Reports from [Real Clear Energy](#) also indicate that when local opposition prevents renewable infrastructure from being installed, farmers and rural landowners lose long-term revenue streams, which can push them toward less sustainable or profitable alternatives.

Local restrictions on renewable energy projects have proliferated, with over 200 laws enacted across 35 states to limit these developments, according to the [Sabin Center for Climate Change Law](#) at Columbia. A study by the [National Renewable Energy Laboratory](#) found that strict setback ordinances, for example, can reduce the land available for wind and solar development by as much as 87% and 38%, respectively.

These limitations foster broader effects beyond property owners and diminish the economic vitality of rural communities and impede the modernization of the national energy sector. The [Clean Grid Alliance](#) and reporting from [USA Today](#) show that curbing renewable projects restricts regional economic development, reduces tax revenues, and forces reliance on non-renewable sources.

Proponents of strict regulations on solar and wind energy projects on private lands often justify them as a way to address concerns such as aesthetic impacts. However, it is possible to address these concerns without resorting to strict regulations that may impede the growth of renewable energy infrastructure.

Community dynamics and misinformation play a powerful role in shaping public opinion and regulatory outcomes. [Energy News](#) and the [Texas Tribune](#) document how misinformation campaigns fuel local resistance, spreading unfounded fears about health and environmental risks associated with renewable projects. The [Texas Farm Bureau](#) highlights that this opposition can fracture rural communities, pitting those who welcome economic diversification against neighbors who fear changes to traditional land use patterns.

Being transparent with local communities ahead of time and explaining the benefits and impact of these energy projects can help alleviate most concerns. Emphasizing collaborative and balanced approaches—rather than restrictive measures—ensures that these local priorities are respected and property rights remain intact.

### **Policy Recommendations:**

To facilitate the development of solar and wind energy projects on private lands—thereby upholding landowner rights and promoting environmental and economic benefits—policymakers can implement the following strategies:

#### **1. Standardize and Streamline Permitting Processes:**

- Develop Uniform Guidelines: Create clear, consistent permitting standards across jurisdictions to simplify the approval process for renewable energy projects, reducing delays and administrative burdens.
- Implement Expedited Review Timelines: Establish 'fast-track' procedures for renewable energy projects that meet predefined criteria, ensuring timely decisions and encouraging investment.

#### **2. Protect and Enhance Landowner Rights:**

- Enforce Solar Access Laws: Strengthen legal frameworks that guarantee landowners the right to access sunlight for solar energy systems, preventing obstructions from neighboring developments.
- Facilitate Easements for Renewable Projects: Simplify the creation of easements that allow for the installation and maintenance of renewable energy infrastructure, ensuring landowners can fully utilize their property for energy production.

#### **3. Provide Financial Incentives and Support:**

- Offer Tax Credits: Introduce financial incentives for landowners who lease their land for renewable energy projects, offsetting initial costs and enhancing project viability.
- Establish Revenue-Sharing Mechanisms: Develop policies that allow communities to share in the economic benefits of local renewable energy projects, fostering broader support and participation.

#### **4. Enhance Community Engagement and Education:**

- Conduct Public Awareness Campaigns: Implement initiatives to inform the public about the benefits and safety of renewable energy, addressing misconceptions and reducing opposition.

- Encourage Community Participation: Involve local stakeholders in the planning and decision-making processes of renewable energy projects to ensure that community concerns are addressed and to build local support.

## **5. Balance Environmental and Agricultural Interests:**

- Promote Dual-Use Practices: Encourage agrivoltaics, where agricultural activities coexist with solar installations, allowing land to serve multiple purposes and preserving agricultural productivity.

By adopting these policy measures, governments can uphold landowner rights, stimulate economic growth, and advance environmental sustainability through the responsible development of solar and wind energy on private lands.

## **SECTION 4 - RESTRICTIONS ON LONG-TERM RENTALS**

Restrictions in many cities on long-term home rental property, including rent control policies, squatter rights, and stringent permitting processes have led to many of our problems with affordable housing. They also have severe impacts on property owners and the economy at large.

In many cases, property owners have lost their fundamental rights to control their assets. The [American Legislative Exchange Council](#) points out that squatters' protections can erode property owners' autonomy and security, making it difficult to reclaim occupied units.

