

does not like about their plan. I thought he had told that to the point where they were unhappy. He thinks they are endangering the ability of Medicare to continue to fully fund what older people need. He believes that abolishing the Federal law that says Medicaid will be there and if Americans are sick and old and poor or badly disabled, their medical care will be protected, that that is a mistake.

He thinks that the extent to which they are undercutting environmental enforcement is a mistake. He thinks cutting out funds that now go to help middle-income and working-class students go to college is a mistake.

Mr. Speaker, my Republican colleagues have a right to disagree. But they why do they insist on shutting down the Federal Government? In fact, we have the Republican Party, with a majority in both Houses, complaining that the majority apparently is insufficient for them to accomplish what the Constitution says to do when we want to change policy. They have, therefore, decided that they will shut down much of the Government. They will refuse.

Mr. Speaker, let us be very clear. Within hours we could pass a continuing resolution that simply said the Government will function at whatever level of appropriation my colleagues on the other side decide, until we agree on other things. Mr. Speaker, they are the majority.

In his last State of the Union, Ronald Reagan denounced the practice of withholding basic funding for the Government as a means of exerting leverage over other policy issues. For the first time in a long time, I wish the Republican Party were true to the legacy of Ronald Reagan. Go back to his last State of the Union. He said we do not have Government by extortion, and that is what we have.

Mr. Speaker, my colleagues' quarrel, they say, is with the President. They think he wants to be too profligate. He is going to spend too much money on those sick, old people. Fine. We can fight about that. They do not think he is going to cut enough taxes for wealthy people. But do not shut the Government down to punish him.

Mr. CANADY of Florida. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have heard a lot of things in this discussion today, but we have not heard an explanation for why the President has not come forward with a plan to balance the budget in 7 years using the CBO numbers as he committed to do. There is no explanation for that.

It has simply not been forthcoming. The President has failed to keep his commitment. The President's position on this is inexplicable to me. We hear that the President is opposed to draconian cuts in medicare. Well, the draconian cut is an increase of around 7 percent a year over the next 7 years, and the President himself, or the President's wife up on Capitol Hill in the

last Congress said that we should slow down the growth of spending in Medicare to a rate of 7 percent. That is what they proposed. Now they say that is a draconian cut and something that is unacceptable and it is keeping them from presenting a balanced budget plan.

Mr. Speaker, I do not understand it. The President says he is against our tax cuts for families. He says that a \$500 tax credit for families with children is too much. But when he was serving on the National Commission on Children, he endorsed a \$1,000 tax credit per child.

What has happened? What is the difference? I do not understand it. I think the President should go back and take a look at the commitment that he made less than a month ago, and he should follow through on what he said he would do.

I am hopeful today that all the parties will get together and we will have the Government up and running tomorrow, but I also hope that the President will get serious about his commitment to the American people, because this is something that affects the future of this country. It is time we got the job done.

Mr. Speaker, I will now say a little bit about this bill. I am very pleased that we have had the bipartisan support for the bill that we have seen. I will note that.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. CANADY] that the House suspend the rules and concur in the Senate amendment to H.R. 660.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CANADY of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate amendment to H.R. 660 that was just considered.

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

There was not objection.

AMENDING UNITED STATES CODE TO LIMIT STATE TAXATION OF CERTAIN PENSION INCOME

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 394) to amend title 4 of the United States Code to limit State taxation of certain pension income, as amended.

The Clerk read as follows:

H.R. 394

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

SECTION 1. LIMITATION ON STATE INCOME TAXATION OF CERTAIN PENSION INCOME.

(a) IN GENERAL.—Chapter 4 of title 4, United States Code, is amended by adding at the end the following:

“§ 114. Limitation on State income taxation of certain pension income

“(a) No State may impose an income tax on any retirement of an individual who is not a resident or domiciliary of such State (as determined under the laws of such State).

“(b) For purposes of this section—

“(1) The term ‘retirement income’ means any income from—

“(A) a qualified trust under section 401(a) of the Internal Revenue Code of 1986 that is exempt under section 501(a) from taxation;

“(B) a simplified employee pension as defined in section 408(k) of such Code;

“(C) an annuity plan described in section 403(a) of such Code;

“(D) an annuity contract described in section 403(b) of such Code;

“(E) an individual retirement plan described in section 7701(a)(37) of such Code;

“(F) an eligible deferred compensation plan (as defined in section 457 of such Code);

“(G) a governmental plan (as defined in section 414(d) of such Code);

“(H) a trust described in section 501(c)(18) of such Code; or

“(I) any plan, program, or arrangement described in section 3121(v)(2)(C) of such Code, if such income—

“(i) is part of a series of substantially equal periodic payments (not less frequently than annually) made for—

“(I) the life or life expectancy of the recipient (or the joint lives or joint life expectancies of the recipient and the designated beneficiary of the recipient), or

“(II) a period of not less than 10 years, or

“(ii) is a payment received after termination of employment and under a plan, program, or arrangement (to which such employment relates) maintained solely for the purpose of providing retirement benefits for employees in excess of the limitations imposed by 1 or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), or 415 of such Code or any other limitation on contributions or benefits in such Code on plans to which any of such sections apply.

Such term includes any retired or retainer pay of a member or former member of a uniform service computed under chapter 71 of title 10, United States Code.

“(2) The term ‘income tax’ has the meaning given such term by section 110(c).

“(3) The term ‘State’ includes any political subdivision of a State, the District of Columbia, and the possessions of the United States.

“(e) Nothing in this section shall be construed as having any effect on the application of section 514 of the Employee Retirement Income Security Act of 1974.”

“(b) CONFORMING AMENDMENT.—The table of sections for chapter 4 of title 4, United States Code, is amended by adding at the end the following:

“114. Limitation on State income taxation of certain pension income”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after December 31, 1995.

The SPEAKER pro tempore. The gentleman from Pennsylvania, [Mr. GEKAS] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. SCOTT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I yield myself such time as I might consume.