March 8, 2018

Commissioner Jon Niermann  
Texas Commission on Environmental Quality, MC-100  
P.O. Box 13087  
Austin, TX 78711-3087  

RE: Comments Pertaining to the Use of Volkswagen Mitigation Trust Funds in Texas and the Development of a State Beneficiary Mitigation Plan  

Dear Commissioner Niermann:

The Houston-Galveston Area Council (H-GAC) is a voluntary association of local governments for the thirteen-county Houston metropolitan region and serves as the metropolitan planning organization for the eight-county Houston-Galveston-Brazoria (HGB) ozone non-attainment area. These recommendations were developed in coordination with regional stakeholders and were endorsed by the H-GAC Board of Directors.

- Allow regional entities such as Metropolitan Planning Organizations (MPOs), Councils of Government (COGs), and Clean Cities Coalitions to administer the dispersal of funds on a regional basis through third-party contracts.
- For third-party contracts, allow use of Settlement funds for administration and outreach.
- Support funding the widest possible breadth of mitigation actions as supported under the final national VW Settlement consent decree.
- Focus dispersing Settlement funding within nonattainment and near-nonattainment areas.
- Allow local governments to receive 100 percent of VW Settlement funds without requiring additional cost share as allowed in the federal consent decree at least in areas adversely impacted by Hurricane Harvey.
- Allow vehicles and equipment destroyed in recent natural disasters to be eligible for replacement with cleaner lower emission technologies.
- TCEQ should consider participating in the EPA State Clean Diesel Grant Program, to further expand qualifying air quality investments.

Thank you for the opportunity to comment on this initiative.

Sincerely,

[Signature]

Jack Steele

JS/ajd
cc: Mr. Richard A. Hyde, P.E., Executive Director, MC 109
Ms. Stephanie Bergeron Perdue, Deputy Executive Director, MC 109
Mr. Brian Christian, Director Environmental Assistance Division, MC 108
Mr. David Brymer, Air Quality Division Director, MC 206
Implementation Grants Section via email to VWsettle@tceq.texas.gov