

made to a 401(k) plan (or a similar arrangement) generally to \$9,240 for 1995 (adjusted for inflation in \$500 increments).

(5) Code section 403(b): limits the amount of annual contributions that may be made to a tax-sheltered annuity (maintained by certain tax-exempt entities and public educational organizations) generally to the excess of the product of 20 percent of compensation times the participant's years of service over the amount contributed in prior years. In addition, contributions to a tax-sheltered annuity are subject to annual limit of \$9,500.

(6) Code section 408(k): limits the amount of elective deferrals that may be made by a highly compensated employee to a simplified employee pension (maintained by smaller employers) based on the amount of elective deferrals made by nonhighly compensated employees.

(7) Code section 415: limits the amount of annual benefits that may be paid from a defined benefit plan generally to the lesser of \$120,000 or 100 percent of the participant's average compensation for the highest three years of compensation, and limits the amount of annual contributions that can be made to a defined contribution plan to the lesser of \$30,000 or 25 percent of compensation.

Second, I want to briefly add my little voice to the debate on health care. The President, as I recall, in previous times has proposed that the Medicare spending be slowed, and that is what the Republicans have said.

The President has said we should have a tax cut for the middle class, echoed by the gentleman from Missouri [Mr. GEPHARDT], and the Republicans have said the same thing.

So, if someone is cutting someplace, it must be everybody is cutting, if that is the right word to use. But in the meantime, we believe that we are on the right track to balance the budget.

Mrs. SMITH of Washington. Mr. Speaker, I rise in strong support of legislation to eliminate the so-called source tax. This is the single-biggest issue for many of my constituents who suffer from this nefarious tax. Many of my constituents have waited many years for the source tax to be eliminated. I believe the 104th Congress will finally end this tax once and for all.

Having fought this unfair tax at the State level when I served in the Washington State Legislature, I am quite familiar with the long, hard journey that retirees have traveled to see this tax repealed.

The source tax is truly taxation without representation. By levying a source tax, States are able to target the retirement income of nonresidents even though the nonresidents receive no benefits or services in return for the assessed taxes. Thousands of residents throughout my home State of Washington have been burdened by this unfair tax.

Many of these retirees once worked in the neighboring States of Oregon or California and found Washington to be a popular place to retire since Washington did not impose a State income tax. Unfortunately, these retirees have seen a good portion of their retirement income go to another State's coffers. These retirees are paying for another State's taxes and do not even get the benefit of the services that their taxes finance.

While I want to thank everyone who has written or called in support of this legislation,

I especially want to thank Jim Dawes of Sequim, WA, for his diligent efforts to repeal the source tax. He has been a tireless advocate on behalf of the countless people in Washington State who are subjected to this tax.

Ms. DUNN of Washington. Mr. Speaker, as a cosponsor of H.R. 394, I am pleased to lend my support to this bill under suspension of the rules. H.R. 394 will eliminate the so-called source tax, a misguided provision of Federal law which allows States to tax retirement income of nonresidents.

The source tax is nothing less than taxation without representation and contradicts a fundamental American principle. Not only is it wrong to allow States to tax the pensions and retirement income of Americans who have moved out of the State, but it is an unfair burden on retirees whose current State also lays claim to the income. I have heard from countless constituents who have relayed their stories of how States across the country extend their arms into the hard-earned pensions of retirees who have moved to Washington State. This is simply unacceptable.

Retirees are currently forced to somehow calculate the portion of taxes to be allocated to each State. Simply put, Mr. Chairman, retirees should not be forced to pay taxes to a State in which they no longer reside and no longer vote. I urge my colleagues to end this practice and suspend the rules and pass H.R. 394 to return fairness to taxpayers in Washington State and across the country.

Mr. HEINEMAN. Mr. Speaker, I rise today to express my strong support for H.R. 394. This legislation will provide some much needed tax relief to our Nation's retirees. Current law allows a State to tax a retiree's pension income even when they no longer live in that State. I believe that is wrong. H.R. 394 will correct this problem.

