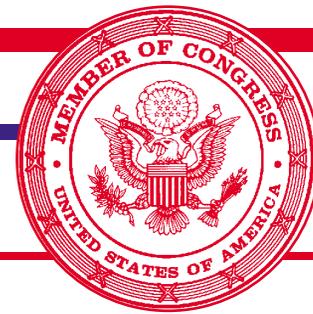




Congressman Terry

**EVERETT**

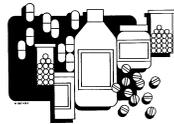
**WASHINGTON UPDATE**



Second Congressional District

Summer 2003

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# Supporting Our Troops In Iraq and Kuwait

This spring, I was asked by House Speaker Dennis Hastert to join two separate House bi-partisan leadership visits to assess the morale and readiness of our troops deployed in the Middle East. In mid February we had meetings with American military personnel in Uzbekistan, Kyrgyzstan, and Kuwait. And in late May, we visited our troops in Kuwait and Iraq. The visits offered a unique before-and-after picture of Operation Iraqi Freedom's effect on troop conditions.

## Visiting Troops in Afghanistan Theater of Operations

Before the war in Iraq, we visited our military personnel in Central Asia who are working in support of the ongoing war on terror in neighboring Afghanistan. Unfortunately, bad weather kept us from landing in that nation for a first-hand look. However, many hundreds of military personnel talked to our group during a number of town meetings where we presented them with banners of support from Congress. Morale was high and our troops were appreciative of the support of the American people.

## On the Frontlines in Kuwait

Also in February, we visited the front lines of the Iraqi-Kuwaiti border assessing the living conditions and spirits of our soldiers in forward deployed camps. Whether standing in "chow" lines for hours shaking their hands or spending one-on-one time with them, we left Kuwait convinced that our military was ready to do the job of liberating Iraq if called into action.

After the end of the major fighting in Operation Iraqi Freedom, I joined a follow-up Congressional delegation tour of the military camps in Kuwait and Iraq in late May. Ours was the first Congressional group to be allowed to move around the country of Iraq.

## First Delegation to Travel in Iraq

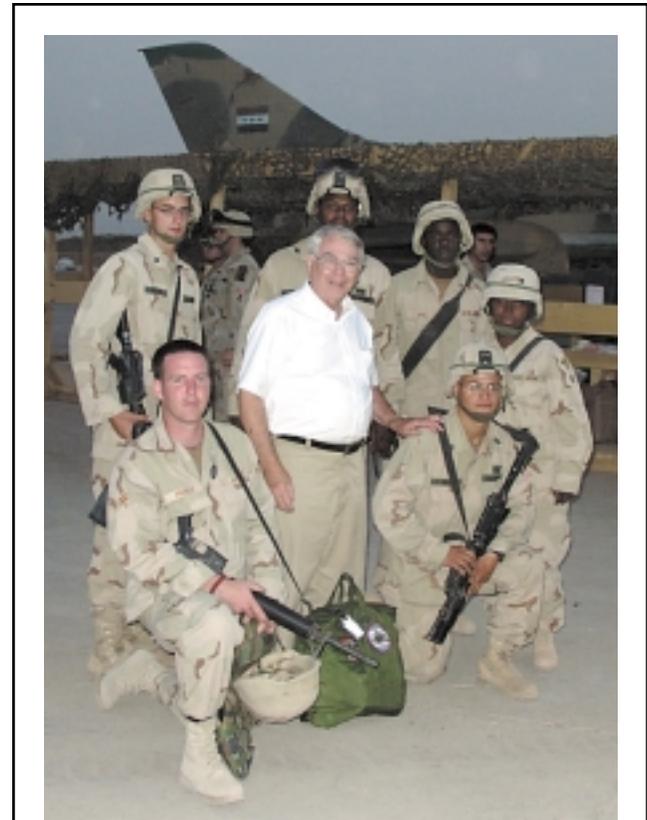
Our delegation was briefed in Iraq by Ambassador Paul Bremer who is the Administration's appointee to lead the political and physical reconstruction of the country. While far from perfect, the situation in Iraq is slowly improving. American military forces are doing everything they can to bring order to the streets and quickly restart Iraq's infrastructure and service systems. Food supplies are in good shape, near prewar levels, but sufficient water supplies continue to be a problem for the Iraqi people.