The [Cato Institute](#) highlights how rent control limits landlords' ability to set rents based on market conditions. Reporting in the [New York Post](#) shows that rent control laws can drive out small landlords in favor of big developers.

From the tenant perspective, these policies can have unintended and uneven effects. Landlords, constrained by these policies, may lack both the resources and the incentive to keep properties in good condition, potentially leading to a decline in housing quality, as noted by Redfin Chief Economist Daryl Fairweather in [Forbes](#).

In fact, rent control can also shrink the rental market itself. The [National Bureau of Economic Research](#) conducted research showing that rent control can constrain the supply of rental housing as landlords seek alternate uses for their properties. The result is that new or relocating tenants have fewer housing options in a city. The [Federal Reserve Bank of St. Louis](#) also finds that rent control can produce housing shortages and limit tenant mobility, hindering the normal functioning of the market.

Moreover, the [Journal of Housing Economics](#) notes that rent control often benefits existing tenants, who may not be the most financially vulnerable, rather than ensuring equitable relief across all income levels.

Elaborate permitting and inspection requirements can also deter small operators from offering their property for rent at all. In Washington, DC, for example, potential landlords must [go through](#) a lengthy process to apply for a basic business license, sign up for a special tax registration status and submit quarterly reports, register with the Department of Housing and Community Development, secure an in-person inspection of the property through the Department of Buildings, and obtain a Certificate of Occupancy. The whole process can take months and costs upwards of \$650 per unit, not including attorney fees.

At the community level, restrictions on long-term home rentals can have ripple effects on affordability and neighborhood composition.

The [Urban Institute](#) suggests that rent control may increase rents in the uncontrolled sector, as landlords attempt to compensate for losses, thereby raising overall housing costs.

Proponents of rent control and other restrictive policies say they are necessary to protect tenants, but evidence shows that removing these policies actually benefits tenants and the overall housing market in the long-term.

In places like Argentina, [R Street Institute](#) and the [Wall Street Journal](#) reports that removing strict rent controls led to increased investment and rental supply, demonstrating how excessive regulations can deter much-needed housing development.

A report from [MIT](#) found that the removal of rent control in Cambridge led to substantial increases in property values, with pronounced spillover effects benefiting the broader housing market.

## **Policy Recommendations**

To enhance the availability and quality of long-term rental housing, benefiting both property owners and tenants, the following public policy solutions are recommended:

### **1. Reform Harmful Pricing Regulations:**

- End Rent Control: These policies actually harm tenants by discouraging landlords from making improvements to existing rental properties and discouraging them from bringing new rental properties to the marketplace.

### **2. Streamline Permitting Processes:**

- Simplify Approval Procedures: Implementing more efficient permitting systems can reduce delays and costs associated with developing and renovating rental properties, encouraging investment and increasing housing supply.

### 3. Reform Zoning Regulations:

- Promote Diverse Housing Options: Updating zoning laws to allow for higher-density developments, such as multifamily units and accessory dwelling units, can expand rental housing availability.

### 4. Protect Property Owners' Rights:

- Clarify and Enforce Property Laws: Ensuring that property owners have clear legal avenues to address unauthorized occupancy and streamline eviction processes can maintain the integrity of rental markets.

By adopting these policies, governments can foster a more robust and equitable rental housing market, addressing the needs of both property owners and tenants, and contributing to overall economic stability.

## SECTION 5 - RESTRICTIONS ON SHORT-TERM RENTALS

Over the past decade, major U.S. cities – including New York and Washington, DC – have started imposing strict regulations on short-term rental apartments advertised on home-sharing platforms like Airbnb and VRBO. These limitations can significantly harm property owners, as well as travelers, local businesses, and entire communities reliant on tourism income.

From a property owner's perspective, local ordinances curtailing short-term rentals can erode fundamental property rights by limiting how owners can use their assets. Property owners sometimes [prefer](#) these short-term arrangements so they have more flexibility on how to monetize the property's value or to avoid regulations like rent control and squatters rights that further erode their control over the property [see previous section].

These restrictions can also be damaging to property owners financially. Up to 97% of earnings go directly to hosts, according to an analysis released by [Airbnb](#), ensuring that tourism revenue benefits property owners directly.

