



NEWS RELEASE

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Pritzker Administration Focuses Remaining \$84 Million Volkswagen Settlement Funding on Electric Transportation and Infrastructure

Illinois EPA submits revised Beneficiary Mitigation Plan to Trustee

SPRINGFIELD — The State of Illinois is announcing the submittal of a revised Beneficiary Mitigation Plan (BMP) to the Volkswagen (VW) Settlement Trustee, focusing Illinois' remaining share of \$84.4 million on electric transportation and infrastructure. Illinois' revised plan will replace old diesel engines with all-electric school buses, public transit, Class 4-8 local freight trucks, and light-duty charging infrastructure to reduce nitrogen oxide (NOx) emissions from mobile sources in areas of Illinois that are disproportionately impacted by the effects of climate change and air pollution.

"Paired with our nation-leading Climate and Equitable Jobs Act and electric vehicle and charging incentives, our Volkswagen settlement funds will further hasten Illinois' transition to clean energy with a focus on accessible electric transit options," said **Governor JB Pritzker**. "The settlement alone will deliver more than \$106 million in EV upgrades and infrastructure expansions throughout the state."

"The revised BMP provides a significant opportunity to invest in electric vehicles and infrastructure, aligning with this Administration's commitment to address climate change and support the growth of electric vehicle manufacturing in Illinois," said **Illinois EPA Director John Kim**. "Illinois EPA looks forward to future funding opportunities utilizing VW Settlement funds to advance electric vehicles and infrastructure and further benefit our environment."

Of the State's remaining \$84.4 million in VW funds, Illinois expects to allocate:

- Up to 32%, or approximately \$27 million for all-electric public transit buses and public passenger/commuter locomotives;
- Up to 32%, or approximately \$27 million for all-electric school buses;
- Up to 19%, or approximately \$16 million for all-electric Class 4-8 local freight trucks (including municipal trucks, refuse trucks, dump trucks, concrete mixer trucks, delivery vehicles, and Class 8 port drayage trucks);
- Up to 15%, or approximately \$12.7 million for light-duty electric charging infrastructure; and
- Up to 2%, or approximately \$1.7 million for Illinois IEPA administrative costs.

VW Funding Opportunity-Revised BMP/2

Illinois EPA accepted comments on the revised all-electric BMP from April 29 – June 21, 2021, receiving a total of 641 comments. A coalition of environmental advocacy groups submitted joint comments which included support of a transition to the all-electric plan. Additional substantive comments received requested or expressed interest in including funding for electric trucks.

The BMP will continue to focus funds in the three Priority Areas established within the State for funding opportunities: (1) the Chicago non-attainment area (Cook, DuPage, Kane, Lake, McHenry, and Will counties, and portions of Kendall and Grundy counties); (2) the Metro-East non-attainment area (Madison and St. Clair counties); and (3) Champaign, DeKalb, LaSalle, McLean, Peoria, Sangamon, and Winnebago counties. These three areas were most adversely impacted by the elevated NOx emissions due to the number of subject VW diesel vehicles registered in these areas.

The revised BMP is available on the Illinois EPA website at: <https://www2.illinois.gov/epa/topics/air-quality/driving-a-cleaner-illinois/vw-settlement/Pages/default.aspx>. Illinois EPA submitted the revised plan to the Volkswagen Settlement Trustee on April 27, 2022 under the terms of the consent decree.

The Volkswagen Settlement is the resolution of a U.S. Department of Justice investigation that found that Volkswagen violated the federal Clean Air Act by installing “defeat devices” in certain diesel vehicles to circumvent federal vehicle emissions standards. Illinois EPA was designated as the lead agency to administer funds allocated to Illinois from the Volkswagen Environmental Mitigation Trust, the portion of the Settlement designated to states to mitigate the environmental impacts of Volkswagen’s actions and improve air quality in the State, primarily by removing old diesel engines from service. Illinois EPA has previously awarded over \$24.3 million in Volkswagen Settlement funds for public transit projects in the Chicagoland area, and electric school bus projects in the Chicagoland and Metro East areas.

Illinois EPA’s Volkswagen Settlement webpage contains additional information on the VW Settlement and the Driving a Cleaner Illinois Program: <https://www2.illinois.gov/epa/topics/air-quality/driving-a-cleaner-illinois/Pages/default.aspx>.

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