

February 7, 2011

Mr. Jacob Lew  
Director  
The Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Dear Director Lew:

As part of a uniquely broad coalition of environmental, science-based, public health, industry, labor and state and local government groups, we are writing to express our strong support for funding the Diesel Emission Reduction Act (DERA) program in the Fiscal Year 2012 (FY 12) budget cycle. The DERA program has been extremely successful in providing cost-effective public health and environmental benefits, and it is imperative that the Administration show its support in order for the program to continue.

Diesel-powered vehicles and equipment play an important role in the nation's economy and are getting cleaner every day. DERA was designed to reduce emissions from the 20 million existing diesel engines in use today by as much as 90 percent. Throughout the program's history, it has enjoyed strong bipartisan support; most recently demonstrated this past December when Congress took the extraordinary step of reauthorizing this important program during the lame duck session.

Since enactment in 2005, DERA has been successful from an economic, environmental and public health perspective. The DERA program has been responsible for the creation and retention of local US jobs that involve manufacturing, installation and servicing of emissions related technologies. In a FY 2008 Report to Congress, the Environmental Protection Agency (EPA) estimates that for every dollar spent on the DERA program, an average of more than \$20 in health benefits are generated. Every state in the nation now has a diesel retrofit program and benefits from DERA funding.

We realize how late it is in the process and also understand that the President has committed to reducing the federal deficit and has directed the EPA to reduce its budget by five percent. However, we urge you to include funding for the DERA program in your FY 12 Budget. The FY 12 funding levels for DERA will set the stage for the following four years of the program's authorization. Failure to include any funding for the DERA program in EPA's FY 12 funding will put the program, and its environmental, public health, and economic benefits, in jeopardy. As our coalition urges you to work to secure funds for DERA in the FY 12 Appropriations cycle, we want to make clear that such funding should supplement and not come at the expense of funding for state and

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local air agencies which are essential to ensuring that the DERA funds are part of a comprehensive program. It is our hope that the Administration will provide leadership on this issue by including an appropriate level of funding in FY 12 Budget and Appropriations process.

Sincerely,

Advanced Student Transportation  
American Association of Port Authorities  
(AAPA)  
American Lung Association  
Caterpillar Inc.  
Chestnut Ridge Transportation  
Clean Air Task Force (CATF)  
Clean Air Watch  
Corning Incorporated  
Cummins Inc.  
Dean Management  
Dean Transportation  
Dell Transportation  
Diesel Technology Forum (DTF)  
Dousman Transportation  
Earthjustice  
Educational Bus Transportation  
Emissions Control Technology  
Association (ECTA)  
Environmental Defense Fund  
First Student  
Hendrickson Bus  
Huntington Coach  
Jaco Transportation  
Johnson Matthey, Inc

Krapf Bus Companies  
Manufacturers of Emission Controls  
Association (MECA)  
Mountain Valley Transportation  
National Association for Pupil  
Transportation  
National Association of Clean Air Agencies  
(NACAA)  
National Association of State Directors  
of Pupil Transportation Services  
National School Transportation  
Association  
Natural Resources Defense Council  
(NRDC)  
Navistar, Inc.  
NGK Automotive Ceramics USA, Inc.  
Red Lion Bus  
Riteway Bus Service, Inc.  
School Bus, Inc.  
Stafursky Bus  
Student Xpress  
Thomas Built Buses  
Trans Group  
Umicore Autocat USA Inc.