H.R. 394 prohibits States from taxing the pension income of nonresident retirees. It is unfair for some States to take money away from seniors and retirees who do not even live in that State and may have not lived there for years. This represents taxation without representation and needs to stop.

Time and again I have heard my colleagues say that we should not unfairly burden our Nation's senior citizens and retirees. I agree. As a senior, I believe this Congress needs to stand up for what is right and support this important legislation. If this Congress does not act, some States will continue to tax retirees living in other States. Do not let this injustice continue, support H.R. 394.

Mr. GEKAS. Mr. Speaker, I have no further requests for time at this time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HAYWORTH). The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the bill, H.R. 394, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days within which to revise and extend their remarks on H.R. 394, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF AU PAIR PROGRAMS

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1465) to extend au pair programs.

The Clerk read as follows:

S. 1465

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AU PAIR PROGRAMS.

(A) REPEAL.—Section 8 of the Eisenhower Exchange Fellowship Act of 1990 (Public Law 101-454) is repealed.

(b) AUTHORITY FOR AU PAIR PROGRAMS.—The Director of the United States Information Agency is authorized to continue to administer an au pair program, operating on a world-wide basis, through fiscal year 1997.

(c) REPORT.—Not later than October 1, 1996, the Director of the United States Information Agency shall submit a report regarding the continued extension of au pair programs to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives. This report shall specifically detail the compliance of all au pair organizations with regulations governing au pair programs as published on February 15, 1995.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SMITH] will be recognized for 20 minutes, and the gentleman from Maryland [Mr. WYNN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

The au pair program, which is reauthorized by S. 1465, is administered by the United States Information Agency, USIA, and it has been an effective means of giving young people from overseas an educational year in the United States and also providing hard-working American families with many hours per week of high-quality child care.

The au pair program is a win-win situation, and I believe it deserves to be reauthorized.

Several of our colleagues, Mr. Speaker, deserve very special credit for their persistent efforts to get this bill before us. I speak especially of the gentleman from California [Mr. BAKER], who earlier this year appeared before our Subcommittee on International Operations and Human Rights and gave compelling testimony as to the value of this important program. I would also like to single out other strong proponents, including the gentleman from Virginia [Mr. WOLF], the gentleman from Virginia [Mr. DAVIS], and the gentleman from Virginia [Mr. MORAN], and, of course, the gentleman from New York

[Mr. GILMAN], the chairman, and the ranking Democratic member, the gentleman from Indiana [Mr. HAMILTON], who are also strong proponents of this as well.

Mr. Speaker, this Congress has voted three times so far this year to reauthorize the au pair program, in the American Overseas Interests Act, which passed the House in June, the Foreign Operations Appropriations Act, and the Commerce, Justice and State Appropriations Act. Unfortunately, all three of these bills have been held up in the Senate or by the White House because of other issues, critically important issues, to be sure, but issues having nothing whatsoever to do with the au pair program.

The solution clearly is to pass a free-standing au pair reauthorization bill.

Mr. Speaker, the bill we are about to vote on has already been passed by the other body, and we are presenting this bill instead of an identical House bill so that we can get it to the President's desk immediately. The House bill was marked up Thursday in the Subcommittee on International Operations, and then the full Committee on International Relations took it up with a favorable recommendation later on the same day.

The bill has bipartisan support, and I hope it will have unanimous support of this Chamber.

Mr. Speaker, as I indicated, the Senate has already passed an identical bill. Hundreds of American families have been inconvenienced during the period since September 30 when the authorization for the au pair program inadvertently expired. This is a program we can fix today, and, as I said, the Senate has passed it, and I hope the President will sign it as soon as it crosses his desk.

Mr. Speaker, I reserve the balance of my time.

Mr. WYNN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. WYNN asked and was given permission to revise and extend his remarks.)

□ 1315

Mr. WYNN. Mr. Speaker, I am pleased that the gentleman from New York, Chairman GILMAN, and our ranking member, the gentleman from Indiana, Mr. HAMILTON, were able to work together on this bill to extend the authority of USIA to run the au pair program for another 2 years.

The bill before us would change the existing program in two respects. First, it would open the program to applicants from countries around the world; and, second, it would allow the program to be run by any qualifying organization.

