

July 10, 2007

The Honorable Michael Easley  
Office of the Governor  
116 West Jones Street  
20301 Mail Service Center  
Raleigh, North Carolina 27699-0301

Dear Governor Easley,

On May 25, 2007, the President signed the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (Public Law 110-028), which calls for a rescission of \$871 million in transportation funds. This comes on the heels of the March 2007 rescission of \$3.47 billion, the largest single rescission ever ordered by Congress.

We recognize that rescissions are a part of the budgeting process; however we are concerned with the history of states disproportionately rescinding Congestion Mitigation and Air Quality (CMAQ) dollars. Despite the fact that the CMAQ program comprises approximately 5%-6% of total transportation funds received each year by state Departments of Transportation (DOT), CMAQ funds accounted for 23% of rescissions in fiscal year 2006 and 16% of the rescission made in March of this year. This was a nationwide total of \$1.4 billion that is no longer available for programs that help metropolitan areas meet air quality standards and reduce congestion.

As a uniquely broad coalition, we are writing to request that your state DOT not disproportionately burden the CMAQ program with meeting this rescission. Accordingly, we respectfully request that any rescission of funds from the program be proportionate with its receipts under the state allocation.

As you know, the CMAQ program is designed to fund projects that will help air quality nonattainment and maintenance areas attain the National Ambient Air Quality Standards (NAAQS). Given the significant air quality issues that face many states, it is important that all appropriated CMAQ funds be put to work to meet the goals of the program.

States have until July 20th, 30 days from the issuance of the Federal Highway Administration's directive on June 20th, to decide which funds to "give back" to the federal government. Therefore, we hope you will contact the state DOT Commissioner or Secretary immediately and urge that CMAQ not be unfairly burdened by the need to reduce federal transportation funding in the current federal fiscal year. These funds are integral to a less congested, cleaner, and more accessible transportation system.

Sincerely,

American Lung Association of North Carolina  
Autotherm Division Enthel Systems Inc  
BASF Catalyst LLC

Blue Bird Corporation  
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Carolinas Clean Air Coalition  
Caterpillar Inc.  
Clean Air Task Force (CATF)  
Clean Air Watch  
Clean Diesel Technologies, Inc.  
Corning Incorporated  
Cummins Inc.  
Diesel Technology Forum (DTF)  
Donaldson Company  
Emissions Control Technology Association (ECTA)  
Emisstar LLC  
Engine Manufacturers Association (EMA)  
Environment North Carolina  
Environmental Defense  
Friends of the Earth  
International Truck and Engine Corporation  
Johnson Matthey, Inc  
Manufacturers of Emission Controls Association (MECA)  
National Association for Pupil Transportation (NAPT)  
National Association of Regional Councils (NARC)  
National School Transportation Association (NSTA)  
Natural Resources Defense Council  
NGK Automotive Ceramics USA, Inc.  
Respiratory Health Association of Metropolitan Chicago  
Southern Alliance for Clean Energy  
Southern Clean Fuels  
Thomas Built Buses  
Umicore Autocat USA Inc.  
Union of Concerned Scientists

Cc: Lyndo Tippett, Secretary, North Carolina Department of Transportation  
Robin Smith, Environment Assistant Secretary, Department of Environment and Natural Resources  
Richard Rogers, Assistant Secretary, Department of Environment and Natural Resources