On the political front, local government is slowly being restored in Iraq. New city councils have been elected by the Iraqi people in 17 of the 26 cities with populations over 100,000. Money is flowing into the local economies as American authorities are using Iraqi funds to begin making pension payments and the salaries of school teachers, health workers, state workers, policemen, judges, and others.

## Troop Safety and Morale

Iraq remains a dangerous place. During our visit, two American military personnel were killed from ambush attacks by terrorists and Sadaam loyalists. In recent weeks these attacks continue. Our delegation expressed its concern and pledged to work in Congress to ensure that our servicemembers have all the equipment and support they need to safely do their jobs.

In every part of Baghdad we visited, as well as in outlying villages and in the American military camps in Kuwait, American soldiers were proud of the job they were doing to free Iraq and protect lives at home. Our delegation gave them full assurance that Congress, the President, and the American people are equally as proud of them and are behind them 100 percent.



**Alabama Troops in Iraq**

In late May, our congressional delegation met dozens of Alabama military personnel in Iraq and Kuwait. I discussed morale and living conditions with this group of Alabama soldiers in the northern Iraqi city of Kirkuk.

## Second District Gains Stronger Defense Voice

In January, I was appointed chairman of the newly-created subcommittee on Strategic Forces. This is good news for Alabama and the Second Congressional District. It marks the first time in 15 years that an Alabamian has chaired a House Armed Services subcommittee.

As chair of the new Strategic Forces subcommittee, I have oversight over the nation's ballistic missile defense and military space programs, as well as Energy Department nuclear programs covering \$59 billion in related military spending each year.

These programs have a positive impact on Huntsville's Red Stone Arsenal, as well as Pike County's Lockheed Martin missile assembly plant. See page 3 for more info on new funding for Lockheed Martin's new anti-missile system.



### Welcoming Hyundai

Hyundai's decision to locate its first North American auto assembly plant in Montgomery has already generated positive news as auto suppliers have announced nearly a dozen plants for central Alabama. This is in addition to the \$1 billion main manufacturing plant at Hope Hull which will employ 2,000. Last summer, I was pleased to join the Alabama congressional delegation at the U.S. Capitol in presenting Hyundai's Chairman Mong Koo Chung with a copy of our Congressional Resolution (H CON RES 377) commending Hyundai Motor Company's investment in America.

## Prescription Drug Coverage Passes House

### Seniors Finally to be Given Options for Coverage

In June, the U.S. House passed a long-awaited prescription drug benefit program for seniors. While the House-passed Prescription Drug and Medicare Modernization Act of 2003 is not all that I would have preferred, it is a good start in the effort to deliver affordable drug coverage for seniors.

National opinion polls agree that one of the most pressing concerns of older Americans today is the high cost of prescription drugs. And, it's not surprising since the average retail prescription drug price increased three times the general rate of inflation from 1998 to 2000. A typical senior without prescription drug coverage pays 34 percent of their after-tax income on health care.

As drug costs skyrocket and more and more seniors are left to choose between paying their utility bills and buying prescription drugs, taking no action to address drug costs would be unconscionable.

The House passage of the Prescription Drug and Medicare Modernization Act is a positive step. For starters, it gives seniors something they may not have had before – options. They can finally choose between drug plans, opting for the one which best serves their needs.

Under the new drug coverage plan, beneficiaries would have the same universal guarantees as with any other Medicare health service:

Universal – If you are 65 or older, you qualify for Medicare and are entitled to the new Medicare drug benefit.

Voluntary – If you have some other source of prescription drug coverage and you are happy with it, then you have the right to stay where you are.

Choice – If you would like drug coverage from another provider, you are free to choose another plan that suits you best.

The new Medicare prescription drug plan, which would take effect in 2006, will leverage the strength of over 40 million seniors to substantially lower the cost of prescription medications. What's more, it will provide immediate savings on medications, including a prescription drug discount card; a cost-sharing agreement where seniors pay 20 percent up to \$2,000 in annual drug costs after a \$250 deductible; 100 percent catastrophic coverage for out-of-control drug costs beyond \$3,500 a year; and, full coverage on prescription drugs for low-income seniors earning below 135 percent of the poverty level.

The House passage of this prescription drug bill is the first step toward final approval. It must now be reconciled with differences in the Senate prescription drug legislation before it can be passed into law. Most significantly, it lays the groundwork for future senior drug coverage enhancements.