Homeowners often rely on short-term rental income to offset mortgage payments, reports the [Wall Street Journal](#). They might be forced to sell without the ability to supplement their income under short-term rental restrictions that were not in place when they purchased the property.

Travelers, in turn, experience fewer accommodation choices as restrictions reduce the number and variety of short-term rental options available. The [New York Post](#) reports that without these alternatives, visitors often must rely on more traditional (and potentially more costly) hotel accommodations, driving up travel expenses.

The broader economic repercussions are also significant. Municipalities that ban short-term rentals forgo significant revenues through taxes and fees, including business licenses and lodging taxes, which contribute to public services and infrastructure, according to [MyGov](#). [Airbnb](#) reports that it has delivered more than \$10 billion in tourist tax revenues on behalf of hosts.

More broadly, short-term rentals also inject considerable money into local economies through guest spending in restaurants, shops, and entertainment venues. [AP News](#) highlights how these policies may reduce tourist inflow and, consequently, the financial lifeblood for many other local businesses. A 2019 [Oxford Economics study](#) estimated that Airbnb alone contributed \$34 billion to the U.S. economy via host income and guest expenditures. Neighborhood shops, cafes, and other small establishments may suffer revenue losses, putting entire communities that rely on tourism at risk.

Applying for these restrictive licences can also be a lengthy and complicated process that discourages property owners from taking advantage of this option of generating income from their investment. From a governance perspective, compliance monitoring, enforcement actions, and the associated administrative burdens can also strain local governments without improving the availability of rental properties.

There are also constitutional questions regarding the legality of these regulations. A [judge](#) in Tennessee recently ruled that a local restriction on short term rentals was an “unconstitutional infringement upon a property owner’s fundamental right to own, lease, and dispose of property in a lawful manner because it destroys the homeowner’s right to lease his property on a short-term basis.”

Advocates of these restrictions often justify them as a way to alleviate high rent prices for residents, but restricting short-term rentals is not an effective tool for solving the housing-affordability problems in many U.S. cities, according to [Harvard Business Review](#). This dynamic played out in New York City, where stringent regulations caused an 80% drop in Airbnb listings. The availability and cost of rental housing in the city also did not improve, according to an analysis by the [Chamber of Progress](#).

## **Policy Recommendations**

Restrictions on short-term rentals can have unintended consequences that affect property owners, travelers, the economy, and communities reliant on tourism. To balance these interests, the following public policy solutions are recommended:

### **1. Remove Outright Bans on Short-term rentals**

- Legal status: Blanket bans are unconstitutional and harm property owners that might have purchased the property under different regulatory conditions.

### **2. Implement Streamlined Registration and Permitting Processes:**

- Simplify Compliance: Develop user-friendly, online registration systems for short-term rental operators to ensure compliance without imposing excessive administrative burdens. This approach encourages adherence to regulations while respecting property owners' rights.

### **3. Ensure that any Regulations are Clear and Consistent:**

- Define Parameters: Set clear definitions and guidelines for short-term rental operations, including occupancy limits, safety standards, and zoning requirements. Consistency in regulations helps property owners understand their obligations and reduces legal ambiguities.

### **4. Facilitate Stakeholder Engagement:**

- Inclusive Policy Development: Engage property owners, residents, travelers, and local businesses in the regulatory process to ensure that diverse perspectives are considered, leading to more effective policies.

By adopting these policy solutions, governments can create a regulatory environment that upholds property owners' rights, provides travelers with diverse accommodation options, supports local economies, and addresses community concerns related to short-term rentals.

## **SECTION 6 - RESTRICTIONS ON ZONING FOR NEW HOME CONSTRUCTION**

Highly complex and restrictive zoning, land-use, and homebuilding regulations instituted over the last 50 years across the country have directly led to our current homebuilding crisis and the unaffordable housing market. The wide ranging effects are also harming the broader economy.

An analysis by [New York Times](#) finds that about 75% of residential land in the U.S. is zoned exclusively for single-family homes, hindering the ability for developers to build denser buildings. Further research by the [Brookings Institution](#) underscores how stringent zoning laws constrain diverse housing development.

