October 4, 2018

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

RE: Texas Volkswagen Environmental Mitigation Program

Dear Chairman Niermann:

I respectfully urge the Texas Commission on Environmental Quality (TCEQ) to reconsider their draft proposal for dispersing Texas' allocation of the Volkswagen settlement. Of the $2.9 billion Volkswagen is required to pay into the Environmental Mitigation Trust to be distributed among the states, Texas will receive $209 million. As TCEQ is likely aware, funds from the Environmental Mitigation Trust were allocated based on the number of affected Volkswagen vehicles registered in each state. Therefore, I was surprised to learn that TCEQ plans to break with this method of funding at the local level and allocate only thirteen percent of the funds to the Houston area despite that region having twenty-four percent of the vehicles with illegal defeat devices - the largest amount in the state.

According to the draft plan, TCEQ proposes to send more than half of the money to the San Antonio, El Paso, and Beaumont areas with the stated goal of getting San Antonio back in compliance with federal clean air standards and keeping El Paso and Beaumont from becoming nonattainment cities. While these are laudable goals, they should not be at the expense of improved air quality in other regions of the state. The Houston region has been in nonattainment status for 14 years and has nearly seven million people who are affected by poor air quality. TCEQ should, at the very least, increase their proposed allocation for the Houston region to match the percentage of affected vehicles within that region and not simply treat Houston as a lost cause.

The Houston area had twice as many registered vehicles with the illegal defeat devices as San Antonio and had twelve times as many registered vehicles as El Paso. In order to achieve a fairer
and more equitable distribution of funds, TCEQ must make regional allocations based on the percent of affected vehicles within each region.

Additionally, I recommend TCEQ increase the proposed maximum funding percentage for governmental recipients from sixty percent to at least eighty percent. In the Houston region, many local governments already have their budgets stretched to the limit and have delayed routine capital budget items due to urgent Hurricane Harvey-related costs. If the required local match is too high, Harvey-affected local governments will be unable to access the funds.

I am hopeful TCEQ will take these recommendations under advisement and will thoughtfully consider the need for improved air quality in all regions of the state.

Sincerely,

Joan Huffman