



Congressman Pitts 100% behind Pennsylvania's manufacturers

The National Association of Manufacturers (NAM) recently released its key vote scorecard for the first session of the 108th Congress, and I was pleased to learn that, voting with NAM on 17 out of 17 key votes, I scored 100%. These votes were on such issues as medical liability reform, tax cuts, Department of Labor overtime regulation changes, trade

agreements, pension funding, and class action reform.

The NAM is the nation's largest industrial trade association, representing 14,000 members (including 10,000 small and mid-sized companies) and 350 member associations serving manufacturers and employees in all 50 states. It is a nonpartisan organization.

The health of the manufacturing sector is critical to the full recovery of our economy. I meet regularly with manufacturers in my district to ensure that their needs are being met.

You can make sure that I continue to do that by visiting NAM's voting scorecard online at: www.nam.org.



Congressman Pitts, State Senator Noah Wenger, and State Representative Scott Boyd presented a SHARP Award to Keystone Wood Specialities, an honor given by the Labor Department to businesses that set the standard for workplace safety.

Lancaster eligible for commercial air service grant

The U.S. Department of Transportation (DOT) recently restored Lancaster Airport Authority's eligibility to receive Essential Air Service (EAS) funding. In 2002, Lancaster was deemed ineligible by DOT to receive an EAS operating grant based on the Department's determination that it was located within 70 highway miles of the Philadelphia International Airport.

DOT's redetermination to provide EAS funding to the Lancaster Airport Authority was made possible due to legislation passed last year that I sponsored with Senator Arlen Specter. This legislation required the Governor to be consulted as to which route is most commonly used when calculating the mileage for the EAS program.

'Cheeseburger bill' passes House 276-193

The 'Cheeseburger bill,' officially known as H.R. 339, the Personal Responsibility in Food Consumption Act," passed the House on March 10, 2004 by a vote of 276 to 139. I cosponsored this important legislation, which will help ensure that frivolous lawsuits

regarding food choices do not become the latest casualty in the war against common sense.

H.R. 339 prohibits obesity or weight gain-related claims against the food service industry, and protects the food service

Continued on page 3...

Continued on page 4...

Congressman Pitts pushes for increase in funding for MEP

On March 31, 2004, I joined nearly 100 other Members of Congress in asking President Bush to support a re-programming of funds for the Manufacturing Extension Partnership (MEP) at the National Institute of Standards and Technology (NIST). MEP is a state/federal partnership that assists small manufacturers across the country.

In previous years, MEP's annual federal investment of \$106

million has generated billions of dollars in increased sales and investment, and jobs created and retained. The FY04 appropriated level of \$39 million for MEP is insufficient to maintain the existing network of MEP centers. As many as 40 MEP centers could lose all federal funding. If these centers close it will leave small manufacturers across the country without the technical and business assistance they have come to rely

on. On July 1, 2004, two-thirds of MEP centers come due for renewal requiring FY04 dollars. Unless action is taken before this date, our national network of MEP centers will be destroyed.

This letter to President Bush asks for a re-programming request to Congress to supplement the current amount of MEP funding. I am also closely monitoring MEP funding levels for FY05.

Congressman's voting record strengthens economy, creates jobs

Earlier this year, I was honored to receive the "2004 Small Business Advocate" Award from the Small Business Survival Committee (SBSC). The award is given to Members of Congress who demonstrate a commitment to the vitality of America's small businesses through their voting record.

As a former small business owner, I know the challenges entrepreneurs face. From paperwork to regulatory compliance, taxes to health care costs, we place an unbelievable burden on small businesses. I take my responsibility to these small business owners very seriously. They are the driving force of our economy and create jobs for people in our communities. And I will continue to work to keep them healthy and thriving.

SBSC Chairman Karen Kerrigan said, "Small businesses are the engine of growth for our recovering economy. By standing up for small businesses Rep. Pitts is playing a vital role in encouraging our current economic recovery. The measures Rep. Pitts voted for will help small businesses stay strong,

innovate, invest, and create jobs for the long term."

Key votes rated by the SBSC include tax relief and business improvement initiatives; repeal of the death tax; health insurance affordability legislation including Health Savings Accounts (HSAs) and Association Health Plans; and, measures that expand business access to overseas markets.

The Small Business Survival Committee is a national nonprofit small business advocacy organization with 70,000 members nationwide. This year marks the organization's 10th anniversary of protecting small businesses and advancing entrepreneurship.



Congressman Pitts talks with his 16th Congressional District Youth Advisory Council during a recent meeting in Washington, DC. The students meet regularly with Congressman Pitts and discuss current events and issues facing the nation.



Congressman Pitts tours Hamilton Precision Metals in Lancaster with company President Barry Brandt.

'Cheesburger bill' passes House (cont'd.)

Continued from page 1...

industry – America's largest private-sector employer – from the job-stifling costs of beefing up liability insurance and legal funds due to frivolous lawsuits filed by predatory lawyers.

Our country was founded on the principles of hard work and

individual responsibility. As our society becomes more and more litigious, those principles often give way to consumer greed and irresponsibility. It is my hope that the Senate quickly passes this legislation.

Without the 2001, 2002 and 2003 tax relief, in 2004:

- 111 million Americans would pay, on average, \$1,586 more in taxes;**
- 81 million women would pay, on average, \$1,878 more in taxes;**
- 49 million married couples would pay, on average, \$2,602 more in taxes;**
- 43 million families with children would pay, on average, \$2,090 more in taxes;**
- 11 million single women with children would pay, on average, \$921 more in taxes;**
- 14 million elderly individuals would pay, on average, \$1,883 more in taxes;**
- 25 million small businesses would pay, on average, \$3,001, more in taxes; and,**
- Nearly 5 million individuals and families who currently have no income tax liability would become subject to the income tax.**

EU imposes tariffs on U.S. goods

As you may know, the U.S. tax code's Foreign Sales Corporation (FSC) provisions provide a tax benefit for U.S. exporters. However, the European Union (EU) in 1997 charged that the provision was an export subsidy and contravened the World Trade Organization (WTO) agreements. A WTO ruling upheld the EU complaint, and to avoid retaliatory tariffs, U.S. legislation in 2000 replaced FSC with a redesigned export benefit, the "extraterritorial income" (ETI) provisions.

The EU maintained that ETI is also not WTO-compliant, and WTO panel reports again supported the EU, and approved the EU's request for up to \$4 billion of tariffs. These tariffs were imposed beginning March 1, 2004, and the EU has said that the tariffs will be removed upon passage by Congress of legislation repealing ETI.

The House is currently deliberating over H.R. 2896, the American Jobs Creation Act, a bill to repeal the ETI over a three-year transition period and enact in its stead a mix of tax reductions for domestic as well as foreign operations.

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Lancaster Airport (cont'd)

Continued on page 3...

The EAS program is designed to provide operating subsidies to airlines, enabling them to service smaller markets which would otherwise be unable to attract or retain commercial flights. To be eligible for such a subsidy, the community must be more than 70 miles from the nearest hub airport.

In a previous decision, DOT used a 66-mile route along Route 30 to make this determination rather than the "most commonly traveled highway route" of US 222 and the Pennsylvania Turnpike to the Philadelphia Airport, as the law requires.

The reinstatement of Lancaster's eligibility will encourage commercial carriers to begin serving our area once again.



Congressman Pitts examines the work done at the Alcoa plant in Lancaster during a recent visit.

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