



National Conference of State Legislatures Office of State-Federal Relations

EPA Provides Guidance to States on Accessing VW Settlement Funds; and Determines that Aircraft Engine Emissions “Endanger Public Health and the Environment”

July 26, 2016

EPA Provides Guidance to States on Accessing VW Settlement Funds

On July 25, the U.S. Environmental Protection Agency (EPA) hosted a briefing regarding the Agency’s [partial settlement](#) of the Volkswagen’s Clean Air Act violations. The briefing focused on providing information for states in regard to the \$2.7 billion environmental mitigation trust. All states, Puerto Rico and tribes can access these funds in order to fund eligible mitigation actions that reduce emissions of NO_x. EPA [developed a FAQ](#) oriented toward beneficiaries to the trust, providing potential beneficiaries instructions on accessing settlement funding. The FAQ notes that to receive any portion of the settlement, states, as determined by their governor’s office, must choose to become beneficiaries within 60 days of when the final trust agreement is settled with the court.

As can be seen in Appendix D, the [partial settlement](#) was structured so that in an initial allocation of funding, no state would receive less than \$7.5 million and also provides a broad array of mitigation actions that states can implement.

EPA Determines that Aircraft Emissions Endanger Public Health and the Environment

On July 25, EPA [finalized](#) a determination under the Clean Air Act that greenhouse gas (GHG) emissions from specific types of aircraft engines contribute to pollution that “endangers public health and the environment.” The findings discovered that carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride are primarily released by commercial airliners, and all contribute to GHG pollution. While this final determination is a required step toward implementing domestic GHG engine standards, EPA chose not to include emissions standards for aircraft engines at this time. However, it is anticipated that once that International Civil Aviation Organization (ICAO) formally adopts its [agreement](#) on international airliner carbon dioxide standards in March 2017, EPA will propose its own set of standards.

For any further questions or concerns please contact NCSL staff [Ben Husch](#) (202-624-7779) or [Kristen Hildreth](#) (202-624-3597).