

February 27, 2007

The Honorable Stephen Johnson
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Johnson:

As you know, Congress recently enacted H.J.RES. 20 to continue appropriations for Fiscal Year 2007. This resolution requires agencies to submit a spending plan within 30 days of enactment. As a uniquely broad coalition of environmental and public health, industry, and state and local governmental groups, we urge you to include funding for two important environmental programs. We respectfully request that state and local air quality grants under the State and Tribal Assistance Grant program be funded at the FY2006 level of \$220.3 million. We also request that you provide up to \$49.5 million for the Diesel Emissions Reduction Act (DERA) with the funding that Congress made available by eliminating earmarks in EPA's budget.

Diesel powered vehicles and equipment play an important role in the nation's economy and are getting cleaner every day. The Administration has developed programs to help address emissions from the estimated 11 million existing diesel engines that are not affected by the model year 2007 engine standards. DERA, as authorized by the Energy Policy Act of 2005, is designed to provide significant emissions reductions from these existing engines whether publicly or privately owned. As included in the FY2007 budget, we urge you to provide up to \$49.5 million for DERA and consolidate the other clean diesel programs, including the Clean School Bus USA Program, Diesel Truck Retrofit and Fleet Modernization Program, Engine Idling Reduction Program and National Clean Diesel Campaign, with the intent that they be carried out as authorized within DERA. However, we request that you do not limit the program to nonattainment areas.

This investment is needed and fiscally responsible, yielding one of the greatest cost-benefit ratios of any federal program according to the Office of Management and Budget's calculations. It will go a long way toward helping states and localities meet the nation's clean air standards by encouraging the use of cost-effective emissions reduction strategies. Furthermore, similar to existing federal and state programs, the federal contribution will likely be dwarfed by the funding leveraged from other sources.

Additionally, we request that you provide funding for state and local air quality grants at the FY2006 appropriated level of \$220.3 million. State and local governments hold primary

Letter to Administrator Johnson
February 27, 2007
Page Two

responsibility for preventing and controlling air pollution and rely on these grants to carry out their core obligations under the Clean Air Act, including monitoring air quality, assessing emissions impacts, developing comprehensive state implementation plans, permitting and inspecting sources, enforcing laws and regulations, and conducting public education and outreach.

We urge this funding because state and local air quality agencies are under-funded and face increasing responsibilities – such as attaining and maintaining National Ambient Air Quality Standards, implementing clean air rules, and addressing toxic air pollutants.

States and localities and environmental, health, user, and industry groups all support up to \$49.5 million for the DERA program because it is sound environmental, economic, and budgetary policy. Similarly, we believe that state and local air quality grants should be funded at \$220.3 million because these grants are vital to achieve and sustain clean, healthful air across the nation.

Sincerely,

American Association of Port Authorities (AAPA)
American Bottom Conservancy
American Lung Association
American Lung Association of Maine
American Lung Association of Metropolitan Chicago
American Lung Association of New York State, Inc.
American Lung Association of North Carolina
American Lung Association of Rhode Island
Associated General Contractors of America (AGC)
Association of Equipment Manufacturers
Autotherm Division Enthel Systems Inc.
BASF Catalyst LLC
Beck Bus Transportation
California Air Pollution Control Officers Association
(CAPCOA)
Caterpillar Inc.
Chestnut Ridge Transportation, Inc.
Clean Air Task Force (CATF)
Clean Air Watch
Clean Fuels Ohio
Clean Water Action - Connecticut
Clean Water Action - Rhode Island
Clean Water Action Alliance of Massachusetts
Clean Water Action, Washington, DC
Community Bus Services, Inc
Commuter Challenge
Corning Incorporated
CSX
Cummins Inc.
Dell Transportation
Diesel Technology Forum (DTF)
Donaldson Company
Durham School Services LLC
Earth Day Coalition's Clean Cities Program

Educational Bus Transportation, Inc.
Elmwood Community Center (Providence, RI)
Emissions Control Technology Association (ECTA)
Engine Control Systems Limited
Engine Manufacturers Association (EMA)
Environmental Defense
Environmental Health Watch (OH)
Environmental Law and Policy Center
Extengine Transport Systems, LLC
Friends of the Moshassuck (RI)
Green Environmental Coalition
Green Party of RI
Group Against Smog and Pollution (Pittsburgh)
Health & Environmental Justice - St. Louis
Hendrickson Bus Corporation
Huntington Coach Corporation
International Truck and Engine Corporation
Jaco Transportation, Inc.
Johnson Matthey, Inc
Kent Environmental Council
Manufacturers of Emission Controls Association (MECA)
Mid State Bus Service, Inc.
Mid-Ohio Regional Planning Commission (MORPC)
Missouri Coalition for the Environment
Mothers and Others for Clean Air (GA)
National Association for Pupil Transportation (NAPT)
National Association of Clean Air Agencies (NACAA)
National Association of State Directors of Pupil
Transportation Services
National Association of Waterfront Employers (NAWE)
National School Transportation Association
New Jersey Environmental Federation
NGK Automotive Ceramics USA, Inc.

Letter to Administrator Johnson
February 27, 2007
Page Three

Northeast States for Coordinated Air Use Management
(NESCAUM)
Ocean State Action (RI)
Ohio Bus Association
Ohio Environmental Council
Ohio League of Conservation Voters
Pawtucket Alliance for Downtown Success (PADS) (RI)
Peterman, LLC
Port of San Francisco
Port of Seattle
Port of Tacoma
Puget Sound Clean Air Agency
Puget Sound Regional Council
Regional Air Pollution Control Agency
Rhode Island Committee on Occupational Safety and
Health (RICOSH)
Rhode Island Parent Teachers Association (RI PTA)
Rhode Island Society for Respiratory Care

Sacramento Metropolitan Air Quality Management District
San Luis Obispo County Air Pollution Control District
Scholastic Bus Co.
School Bus, Inc.
Shurepower, LLC
Southern Alliance for Clean Energy
Southern Environmental Law Center
Student Bus Co.
Suffolk Transportation
Sunrise Southwest
Sunrise Transportation
Tenneco Automotive
The TransGroup, LLC
Thomas Built Buses, Inc.
Umicore Autocat USA Inc.
Union of Concerned Scientists
United Motorcoach Association
United States Chamber of Commerce
Washington State Department of Ecology

cc: Rob Portman, Director, Office of Management and Budget
James Connaughton, Chairman, Council on Environmental Quality
Marcus Peacock, Deputy Administrator, EPA