## Tax Relief Signed into Law

### 1.2 Million Alabamians to Benefit

The recently enacted Economic Growth and Jobs Act is significant. It will lower the tax burden for nearly 90 million Americans, including 1.2 million Alabamians. It is expected to generate \$200 billion in the national economy, and create over a million jobs by the end of 2004.

The cornerstone of the new tax relief bill is its immediate implementation of a lower tax bracket for tax-paying Americans. For example, the number of Americans in the lowest Federal income tax bracket (the ten percent rate) will expand. Furthermore, the other Federal tax brackets above the 15 percent level will be lowered to new rates of 25, 28, 33 and 35 percent.

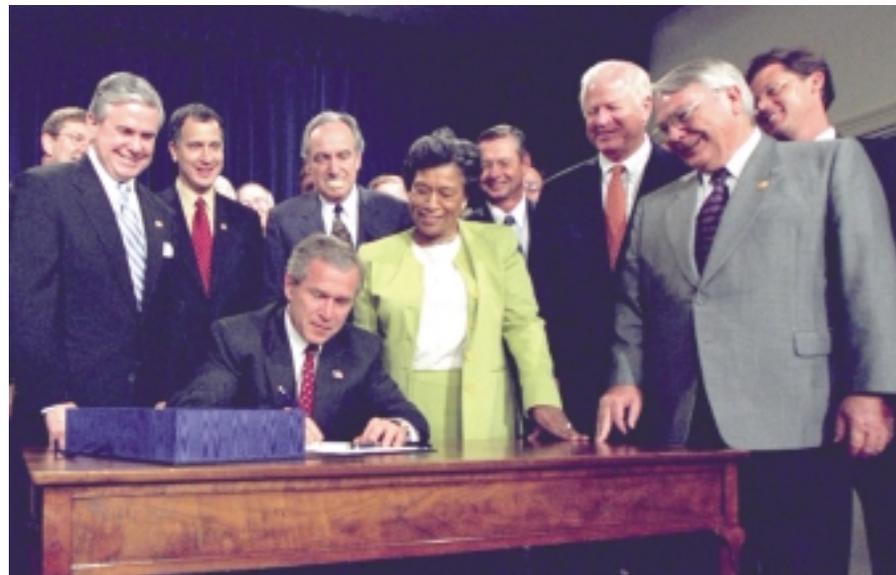
The expansion of the ten percent tax bracket will benefit married taxpayers with taxable income over \$12,000 and single taxpayers with taxable income over \$6,000. It is estimated that more than 860,000 Alabama married couples and single filers will benefit from this provision. In Alabama, over 270,000 taxpayers will benefit from the acceleration of the lowering of the remaining Federal tax rates.

The new tax relief bill also speeds up the reduction in the marriage penalty by phasing it out in 2003 and 2004, instead of in 2005 through 2009. It will effectively increase the standard deduction for working married couples to double the amount of the standard deduction for single taxpayers. The new tax changes will benefit nearly 500,000 married couples in Alabama.

The 2001 tax-cut law stated that American families paying Federal income taxes would see a \$1000 a child Federal tax credit phased in between 2005 and 2010. The just-passed tax bill again speeds up this relief to 2003, resulting in a \$400 refund for each child this year for families who currently pay Federal income tax. In Alabama, more than 400,000 married couples and single parents will qualify for this tax refund.

Americans who invest in stocks, including ten million seniors who depend on dividend income in their retirement years, will benefit from the new tax relief law's lowering of the maximum capital gains tax rate to 15 percent this year through 2008. For taxpayers in the ten to 15 percent income tax brackets the dividends and capital gains tax rate are reduced to five percent in 2003 through 2007 and zero in 2008. More than 300,000 Alabama taxpayers will benefit from these rate reductions.

Finally, America's economic engine, our small businesses, will see relief in the form of an increase in the amount of business investment they can deduct. The amount is increased from the current \$25,000 to \$100,000 beginning this year.



### Signing the Farm Bill

I was pleased to participate in the signing of the Farm Security Act of 2002 last summer. This major farm legislation provides greater security for farmers against the uncertainties of weather and market prices. In particular, it reformed the peanut program to protect the industry from the disastrous combined effects of foreign imports under the North American Free Trade Agreement and strong political opposition in Washington. On the home front in Alabama, agriculture remains our largest industry, employing nearly 475,000. In Southeast Alabama, the peanut industry is a dominant force with a half billion dollar annual economic impact and thousands of jobs dependent upon its survival. I oversaw the writing of the Farm Bill's peanut provisions which will benefit Wiregrass farmers.

