

March 31, 2014

The Honorable Hal Rogers
Chairman
House Appropriations Committee
H-305, U.S. Capitol
Washington, D.C. 20515

The Honorable Nita Lowey
Ranking Member
House Appropriations Committee
1606 Longworth H.O.B
Washington, D.C. 20515

The Honorable Ken Calvert
Chairman
Appropriations Subcommittee on
Interior, Environment and
Related Agencies
B-308 Rayburn H.O.B.
Washington, D.C. 20515

The Honorable Jim Moran
Ranking Member
Appropriations Subcommittee on
Interior, Environment and
Related Agencies
1606 Longworth H.O.B
Washington, D.C. 20515

Dear Chairman Rogers, Ranking Member Lowey, Chairman Calvert, and Ranking Member Moran:

We are writing you as part of a uniquely broad coalition of environmental, science-based, public health, industry and state and local government groups, in thanks to the Congress for prior federal investments in the Diesel Emission Reduction Act (DERA) that provides significant clean air and economic benefits. We hope that you recognize the enormous economic and clean air benefits of the DERA program and we encourage you to support \$30 million in funding for fiscal year 2015 that puts appropriation for the program on a path toward its authorized level of \$100 million.

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 from new and newer diesel engines reflect vital progress in reducing emissions thanks to the advent of cleaner diesel technologies. However, millions of older diesel engines are still in use across the wide application of uses from heavy-duty trucks and other on-road vehicles, to construction equipment, locomotives and maritime applications. Because diesel equipment is so durable, the pace of turnover is slow, especially in an economy still recovering from the recent downturn. Fortunately, emissions from these older engines may be controlled thanks to the availability of modern American-made control technologies that reduce emissions 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, reducing harmful 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 unanimously by Congress through

2016. Since implementation, DERA has become one of the most cost-effective clean air federal programs. U.S. EPA estimates 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. Every state benefits because 30 percent of the funding goes to support state programs which each state has established. The program has adopted many cost saving administrative practices, such as the inclusion of a rebate program applicable to school buses and construction equipment that make the most of federal assistance and non-federal matching funds and speed the delivery of program funds with a minimum of red tape. The program effectively cleans our air and underpins employment in innovative industries. It is a true win-win-win.

Despite continued widespread interest in the program around the country as evidence by the tremendous number of applications submitted to EPA, appropriations for the program have fallen to a fraction of the authorized level. In fact, current funding levels are so low that a number of states are considering suspending or ending their state programs because of the limited Federal funding available to help administer state programs.

Our coalition understands that appropriations at the authorized level for the program may not be possible today. Yet, we believe that modest increases in funding for DERA can and must be achieved within the framework of the overall budget agreement approved by Congress late last year. We ask that you work to increase funding for the program to \$30 million while protecting critical funding for state and local air agencies who are key partners in addressing air quality concerns around the country. 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 Highway Users Alliance
American Lung Association - American Trucking Association
Associated General Contractors of America - Caterpillar Inc. - Clean Air Task Force
Corning Incorporated - Cummins Inc. - Diesel Technology Forum
Emissions Control Technology - Environmental Defense Fund
Illinois School Transportation Association – John Deere
National Association for Pupil Transportation
National Association of State Directors of Pupil Transportation Services
National School Transportation Association – Natural Resources Defense Council
Navistar - New York School Bus Contractors Association
Pennsylvania School Bus Association - Thomas Built Buses – Umicore Autocat USA Inc.
Union of Concerned Scientists**