

# United States Senate

WASHINGTON, DC 20510

April 11, 2008

The Honorable Dianne Feinstein  
Subcommittee on Interior and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, D.C. 20510

The Honorable Wayne Allard  
Subcommittee on Interior and Related Agencies  
Committee on Appropriations  
United States Senate  
Washington, D.C. 20510

Dear Chairman Feinstein and Ranking Member Allard:

We respectfully request \$70 million for the Diesel Emissions Reduction Act (DERA) and \$270.3 million for state and local air quality grants.

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 in the legacy fleet 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. We request \$70 million for the DERA program in Fiscal Year 2009.

This investment is needed and is 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.

In past budgets, funding for the DERA program has been placed under the State and Tribal Assistance Grants (STAG) account in the budget of the U.S. Environmental Protection Agency (EPA). Since DERA requires that 70 percent of the appropriated funds be distributed by EPA and not state and local governments, we recommend that this program be funded through an account other than STAG.

The second critical component of our request is that you increase funding for state and local air quality grants to \$270.3 million, which represents a \$54 million increase above FY08 appropriated levels. State and local governments hold primary 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, permitting and inspecting sources and enforcing laws and regulations.

We urge increased funding for these grants because state and local air quality agencies are straining to maintain existing programs and address increasing responsibilities – such as developing State Implementation Plans to attain and maintain National Ambient Air Quality Standards, implementing clean air rules, and addressing toxic air pollutants. At the same time, federal grants for these programs have decreased by approximately one-third in terms of purchasing power over the last 15

years. Recognizing that resources are limited, we are requesting only a portion of the amount that is needed by these agencies.

States and localities and environmental, health, user and industry groups all support greater funding for diesel retrofits and clean air agencies because it is sound environmental, economic and budgetary policy. We urge you to provide \$70 million for DERA and \$270.3 million for state and local air quality grants in FY09 appropriations.

Sincerely,

Tom Carper  
Hillary Rodham Clinton  
John Z. Sauer  
Carl D.  
Joe I. Lieberman  
Wally Martens  
John F. Kerry  
Ken Salazar  
Dick Durbin  
Dymally

George V. Voinovich  
Ruben E. Hironaka  
Susan M. Collins  
Carl Levin  
Shirley  
Dick Lugar  
Chris Dodd  
Chuck Schumer  
Ron Wyden