

EC-1897. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the first annual report on the Tribal Program Service and Expenditures for the Child Care and Development Block Grant (OBRA); to the Select Committee on Indian Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

AIR FORCE

The following officers for appointment in the Reserve of the Air Force, to the grade indicated, under the provisions of title 10, United States Code, sections 8373, 12004, and 12203:

To be major general

Brig. Gen. Boyd L. Ashcraft, 000-00-0000, Air Force Reserve.

Brig. Gen. Jim L. Folsom, 000-00-0000, Air Force Reserve.

Brig. Gen. James E. Haight, Jr., 000-00-0000, Air Force Reserve.

Brig. Gen. Joseph A. McNeil, 000-00-0000, Air Force Reserve.

Brig. Gen. Robert E. Pfister, 000-00-0000, Air Force Reserve.

Brig. Gen. Donald B. Stokes, 000-00-0000, Air Force Reserve.

To be brigadier general

Col. John L. Baldwin, 000-00-0000, Air Force Reserve.

Col. James D. Bankers, 000-00-0000, Air Force Reserve.

Col. Ralph S. Clem, 000-00-0000, Air Force Reserve.

Col. Larry L. Enyart, 000-00-0000, Air Force Reserve.

Col. Jon S. Gingerich, 000-00-0000, Air Force Reserve.

Col. Charles H. King, 000-00-0000, Air Force Reserve.

Col. Ralph J. Luciani, 000-00-0000, Air Force Reserve.

Col. Richard M. McGill, 000-00-0000, Air Force Reserve.

Col. David R. Myers, 000-00-0000, Air Force Reserve.

Col. James Sanders, 000-00-0000, Air Force Reserve.

Col. Sanford Schlitt, 000-00-0000, Air Force Reserve.

Col. David E. Tanzi, 000-00-0000, Air Force Reserve.

Col. John L. Wilkinson, 000-00-0000, Air Force Reserve.

ARMY

The following-named officer for appointment to the grade of general in the U.S. Army while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be general

Lt. Gen. Johnnie E. Wilson, 000-00-0000, U.S. Army.

NAVY

The following-named officer for appointment to the grade of admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, sections 601 and 5035:

To be admiral

Vice Adm. Jay L. Johnson, 000-00-0000.

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Vernon E. Clark, 000-00-0000.

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) Richard W. Mies, 000-00-0000.

The following-named officer for appointment to the grade of vice admiral in the U.S. Navy while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Dennis A. Jones, 000-00-0000.

MARINE CORPS

The following-named colonel of the U.S. Marine Corps Reserve for promotion to the grade of brigadier general, under the provisions of section 5912 of title 10, United States Code:

To be brigadier general

Col. Leo V. Williams III, 000-00-0000, USMCR.

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably 18 nomination lists in the Air Force, Army, and Navy which were printed in full in the CONGRESSIONAL RECORDS of December 18, 1995, January 22, February 1, and February 9, 1996, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS of December 18, 1995, January 22, February 1, and 9, 1996, at the end of the Senate proceedings.)

In the Air Force there are 649 promotions to the grade of colonel (list begins with James M. Abel, Jr.). (Reference No. 790.)

In the Air Force Reserve there are 2 appointments to the grade of lieutenant colonel (list begins with Jonathan S. Flaughter). (Reference No. 826.)

In the Air Force Reserve there are 32 appointments to the grade of colonel and below (list begins with Donald R. Smith). (Reference No. 827.)

In the Air Force there are 45 appointments to the grade of captain (list begins with Bradley S. Abels). (Reference No. 828.)

In the Air Force Reserve there are 30 promotions to the grade of lieutenant colonel (list begins with Joseph P. Anello). (Reference No. 829.)

In the Army there are 2 appointments as permanent professors at the U.S. Military Academy (Colonel William G. Held and Lieutenant Colonel Patricia B. Genung). (Reference No. 830.)

In the Navy there are 32 appointments to the grade of ensign (list begins with Charles Armstrong). (Reference No. 831.)

In the Navy and Naval Reserve there are 22 appointments to the grade of captain and below (list begins with Caleb Powell, Jr.). (Reference No. 832.)