## House Votes for 2004 Defense Budget With \$1.3 Billion in Military Spending Impacting Southeast Alabama

In late May, the U.S. House of Representatives passed the \$400 billion 2004 Defense Authorization Act that includes \$1.3 billion in defense spending impacting Southeast Alabama.

I secured \$342 million in funding for Southeast Alabama defense programs, including training and testing at Fort Rucker, new construction at Maxwell-Gunter, new Blackhawk helicopter production at Tallassee, and testing of a new anti-missile system to be partially produced at Pike County's Lockheed Martin. The legislation is currently in conference with the U.S. Senate.

### Fort Rucker:

As Fort Rucker is set to begin Flight School XXI for Army aviators, I was pleased to secure \$148 million in additional funds to ensure the training program has the resources to adequately prepare our future Army helicopter pilots.

Despite the Administration's original request for \$500 million for flight training, it is clear that student backlogs and the need to expand flight experience in combat aircraft have created the need for increased funding. Of course, flight training funding at Fort Rucker is key to the maintenance work performed on post by Dyncorp and instructor pilot services provided by Lear Siegler.

The 2004 Defense Authorization Act also includes my request for \$7.4 million in funding for the U.S. Army Aviation Technical Test Center at Fort Rucker. This increase is necessary for the ATTC to achieve a higher level of efficiency in the electronic collection of flight test data.

Also of interest to Fort Rucker is the defense bill's inclusion of \$1 billion for further research and development of the RAH-66 Comanche helicopter. Training for the Comanche, once in production, will take place at Fort Rucker.

### Maxwell-Gunter – Montgomery:

For Maxwell-Gunter Air Force Base in Montgomery, my request for a \$12.6 million Integrated Operational Support Facility was approved in the House bill. The project will upgrade and consolidate the Gunter Standards Systems Group computer and communications operations by bringing them together in a single, modern facility. I was also happy to support the Administration's budget request for \$13.4 million for Phase III of the Squadron Officer School Dormitory at Maxwell. These new construction projects will enhance the mission environment of Maxwell-Gunter.



### Bricks and Mortar at Second District Military Bases

Since 1993, I have requested \$247 million in new construction funding for Maxwell-Gunter Air Force Base and another \$168 million for base enhancements at Fort Rucker. It was a pleasure to participate in this groundbreaking ceremony last September for two new C-130 hangars for the 908th Airlift Wing at Maxwell. (Photo: Paul Troy, USAF)

### Lockheed Martin – Pike County:

The ongoing war against terrorism and the successfully fought military operation in Iraq were aided in large part by high-tech smart weaponry like the Hellfire missile produced in Pike County. The military will continue to rely on these systems for their exceptional capability to take out the enemy. Indeed, the 2004 Defense Authorization Act includes \$235 million for missile systems partially produced at Pike County's Lockheed Martin facility. The new defense budget also continues plans to ready a new anti-missile defense system for production in Pike County by year's end.

I supported the Administration's request for \$703 million for the THAAD (Theater High Altitude Aerial Defense) anti-missile defense system that will ultimately be produced at Lockheed Martin in Pike County. Furthermore, I secured an additional \$37 million to speed up testing of the new system to ensure that production can begin on time. The THAAD missile program will be tested elsewhere by Lockheed Martin, but assembly of the new missile is slated to begin in Pike County by year's end.

*Continued: (See Alabama Defense Jobs, Page 4)*

## EVERETT KEY VOTES, 108th Congress, First Session

### YES • [Prescription Drug Coverage \(HR 1\)](#)

Plan to give seniors affordable choices for prescription drugs  
Passed the House and Senate on 6/27/03  
Final legislation pending House-Senate conference

### YES • [Economic Growth and Jobs Act \(HR 2\)](#)

Provides \$359 billion in relief to taxpaying Americans and the economy  
Passed the House and Senate on 5/23/03  
Signed into law on 5/28/03

### YES • [Partial Birth Abortion Ban \(HR 760\)](#)

Prohibits partial-birth abortions  
Passed the House on 6/4/03  
Pending conference with Senate

### YES • [Human Cloning Ban \(HR 534\)](#)

Bill makes it a federal crime to produce or import human embryos  
Passed the House on 2/27/03  
Pending in the Senate

