



CONGRESSMAN
**Wally
Herger**



REPORTS FROM WASHINGTON



October 2007

Dear Friends:

General David Petraeus testified to Congress in September and said that we've seen an important turnaround this year in our nation's mission in Iraq. The Petraeus counter-insurgency plan has dramatically reduced sectarian violence in Baghdad and other volatile regions. Also, more Iraqis have joined the fight against al Qaeda jihadists and are helping to dismantle their sanctuaries.

This measurable progress must be coupled with meaningful political reforms to unite the Iraqi people. While legislation at the national level has been frustratingly slow, we are starting to see progress in local communities. Also, Iraq's security forces are increasingly taking the lead in securing their country. While many challenges remain, I hope this progress continues so we will be able to begin bringing our troops home soon.

Moving forward, I believe Congress should listen closely to the recommendations of General Petraeus. He has indicated that he believes we can succeed in Iraq, and has declared that both al Qaeda and Iran would benefit greatly from an American defeat there. This mission is critical to our national security. I will continue to work to ensure that our troops have the resources they need to succeed.

Enclosed you will find an invitation to sign up for periodic e-mail updates from me on issues important you. You will also find the schedule for upcoming telephone town halls I will be conducting. I hope you can participate, and I look forward to hearing from you!

Wally



Herger joins Sgt. Liam Diezsi of Burney and his parents John and Cynthia at the Veterans Memorial Grove in Redding. Sgt. Diezsi received a Purple Heart in 2006 while serving our nation in Iraq and is currently stationed in Germany.

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Making College More Accessible and Affordable



Herger discusses higher education issues with Redding Chamber of Commerce CEO Frank Strazzarino in front of Shasta College's new Health Sciences and University Center.

Access to higher education is critical in today's society. Earning a college degree generates better job opportunities for students and keeps America competitive in the growing global economy. I believe qualified students from all income brackets should have the opportunity to attend college.

The average cost of public college tuition has increased 86 percent over the last 15 years. Millions of families across the nation are struggling with these daunting costs. Some have a child just starting college and are facing substantial expenses. Others are preparing for the heavy costs of their young children's future college education by saving before they reach middle school.

Sadly, these costs can prevent qualified students from pursuing their dreams of earning a college degree. That is why I have supported increasing the maximum Pell Grant award, as well as a new grant program for math, science,

and foreign language majors. I will also continue to support federal-local partnership programs in Northern California that help prepare teenage students for college.

Unfortunately, there aren't any magic solutions to reducing college costs, and the education system can make it difficult to address this problem. Improved transparency could help students and taxpayers make more informed decisions, and hopefully moderate tuition increases. Further, we must ensure that federal student loan policies aren't contributing to the higher costs.

The Looming Alternative Minimum Tax

Congress created what we now know as the Alternative Minimum Tax (AMT) in 1969 to prevent 155 of the wealthiest Americans from using tax deductions and credits to avoid paying any taxes whatsoever. But because the income threshold for the AMT has never been indexed to rise with inflation, this "stealth" tax is now reaching down to capture millions of middle-income taxpayers who were never supposed to pay it—and is projected to reach millions more if Congress doesn't act.

Specifically, if Congress doesn't extend the higher income threshold by the end of this year, an additional 23 million taxpayers will be ensnared by this unjust tax. This could have a devastating impact on everyday Americans who are working to provide for their families and invest in their future.

The AMT was never meant to affect middle-class Americans. That is why I have cosponsored legislation (H.R. 1365) to eliminate it altogether. We must also reform our tax code to make it fairer and simpler. But the current House leadership has another idea: increase other taxes to pay for a scaled-back AMT reform. This plan to raise taxes would negatively impact our economic growth and job creation just as we're looking to stabilize from the recent market uncertainty.

The AMT is on the brink of stampeding millions of unsuspecting Americans. I will continue to work in Congress to help prevent these citizens from having a terrible Tax Day next year.

Improving Health Coverage for California Families

According to the latest report from the U.S. Census Bureau, 47 million Americans now lack health insurance. This is a symptom of growing frustration with the rising cost of health care coverage. High health care costs are placing an increasing strain on family, business, and government budgets. We need to make sure that every American has the opportunity to obtain quality, affordable health coverage.

The problems with our health care system are complex, and there is no “silver bullet” solution. I believe one essential component of any health care reform must be to correct inequities in federal tax laws. If you receive health coverage from your employer, your benefits are not taxed. However, if you purchase health coverage on your own, there is no corresponding tax deduction.