I understand the au pair program brings many positive experiences both to au pairs and to their host families. The bill before us takes a prudent and practical approach to the extension of the program at this time, and on that basis I urge the adoption of the bill.

Mr. LANTOS. Mr. Speaker, I want to acknowledge the leadership which our colleague

from New Jersey, CHRIS SMITH, the chairman of the Subcommittee on International Operations and Human Rights. He has played a key role in the effort to resolve the future of the au pair program. I also want to recognize the chairman of the full Committee on International Relations, Congressman BEN GILMAN of New York, and our the ranking Democratic member of the committee, Congressman LEE HAMILTON of Indiana. They have also played a critical role in dealing with this issue.

The au pair program has been in a state of uncertainty for a number of years, and it has been extended temporarily several times. The authorization for the operation of this program expired on September 30 of this year, and the legislation which we approved in this House to extend the program has not yet passed both houses of the Congress. For this reason, it is important that we act to resolve, at least temporarily again, this uncertainty for a specified period of time.

Our legislation today simply extends the program for another 2 years—until September 30, 1997—without resolving the question of its ultimate fate or ultimate future structure and existence. The legislation, however, does require a report from USIA, which should provide a basis for us to take more permanent action in 2 years.

This legislation does make improvements, and I welcome those changes. In the past the au pair program has been limited to young people from European countries. This legislation broadens the program to include other countries in Asia, Africa, and Latin America. This expansion will create additional problems for those who administer the program, but the extension of the program to all countries is a positive step.

Mr. Speaker, I strongly support international educational exchange programs, including this one for au pairs. As the founder of the California State Universities' study abroad program, I have long supported and promoted efforts to encourage young women and men to travel and learn about other countries, other languages, and other cultures. The au pair program provides an important opportunity for young people from other countries to experience American culture firsthand. These are young people who generally come from families which do not have the resources to permit them to travel independently or to study at an American university. It is important that they have this personal experience of our country.

It is extremely important, however, that the USIA and those who administer this program understand that this is an educational program—its purpose is to give young people experience with our country and its culture. Families who provide a home and food for foreign young people while they are here reasonably expect some assistance with household tasks. But this is not a program to circumvent our Nation's labor and immigration laws relating to employment in the United States by foreign citizens. This is not a program to provide free child care for upper-middle class Americans.

It is not a program to get around our Nation's labor laws. Those laws have been written for specific policy objectives, and the au pair program must be consistent with our labor laws. It is extremely important that the international educational exchange component of this program be recognized and acknowledged as being central to this legislation.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. GILMAN. Mr. Speaker, I rise in support of the motion to suspend the rules and pass H.R. 2767, a bill to extend the authorization for the au pair program for 2 years, through the end of fiscal year 1997.

I was pleased to introduce this measure because the authority for the program expired on September 30. Many families have been highly inconvenienced and child care plans have been turned upside down by the delay in the extending this program. Therefore, it is incumbent upon us to pass this extension and enable the program to continue to operate.

This is a bipartisan bill, and I want to acknowledge the key role the distinguished ranking member on our committee, my good friend from Indiana, Mr. HAMILTON, has played in drafting the bill and moving it through the committee.

A key element of this measure is to greatly broaden the regions of participation by repealing a section of the Eisenhower Exchange Fellowship Act that froze the au pair program as it existed in 1990.

In 1990 there were eight agencies administering an au pair program and it was limited to participants from Western Europe. Repealing this provision allows more agencies to run au pair programs, and opens it up to worldwide participation.

We also require the U.S. Information Agency to submit a report to Congress regarding a further extension of the program. The report must specifically address the compliance of the au pair organizations with new regulations governing the program.

I urge my colleagues to support this important extension.

Mr. WYNN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HAYWORTH). The question is on the motion offered by the gentleman from New Jersey [Mr. SMITH] that the House suspend the rules and pass the Senate bill, S. 1465.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 1465.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MAX ROSEN UNITED STATES COURTHOUSE

Mr. GILCHREST. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1718) to designate the U.S. courthouse located at 197 South Main Street in Wilkes-Barre, PA, as the