



Volkswagen Settlement Factsheet

1. The Volkswagen Settlement is a multi-billion-dollar settlement resulting from Volkswagen installing emissions cheating software in certain diesel vehicles. The Volkswagen Settlement includes a Vehicle Recall and Repair Program (\$10 billion), Zero Emission Vehicle Investment Commitment (\$2 billion), and an Environmental Mitigation Trust for States (\$2.84 billion).
2. The purpose of the Environmental Mitigation Trust is to reduce Nitrogen Oxide (NOx) emissions where the VWs are located. Illinois is a Beneficiary of the Trust with the Agency as the administrator of its allocation (\$108,679,676.98).
3. Illinois is required to file a Beneficiary Mitigation Plan (BMP) detailing its plan to allocate the Trust funds. The Agency communicated with numerous interested stakeholders regarding emission reduction projects. These stakeholders included advocacy groups, schools, transit and planning organizations, State agencies, municipalities, trade groups, utilities, consultants, manufacturers/suppliers, businesses, and citizens.
4. After much deliberation, the Agency drafted a BMP consistent with the purpose of the Trust. Illinois' draft BMP focuses on reducing NOx emissions in areas where the affected Volkswagen vehicles are registered and maximizing emission reductions and funding.
5. Illinois' draft BMP identifies three priority areas in which to spend the funds:
 - a) Priority Area 1: Chicago non-attainment area with 69.5% of VWs
 - b) Priority Area 2: Metro-East non-attainment area with 5.4% of VWs
 - c) Priority Area 3: Attainment counties with 10.1% of VWs (1% or more in each county)
6. Illinois' draft BMP identifies the following types of eligible projects and funding levels. All projects include all fuel types, electric and electric charging infrastructure:
 - a) Off-road projects: Up to 65% of Illinois' allocation. These projects include freight switchers, locomotives, and tugs/ferries.
 - b) On-road projects: Up to 20% of Illinois' allocation. These projects include Class 4-8 trucks, school, shuttle and transit buses. Electric school buses are funded separately.
 - c) All-electric school bus projects: Up to 10% of Illinois' allocation.
 - d) Administrative expenditures: Up to 5% of Illinois' allocation.
7. Illinois' BMP establishes the following cost-sharing to maximize funds:
 - a) At least 25% from government applicants
 - b) At least 50% from non-government applicants
8. The Agency expects to make the first of multiple rounds of funding available in the near term to expeditiously realize NOx emission reduction benefits.
9. The Agency is accepting public input on the draft BMP and survey responses through April 13, 2018, which are available at (<http://www.epa.illinois.gov/topics/air-quality/vw-settlement/index>).