STATE REPRESENTATIVE
ED THOMPSON

DISTRICT 29
BRAZORIA COUNTY (PART)

October 4, 2018

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

RE: Volkswagen Settlement - Draft Beneficiary Mitigation Plan for Texas

Dear Chairman Niermann:

As members of the greater Houston and Dallas delegations, we respectfully urge you to disperse the state Volkswagen settlement allocation based on the percent of affected vehicles found within the priority regions. The Houston and Dallas regions are the most populous and therefore polluted areas in the state, and yet combined they are set to receive less funds than the San Antonio region. The stated goals of the Texas Commission on Environmental Quality (TCEQ) are to reduce nitrogen oxides emissions in the areas most impacted by emissions and reduce the potential for exposure of the public to pollutants. As the Houston and Dallas priority areas were designated nonattainment for both the 2008 and 2015 ozone standards, a higher allocation of funding to these regions is critical to meeting the goals of TCEQ.

The draft plan is highly unfavorable to both the Houston and Dallas priority areas. Although 24 percent and 25 percent of vehicles with Volkswagen's illegal defeat devices were registered in the Houston and Dallas regions, respectively, under the draft plan Houston would only receive 13 percent of the funds while Dallas would receive 14 percent. Meanwhile, San Antonio is set to receive 35 percent of the funds even though they only had 11 percent of these vehicles registered. Both Houston and Dallas have more people and higher levels of pollution than San Antonio, yet will both receive less than half the funding than is allocated for San Antonio. For a more fair and equitable distribution, we urge you to reconsider the allocation based on the percent of affected vehicles within each region.

The Houston and Dallas regions' non-attainment statuses are a severe challenge to our continued economic competitiveness. Therefore, there is an urgent need for significant emissions reductions which could result from the projects deployed with the settlement funds. Additionally, other areas of the state impacted by the transport of emissions from our areas will see air quality improvements as well.

E2.506 • P.O. BOX 2910 • AUSTIN, TEXAS 78768-2910 •
• WWW.HOUSE.TEXAS.GOV

For governmental recipients, we would recommend an increase in the proposed maximum funding percentage from 60 percent to at least 80 percent. In the Houston region, many local governments have delayed routine capital budget items due to urgent Hurricane Harvey-related costs. Increasing the settlement share to 80 percent will accelerate and expand local government participation in settlement-funded activities and assist in local government recovery from Harvey.

We would also recommend that settlement funds be dispersed in our regions through the Councils of Governments (COGs). Regional agencies add value by being more closely attuned to regional priorities and opportunities, and the Houston-Galveston Area Council (H-GAC) and North Central Texas Council of Governments (NCTCOG) have staff with significant experience in similar programs. By allowing COGs to disperse the funds, we can ensure that local priorities for effective emissions reductions are achieved without significant start up time or an undue increase in administrative costs by TCEQ or local governments. H-GAC and NCTCOG will seek to leverage settlement projects with clean air funding from other sources to increase program effectiveness and accelerate deployment of available funds.

It is our sincere belief that the above recommendations, along with TCEQ's leadership, will enhance the Houston and Dallas regions' ability to mitigate the damage caused by Volkswagen's fraudulent activities and leverage ongoing efforts to improve air quality and public health. Thank you for your consideration.

Sincerely,

Senator Sylvia Garcia
District 6

Senator Borris Miles
District 13

Senator Larry Taylor
District 11

Representative Alma Allen
District 131

Representative Roberto Alonzo
District 104

Representative Rafael Anchia
District 103

Representative Dennis Bonnen
District 25

Representative Greg Bonnen
District 24

Representative Cindy Burkett
District 113

Representative Angie Chen Button
District 112

Representative Garnet Coleman
District 147

Representative Nicole Collier
District 95

Representative Jessica Farrar
District 148

Representative Craig Goldman
District 97

Representative Jarvis Johnson
District 139

Representative Linda Koop
District 102

Representative Jeff Leach
District 67

Representative Dennis Paul
District 129

Representative Mary Ann Perez
District 144

Representative Ron Reynolds
District 27

Representative Matt Rinaldi
District 115

Representative Toni Rose
District 110

Representative Ron Simmons
District 65

Representative Ed Thompson
District 29

Representative Senfronia Thompson
District 141

Representative John Wray
District 10

Representative Armando Walle
District 140

Representative Gene Wu
District 137