Evidence shows that these restrictions limit the availability and diversity of housing options, particularly affordable units. By discouraging enough new homes from being built to meet rising demand, these policies drive up home prices.

By stifling the construction of apartments, townhouses, and other higher-density developments, restrictive zoning drastically reduces housing supply. The [National Association of Housing and Redevelopment Officials](#) writes that the artificial scarcity these policies create inflates property values and rental rates, further exacerbating affordability problems and placing homeownership beyond the reach of many aspiring buyers.



The [Harvard Law Review](#) also notes that when large portions of residential land are zoned exclusively for single-family homes, many potential homebuyers are effectively priced out of the market. As [CNN](#) further reports, these rules often prevent younger and lower-income buyers from entering the market.

Such restrictive policies also carry far-reaching economic consequences. When urban expansion and housing development are stunted, cities struggle to grow, and both productivity and opportunities shrink. [The Atlantic](#) reports that exclusionary zoning in prime locations can trap lower-income populations away from areas with better schools and higher-paying jobs, limiting economic mobility. In addition, [Vox](#) reports that workers are often deterred from relocating to regions with costly housing, thus reducing labor market efficiency and overall productivity. The [Cato Institute](#) confirms that these restrictive policies ultimately curb economic growth, as businesses may avoid investing in high-cost areas where housing shortages impede the recruitment and retention of talent.

While proponents of restrictive residential zoning and stringent homebuilding regulations argue that these measures preserve community character, manage infrastructure capacity, and safeguard property values, such policies often produce the opposite result and cause collateral, detrimental economic and social consequences.

While intended to preserve green spaces, zoning rules can inadvertently encourage urban sprawl, increasing distances between homes, workplaces, and essential services, adding strain to infrastructure. The [Institute for Justice](#) illustrates how forcing development outward due to limited opportunities within existing urban areas puts pressure on roads, utilities, and public transportation systems. Thus, what may begin as a local policy to maintain neighborhood character or protect certain types of housing can produce a cascade of negative effects—undermining affordability, slowing economic growth, constraining mobility, increasing sprawl, and burdening infrastructure—ultimately harming communities, potential homebuyers, and the economy at large.

Steep housing costs dissuade workers from relocating to areas with better job prospects, curtailing regional economic growth and productivity. Moreover, workers who do move often face longer commutes due to the lack of available housing near employment centers, further increasing both traffic congestion and environmental degradation.

### **Policy Recommendations:**

Overly restrictive zoning and other regulations on housing often limit the types and densities of permissible housing developments, leading to constrained housing supplies and elevated costs. To address these issues, the following public policy solutions are recommended:

#### **1. Implement Inclusionary Zoning Reforms:**

- Allow denser developments: Revising zoning laws to permit higher-density developments, such as multifamily housing, can increase the housing supply and

promote affordability. For example, New Zealand's central government mandated upzoning in Auckland, resulting in the issuance of 43,000 housing permits and a 28% reduction in rents.

[The Atlantic](#)

- Allow multi-use buildings: Reforming zoning laws to allow for mixed-use developments could stimulate economic growth. Mixed-use zoning, which permits residential, commercial, and recreational uses within the same area, has been shown to enhance property values and promote vibrant community economies.

[Urban Land Institute](#)

## **2. Streamline Permitting Processes:**

- Simplifying and expediting the approval processes for new housing developments can reduce delays and costs associated with construction. Victoria, Australia, has updated its Small Lot Housing Code to eliminate stringent requirements, facilitating the construction of diverse housing types and increasing affordability.

[Herald Sun](#)

## **3. Encourage Transit-Oriented Development:**

- Promoting housing developments near public transportation hubs can enhance accessibility and reduce reliance on personal vehicles, contributing to more sustainable urban growth. Policies in New Zealand have enforced transit-oriented development, supporting efficient land use and improved housing availability.

[The Atlantic](#)

## **4. Facilitate Regional Collaboration:**

- Encouraging municipalities to work together on housing strategies can address regional shortages and distribute housing more equitably. In the greater Boston area, 15 mayors collaborated to increase housing construction, responding to regional shortages and affordability challenges.

[Urban Institute](#)

By adopting these policy solutions, governments can alleviate the constraints imposed by restrictive zoning and land-use regulations, thereby enhancing housing affordability, expanding opportunities for potential homebuyers, and stimulating broader economic growth.

