October 08, 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 a member of the greater Houston delegation, I 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 priority areas were designated nonattainment for both the 2008 and 2015 ozone standards, a higher allocation of funding to this region is critical to meeting the goals of TCEQ.

The draft plan is highly unfavorable to the Houston priority area. Although 24 percent of vehicles with Volkswagen's illegal defeat devices were registered in Houston, under the draft plan, Houston would only receive 13 percent of the funds. Meanwhile, San Antonio is set to receive 35 percent of the funds even though they only had 11 percent of these vehicles registered. Although Houston has more people and higher levels of pollution than San Antonio, yet we will receive less than half the funding than what 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 region's non-attainment statuses are a severe challenge to our continued economic competitiveness. Therefore, there is an urgent need for the 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.

For governmental recipients, I 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.

It is my sincere belief that the above recommendations, along with TCEQ's leadership, will enhance the Houston 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,

Carol Alvarado  
State Representative, District 145