### YES • [Health Act \(HR 5\)](#)

Reforms the medical liability system, protecting legitimate malpractice claims rights and reducing costly frivolous lawsuits  
Passed the House on 3/13/03  
Pending in the Senate

### YES • [Child Protection Act - Amber Alert \(S 151\)](#)

Authorizes Justice Department to create a national abducted child alert system and enhances protection of children from criminals  
Passed by the House and Senate on 4/10/03  
Signed into law on 4/30/03

### YES • [Armed Forces Tax Fairness Act \(HR 1664\)](#)

Provides servicemembers with tax breaks on home sales, travel expenses and death benefits  
Passed the House on 4/9/03  
Pending in the Senate

### YES • [Do Not Call Implementation Act \(HR 395\)](#)

Authorizes the Federal Trade Commission to create a national Do-Not-Call registry funded by fees on telemarketers  
Passed the House on 2/12/03; Passed the Senate on 2/13/03  
Signed into law on 3/11/03



### Montgomery Students Visit Capitol

This spring the members of the Robert E. Lee High School AFJROTC program visited Washington to witness their government in action. After discussing the work of Congress, the students and I posed for a picture.

## House Passes Veterans Budget Increase For 2004

### *Budget Represents the Largest Ever VA Spending Increase*

The U.S. House is committed to improving veterans benefits and programs. The 2004 VA budget provides the largest increase ever for veterans spending not only in dollars (\$6.2 billion) but as a percentage (10.7 percent over 2003).

The new VA budget also represents the largest increase ever in veteran entitlement programs (mandatory spending will rise \$2.8 billion, from \$30.1 billion in 2003 to \$32.9 billion in 2004). These programs include disability compensation, widow pensions, GI Bill education program, and GI loan guarantees.

The new VA budget provides the largest increase ever for veterans' health care programs (discretionary spending will rise by \$3.4 billion, from \$26.7 billion in 2003 to \$30.1 billion in 2004). These programs include direct medical care, medical research, and construction funding.

The new VA budget delivers comprehensive health care services to over 4.5 million veterans and trains over 80,000 doctors, nurses, and other health care professionals. In addition, it ensures the VA's medical research spending will increase up to \$460 million for thousands of clinical studies of prosthetics, post-traumatic stress disorder, Hepatitis C, organ transplant and hundreds of other crucial areas.

The 2004 VA budget passed the House and Senate in April. This funding continues America's commitment to provide adequate health care for its veterans. In fact, Congress has increased veterans funding every year since 1994. Last year, Congress authorized full military retirement and disability pay (concurrent receipt) for service-connect military retirees with qualifying combat-related disabilities.

*Alabama Defense Jobs (continued from page 3)*

### **GKN Aerospace – Tallassee & Montgomery:**

GKN Aerospace in Tallassee and Montgomery is a key subcontractor for the military's Blackhawk helicopter line. I was pleased to support the Administration's request for \$139 million for the production of 10 new H-60 Blackhawks. I secured an additional \$112.8 million to produce 9 more H-60's bringing the total to \$251.7 million for 19 aircraft for 2004. Composite parts for these H-60's will be made and assembled in central Alabama.

### **Miltope – Montgomery:**

Another Montgomery area defense company will play a major role in supplying our men and women in uniform with high tech support. Miltope will benefit from the defense budget's purchase of \$17.8 million in TSC-750 battlefield-ready laptop computers. I was able to add another \$10 million to this purchase amount to bring it to \$27.8 million, ensuring an adequate supply of these essential laptops for our military.

### **JKM – Eufaula:**

For 2004, I secured \$9 million in the new defense budget for the remanufacture of the Fleet Phalanx Close-In Weapon System (CIWS) for the Navy. The CIWS Bock 1B upgrade will better protect our naval vessels from close-in anti-cruise missiles as well as terrorist threats presented by small boats and low flying aircraft. This work will be performed in part at JKM in Eufaula.

### **Dynamic Research – Enterprise:**

So the Army can make future battlefield operations safer for its personnel, I have secured \$5 million for Ground Systems Team Training to be provided by Dynamic Research of Enterprise.



### **Congressional Art Award**

Jessica Tyler of Andalusia recently took the top award in the annual Second Congressional District Art Competition at LBW College. Her artwork "Scraps of Autumn" will hang in the corridor of the U.S. Capitol for the remainder of the year. Jessica is a student at Andalusia High School.

(Photo: John Wallace, Andalusia Star News)

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## Alabama's Second District



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