

December 18, 2013

The Honorable Regina A “Gina” McCarthy  
Administrator  
Environmental Protection Agency  
1200 Pennsylvania Ave. NW Room 3000  
Washington, D.C. 20460  
cc: Janet McCabe, Assistant Administrator (Acting), Air and Radiation

Dear Administrator McCarthy:

We are writing to you as part of a uniquely broad coalition of environmental, science-based, public health, industry, labor and state and local government groups, in thanks to the Administration for prior federal investments in the Diesel Emission Reduction Act (DERA) that provides significant clean air and economic benefits. As you prepare the Administration’s FY 2015 budget, we ask that you included significant funding the environmental Protection Agency (EPA) to continue this important program. We believe DERA provides a win-win in environmental and economic benefits and hope you will fund the program at no less than FY 2013 appropriation level, the most recent year for which a full year’s funding is available.

Our nation relies heavily on diesel power to move people and goods, bring crops to market and maintain and expand our infrastructure. Diesel engines are known for their efficiency and durability, operating well beyond the lifespan of traditional gasoline engines. Emissions of nitrogen oxides and particulate matter from new and newer diesel engines significantly lower thanks to the advent of clean diesel technologies. However, millions of older diesel engines are still in use across the country. Emissions from these older engines may be significantly reduced thanks to the availability of modern emission control technologies that help protect our health and create jobs here at home.

Enacted through the Energy Policy Act of 2005, DERA provides funding to incentivize equipment and vehicle owners to install retrofit technologies on existing heavy-duty diesel vehicles and engines, or replace engines and equipment, which have been demonstrated to reduce emissions by as much as 90 percent. DERA has had overwhelming bi-partisan support. In 2005, DERA passed the Senate by a vote of 92 to 1. In 2010, DERA was reauthorized through 2016 without opposition in the Senate and by voice vote in the House. Since implementation, DERA has become one of the most cost-effective EPA programs. Every \$1 in federal assistance is met with another \$3 in non-federal matching funds, including significant investment from the private sector to provide \$7 to \$18 in health and economic benefits. The program has adopted many cost saving administrative practices, such as a highly effective and streamlined rebate program for school buses and construction equipment which reduces administrative costs while getting funds to where they are needed more quickly. The program effectively helps our environment by cleaning our air and our economy by saving or creating domestic jobs. It is a true win-win.

As our coalition urges you to include DERA funding in the FY15 Administration Budget, we want to make clear that such funding should supplement and not come at the expense of funding for state and local air agencies. Also, while our coalition understands the concerns about the federal deficit, cutting funds for environmental protection and such a bipartisan, successful, public-private partnership program does not make sense. Although increased funding is justified by the results achieved, we only ask that you provide level funding for the fiscal year 2015 at not less than the \$20 million provided for the program in 2013 and the level provided by the House bill for 2014. At a time when our country is looking for ways to create jobs and clean the environment, DERA stands out as a prime example of a program that works.

Sincerely,

**American Association of Port Authorities -American Lung Association  
Associated General Contractors of America  
Blue Bird Corporation – have not indicated  
Caterpillar, Inc.  
Clean Air Task Force  
Corning Incorporated  
Cummins Inc.  
Diesel Technology Forum  
Emissions Control Technology Association  
Environmental Defense Fund  
National Association for Pupil Transportation  
National Association of State Directors of Pupil Transportation Services  
National School Transportation Association  
Natural Resources Defense Council  
Navistar  
Thomas Built Buses  
Umicore Autocat USA Inc.  
Union of Concerned Scientists  
Volvo Group North America**