# **SECTION 7 - RESTRICTIONS ON FARMING AND RANCHING**

Farmers and ranchers bear the brunt of increasingly strict and complex regulations at all levels of government. Together these rules are putting our food system and national security at risk.

The [American Farm Bureau Federation](#) and the [National Cattlemen's Beef Association](#) outline the vast regulations on farming and ranching that has led to a more expensive, less flexible, and less resilient agricultural sector.

In an extensive report on farming and ranching in the U.S., [Heritage](#) also argues that the accumulation of excessive local, state, and federal regulations—across environmental, labor, land use, animal agriculture, financial, food safety, climate, and transportation—drives up operational costs, reduces productivity, and increases uncertainty. Our current system also makes U.S. agriculture less competitive on international markets and disproportionately harms small and family-owned farms.

State and local regulations pose significant difficulties for small-scale agricultural operations. For example, zoning restrictions often limit the range of permissible farming practices on certain properties, as shown by reporting in [Farming Insider](#). Compliance with various mandates—ranging from building codes to local environmental requirements—can also introduce substantial financial burdens. Guidance provided by [Ohio State University](#) also highlights how local ordinances governing direct-to-consumer sales can prevent small farmers and ranchers from selling their products in nearby markets, thereby reducing potential earnings from these higher-margin sales that bypass the need for third-party distributors.

The use of eminent domain for public projects can also disrupt established operations and reduce farmland availability, according to [eminent domain attorneys](#) for farmers, while conservation easements—encouraged through various federal and state programs—can limit future development options.

At the federal level, strict and lengthy environmental regulations, such as the Clean Water Act and its recently-expanded interpretation of “[Waters of the United States](#),” require costly permits for everyday farming and ranching activities that could even apply to drainage ditches and other ephemeral waterways. These requirements make it hard for farmers and ranchers to even know what is regulated and what is not, as documented in reporting by [PBS](#).

Farmers and ranchers must invest in expensive technology to manage emissions related to livestock and farm equipment under requirements in the [Clean Air Act](#). Extensive regulations targeting pesticides and fertilizers—such as those overseen by the [U.S. Environmental Protection Agency](#)—can further increase costs by forcing farmers to switch to pricier, less effective inputs.

Legal guides published by the [American Bar Association](#) to help farmers and ranchers comply with these federal regulations can be 500-pages or longer. Navigating the complexity of the [U.S. Farm Bill](#) and associated agricultural support programs can also demand legal or professional expertise, further driving up administrative expenses.

Labor regulations present additional challenges. The H-2A visa program is absolutely critical for farmers to secure labor, according to the [Rocky Mountain Farmers Union](#). However, the program is complex and expensive, writes [Cato](#), sometimes leading to labor shortages when approvals are delayed. Changes in minimum wage and overtime requirements, which vary by state, can also sharply increase production costs for labor-intensive crops.

A report by [American Agri-Women](#) finds that land use and zoning regulations can restrict where certain farming and ranching activities may occur, and farmers say that other local ordinances undermine their ability to expand or maintain their operations.

Financial regulations intended to change how the banking industry works also impacts farming operations. For example, the Dodd-Frank Act enacted after the 2008 financial crisis can make it harder for farmers to hedge risks on commodity markets, the report by [Heritage](#) finds.

The [Food Safety Modernization Act](#) requires farmers and ranchers to implement rigorous recordkeeping, traceability measures, and regular inspections that significantly add to their compliance costs. Accessing USDA-approved processing facilities can also be a financial strain, especially in some remote areas, while labeling requirements and GMO disclosures impose additional costs.

Transportation and infrastructure regulations also affect farm and ranching operations. Weight and length restrictions on trucks, detailed by the [U.S. Department of Transportation](#), along with renewable fuel standards and emissions rules for farm vehicles, further increase the cost and complexity of getting products to market.

While advocates of strict regulations on farmers and ranchers justify them as a way to protect the environment, these complex regulations impose substantial financial, operational, and legal burdens on agricultural producers. The current web of regulations is so complex that it has become unworkable for many small farmers, many of whom might decide to convert the land to another use, potentially less friendly to the environment.

