

September 8, 2016

Rep. Fred Upton
2183 Rayburn House Office Building
Washington, DC 20515

Dear Rep. Upton,

As part of a uniquely broad coalition of stakeholders, including industry groups, as well as environmental and public health organizations, and state and local regulators we would like to thank you for your support of continued funding for the Diesel Emissions Reduction Act (DERA) and to ask for your co-sponsorship of H.R. 5913, bipartisan legislation introduced by Representatives Renee Ellmers (R-NC) and Doris Matsui (D-CA) to reauthorize this successful program for five years. The DERA program is needed to help speed the adoption of highly cost-effective and efficient emission control technologies for the legacy fleet of over 10 million diesel vehicles that currently do not meet the most recent emission control standards. As vast opportunities remain to reduce diesel emissions through this effective program, we respectfully request your continued support by reauthorizing DERA for Fiscal Years 2017 through 2021.

First enacted as a Senate floor amendment by Sen. George Voinovich (R-OH) to 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 emissions by as much as 90 percent. DERA has enjoyed overwhelming bipartisan support. The Voinovich Amendment passed the Senate by a vote of 92 to 1. In 2010, the Senate approved DERA reauthorization unanimously and the House approved the measure by voice vote. H.R. 5913 is a simple reauthorization of DERA with no programmatic changes to the existing program.

Since implementation, DERA has become one of the most cost-effective federal clean air programs. It earned the strong support of the Bush Administration, which requested funding for the program in each year's budget requests, and was the only program administered by EPA for which all regions sought additional funding. It is a completely voluntary, merit-based, and cost-effective program. EPA estimates every \$1 in federal assistance is met with another \$3 in non-federal matching funds, including significant investments from the private sector, and generates \$7 to \$18 in health and economic benefits. Every state benefits because 30 percent of the funding goes to support state programs that 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 increases the delivery of program funds with minimal red tape. The program effectively cleans our air and supports domestic employment in innovative industries while also helping businesses invest in new and efficient technologies.

EPA's most recent estimates indicate that the program has upgraded nearly 73,000 vehicles or pieces of equipment while saving over 450 million gallons of fuel. The agency estimates that total lifetime emission reductions achieved through DERA funding are 14,700 tons of particulate matter (PM) and 335,200 tons of nitrogen oxide (NOx) which EPA estimates equates to approximately \$12.6 billion in health benefits. The program helps to improve air quality at our nation's schools, construction sites, highways, railyards and ports.

Some have asked why a program enacted in 2005 to help bring new technology into the marketplace is still needed. The answer is tied to the long-lived nature of diesel vehicles and the tremendous emission reductions achieved when older vehicles are replaced or repowered with newer engines or equipped with state-of-the-art emission control devices. Without a program like DERA, these older vehicles will stay on the road until they wear out, emitting pollutants that could be significantly reduced using technology approved under DERA. Beyond that, the program also supports job growth and industry stability. The DERA coalition needs Congress' support to ensure the program's continued success. Without reauthorization of the DERA program, it's economic, environmental, and public health benefits will disappear. DERA stands out as a prime example of a federal program that works in providing voluntary and effective tools for state and local regulators to attain their air quality goals through cost-effective measures to deploy newer, cleaner vehicles.

It is our hope that you will cosponsor the bill and that Congress will reauthorize DERA for Fiscal Years 2017 through 2021. If you would like any additional information or desire to meet with us on this information, please contact Mr. Gabe Rozsa at Prime Policy Group (gabe.rozsa@prime-policy.com or 202-530-4843) to schedule a meeting with representatives of our broad coalition. Thank you for your consideration of this request and your support for action to continue this important program.

Sincerely,

American Association of Port Authorities – American Highway Users Alliance - American Lung Association – American Trucking Associations - Associated General Contractors of America - Association of American Railroads – Caterpillar, Inc. - Clean Air Task Force - Corning Incorporated - Cummins Inc. - Diesel Technology Forum - Emissions Control Technology Association - Environmental Defense Fund – Foss Maritime Company - Interstate Distributor - Manufacturers of Emission Controls Association - NAFA Fleet Management Association - National Association for Pupil Transportation - National Association of Clean Air Agencies - National Association of State Directors of Pupil Transportation Services - National School Transportation Association – Natural Resources Defense Council – Navistar - Saltchuk – Thomas Built Buses - Umicore Autocat, Inc. - United Motorcoach Association