While the employer-based health system works well for many people, it also creates some problems. If you lose your job, you often lose your health coverage along with it. And more and more employers are not offering health benefits at all. I have joined Congressman Ron Kind of Wisconsin in introducing H.R. 3660, bipartisan legislation to allow self-employed individuals (sole proprietors) to claim the same tax deduction as employees who receive health benefits from their employers.

Eventually, I believe this opportunity should be provided to everyone, so Americans are no longer dependent on their employers for basic health care. Though there are many steps that need to be taken to address the rising costs of health insurance, this legislation is one reform that can help fix some of the problems plaguing our system, without destroying the innovation and patient-centered care that has saved millions of lives.



Rising Federal Spending Underscores Need for Budget Discipline

This year, the federal government will spend roughly \$250 billion just to pay for the interest on the national debt. And Congress was recently forced to raise the total amount of debt held by the U.S. government to nearly \$10 trillion. This is almost 75 percent of our nation’s annual gross domestic product, and it represents a staggering burden passed along to our children and grandchildren.

Even this colossal figure represents only part of the challenge we face. Our two largest entitlement programs, Social Security and Medicare, face an estimated \$32 trillion in future unfunded liabilities. If we do not begin finding solutions to this problem now, these essential safety net programs may not be available for future generations.

Unfortunately, many in Congress have demonstrated an unwillingness to take even small steps toward a balanced budget. Earlier this year, the House of Representatives passed a series of spending bills that, taken together, are \$20 billion over budget. I voted against a number of these bills because although they contained funding for many programs I support, they failed to make the difficult decisions needed to restore fiscal responsibility.

President Bush has threatened to veto spending bills that are over budget. The eventual outcome of this contest over a relatively small portion of the federal budget will signal whether Congress will tackle much bigger challenges in the future. I believe we must have the will to do so.

Upcoming Tele Town Halls



By now, most Northern Californian households across the Second Congressional District have received a call from me to participate in one of our “Tele Town Halls.” This forum allows you to offer your viewpoints from the comfort of your home. In nine teleconferences thus far, over 38,000 individuals have participated. I want to thank each of you who has done so.

Because participation has been very high and the technology has been well received, I have scheduled three more Tele Town Halls this year. Please see the map indicating when I’ll conduct a Tele Town Hall in your area. Because of technological glitches, some households may inadvertently not be called. And I also apologize if those who would prefer not to participate receive an invitation to do so. But if you’re hoping to participate, I hope you’ll be able to join one of these in-home conversations.

Key for Map
Green — October 30th
Blue — November 1st
Orange — November 6th
Each starting at 7:00 p.m. PST.



Herger and Williams Police Chief Jim Saso discuss the value of K9 teams in local law enforcement. Herger is working in Congress to ensure that law enforcement officers have the tools and resources to apprehend illegal immigrants and crack down on criminal gangs. He is a cosponsor of legislation (H.R. 3494) that would clarify the authority of local law enforcement to arrest and detain illegal immigrants and to cooperate with federal immigration agencies.

Service Academy Applications

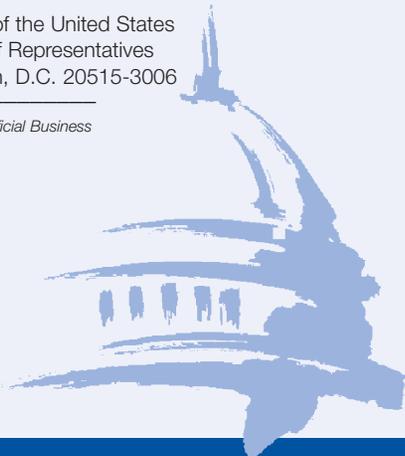
As your member of Congress, I have the honor of recommending young men and women for appointment to our nation’s service academies. These fine schools include the U.S. Military Academy, the Naval Academy, the Air Force Academy, and the Merchant Marine Academy. These institutions provide the unique opportunity to train for a career as an officer in our armed forces.

Appointments are available to young men and women between 17 and 22 years of age who are residents of our Congressional District. The applications deadline is **October 31, 2007**. If you are interested in this unique educational experience, please contact my office at **530-893-8363**, or visit **www.house.gov/herger**.



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Official Business



Wally Herger
 MC
 PRSRT STD

This mailing was prepared, published and mailed at taxpayer expense.

Staying Connected Through E-Updates

Advancements in technology have made it easier for the American people and their elected representatives to communicate. Now, I'm pleased to offer you an opportunity to receive regular e-mail updates on issues being considered by Congress and to share your feedback with me. I invite you to sign up, and also to check the appropriate boxes to indicate the issues you're most interested in.

E-Updates On . . .

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Quick Question: Do you believe all Americans should be required to purchase health insurance (similar to auto insurance)? Yes No

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