These restrictions not only undermine the economic viability of U.S. farming but also ultimately weaken domestic food security by making it very difficult for farmers to operate.

## **Policy Recommendations**

Producers advocate for streamlining the regulatory landscape, improving clarity in overlapping state and federal rules, and finding a balanced approach that meets public health, environmental, and social goals without sacrificing agricultural productivity and economic viability.

### **1. Improve Local Zoning Regulations:**

- Strengthen local right-to-farm laws to protect qualifying farmers and ranchers' ability to conduct their agricultural activities.

- Restrict the use of eminent domain by local and state governments except when absolutely necessary for public infrastructure projects.

Allow farmers and ranchers to sell directly to consumers to take advantage of higher-margin sales without going through a distributor.

## **2. Clarify the Scope of Financial Regulations:**

- Congress should ensure that the CFTC's authority under Dodd–Frank does not extend unnecessarily to agricultural producers, allowing them to utilize commodity derivatives for legitimate hedging purposes without undue regulatory burdens.

## **3. Reinforce State Authority Over Water Resources:**

- Federal agencies should respect the Clean Water Act's assignment of primary responsibility to states for managing nonpoint source pollution, reducing federal overreach that complicates compliance for farmers.

## **4. Reform the Endangered Species Act:**

- Policymakers should consider restructuring the Endangered Species Act to balance species protection with property rights, potentially by compensating landowners for conservation efforts or involving them more directly in species recovery plans.

## **5. Streamline Regulatory Processes:**

- By creating a unified regulatory framework that harmonizes federal, state, and local rules, and designating a single point of contact for compliance guidance, producers can reduce administrative burdens and focus on farming and ranching. This approach increases transparency and predictability, enabling more effective planning, while also encouraging investment and innovation by eliminating uncertainty.

## **6. Reform Labor Policies:**

- Simplifying and expediting the H-2A visa process ensures a steady supply of skilled workers for time-sensitive tasks like planting and harvesting.

## **7. Expand Access to Processing Facilities and Markets:**

- Investing in smaller, regional USDA-approved processing facilities and streamlining labeling and inspection standards helps alleviate supply chain bottlenecks, boosting market access and competitiveness for smaller farms. This

diversification improves system resilience, enhances profitability, and widens consumer choice by bringing a greater variety of agricultural products to market.

#### **8. Incentivize Innovation:**

- Providing grants, tax incentives, and low-interest loans for cutting-edge technologies, as well as fostering public-private partnerships for research and development, lowers operational costs and mitigates environmental impact. Such policies increase productivity, ensure a reliable domestic food supply, and drive long-term economic growth by spurring technological advancement in U.S. agriculture.

These policy solutions aim to strike a balance between reducing burdensome regulations and maintaining essential protections for the environment, public health, and food safety. By streamlining processes, reforming labor and environmental rules, expanding market access, and incentivizing innovation, these policies can empower farmers and ranchers, strengthen domestic food production, and bolster the wider economy.

### **CONCLUSION**

From restrictive zoning and rental laws limiting much-needed housing construction, to protracted permitting processes and environmental laws hindering energy, farming and infrastructure projects, the scope of excessive rules and regulations has taken a toll on American communities, businesses, and individuals alike. The entrepreneurial magic that fueled America's historic prosperity has waned as government mandates and prohibitive rules have grown and become more complex over the last half century.

Restoring the proper balance of protecting Americans and the environment with common-sense regulations while allowing property owners and businesses to invest in our communities and innovate is the clear solution. Removing unnecessary barriers to new home construction and rentals can increase the housing supply, thereby reducing housing costs and help new families achieve the American dream of homeownership. Easing restrictions on the energy sector can foster reliable, affordable power that fuels economic growth and fosters environmental stewardship. Streamlining constraints on agriculture would enable farmers to bolster the nation's food security. And a more balanced approach to infrastructure projects like cellular towers that respects both private interests and public concerns will enhance connectivity and ensure our nation's competitiveness.

The reforms required are not about discarding all rules, but about refining them. Policymakers should look to voters as they determine the right balance to achieve these goals. By prioritizing property rights, encouraging responsible development, and embracing smarter, more efficient regulation, we can renew the productive potential of American enterprise and secure a more prosperous, vibrant future for all.