

Texas Commission on Environmental Quality  
12100 Park 35 Circle  
Austin, TX 78753

September 6, 2018

To Whom It May Concern,

I am writing to you today regarding the Commission's Draft Plan for the Volkswagen Settlement. As a Representative from the Houston area, which was home to 24% of the registered defeat device equipped vehicles, I find the commission's plan on how to utilize the settlement funds disturbing and inadequate. This plan intends on giving Houston only 13% of the \$209 million. In comparison, San Antonio is set to receive nearly \$74 million for half the number of registered vehicles as Houston, and El Paso, with 12 times less registered cars than Houston, is set to receive nearly the same amount as Houston at \$26.8 Million. This inequality based on the numbers and stipulations of the agreement simply cannot be supported.

The Environmental Trust Agreement for State Beneficiaries states "Whereas, the Defendants are required to establish this State Mitigation Trust and to fund it with funds to be used for environmental mitigation projects that reduce emissions of nitrogen oxides ("NOx") where the Subject Vehicles were, are, or will be operated ("Eligible Mitigation Actions"), and to pay for Trust Administration Costs as set forth in this State Trust Agreement." The current plan's allocations do not reflect the stipulations of this settlement agreement. To properly follow the agreement, the commission should work towards allocating the funds where these cars "were, are, or will be operated" meaning a larger share for Houston.

The commission's final plan should also factor into consideration the air quality of the state's regions. Houston's 14 year status as a nonattainment city, 3 day classification as unhealthy due to its ozone, low percentage of "good" air quality places it at the top of the state in terms of need for air quality improvement.

Lastly, the final plan should lower or eliminate the required local match, and award grants on a strictly competitive basis. While the Trust Agreement allows up to 100% coverage of project costs, the draft plan only intends to cover 60%. In the wake of Hurricane Harvey, the local governments' budgets are too thin to accommodate a match that is too high. To further the effectiveness of the fund, the final draft plan should also base its funding level on a competitive evaluation of where the funds can most improve air quality.

I hope this letter serves to highlight the inadequacies of the draft plan in its current state and provide the commission with helpful information on how to better utilize the fund to clean up our state.

Thank you,  
Sarah Davis  
State Representative for HD 134