In the Air Force Reserve there are 171 promotions to the grade of colonel (list begins with Edward A. Askins). (Reference No. 833.)

In the Air Force there are 220 promotions to the grade of lieutenant colonel and below

(list begins with Andrea M. Anderson). (Reference No. 834.)

In the Air Force there are 669 promotions to the grade of colonel and below (list begins with Stephen W. Andrews). (Reference No. 835.)

In the Air Force Reserve there are 3 appointments to the grade of lieutenant colonel (list begins with Jeffrey K. Smith). (Reference No. 893.)

In the Air Force there are 50 appointments to the grade of second lieutenant (list begins with Matthew D. Atkins). (Reference No. 894.)

In the Army Reserve there is one appointment to the grade of lieutenant colonel (Rickey J. Rogers). (Reference No. 895.)

In the Army Reserve there are 49 promotions to the grade of colonel and below (list begins with James C. Ferguson). (Reference No. 897.)

In the Army there are 58 appointments to the grade of captain and below (list begins with Romney C. Anderson). (Reference No. 898.)

In the Navy there are 10 appointments to the grade of ensign (list begins with Maurice J. Curran). (Reference No. 899.)

In the Army Reserve there are 45 promotions to the grade of lieutenant colonel (list begins with Danny W. Agee). (Reference No. 905.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOND:

S. 1574. A bill to provide Federal contracting opportunities for small business concerns located in historically underutilized business zones, and for other purposes; to the Committee on Small Business.

By Mr. LAUTENBERG:

S. 1575. A bill to improve rail transportation safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Ms. MIKULSKI (for herself and Mr. SARBANES):

S. 1576. A bill to provide that Federal employees who are furloughed or are not paid for performing essential services during a period of a lapse in appropriations, may receive a loan, paid at their standard rate of compensation, from the Thrift Savings Fund, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HATFIELD (for himself and Mr. SARBANES):

S. 1577. A bill to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 1998, 1999, 2000, and 2001; to the Committee on Rules and Administration.

By Mr. FRIST (for himself and Mr. HARKIN):

S. 1578. A bill to amend the Individuals with Disabilities Education Act to authorize appropriations for fiscal years 1997 through 2002, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GLENN (for himself, Mr. STEVENS, Mr. LEVIN, Mr. COCHRAN, Mr. PRYOR, Mr. COHEN, Mr. LIEBERMAN, and Mr. BROWN):

S. 1579. A bill to streamline and improve the effectiveness of chapter 75 of title 31, United States Code (commonly referred to as the "Single Audit Act"); to the Committee on Governmental Affairs.

By Mr. KYL (for himself, Mr. COVERDELL, Mr. CRAIG, Mr. ...)

FAIRCLOTH, Mr. GRAMS, Mr. INHOFE, Mr. KEMPTHORNE, Mr. LOTT, Mr. MCCAIN, Mr. PRESSLER, Mr. SANTORUM, Mr. SHELBY, Mr. SMITH, Mr. THOMAS, and Mr. THOMPSON):

S.J. Res. 49. A joint resolution proposing an amendment to the Constitution of the United States to require two-thirds majorities for bills increasing taxes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOND:

S. 1574. A bill to provide Federal contracting opportunities for small business concerns located in historically underutilized business zones, and for other purposes; to the Committee on Small Business.

THE HUBZONE ACT OF 1996

Mr. BOND. Mr. President, I rise today to introduce a measure called the HUBZone Act of 1996. The purpose underlying this bill is to create new opportunities for growth through small business opportunities in distressed urban and rural communities which have suffered economic decline. This legislation will provide for an immediate infusion of cash and the creation of new jobs in our Nation's economically distressed areas.

During the 8 years I served as Governor of Missouri, I met frequently with community leaders who were seeking help in attracting businesses and jobs to their cities and towns. We tried various programs. The enterprise zone concept met with some limited success in Missouri but the concept was good. Our incentives were limited to State tax relief, which was a very significant element, but I believe that the idea of providing incentives for locating businesses in areas of high unemployment makes sense.

Now, in my position representing my State and serving as chairman of the Committee on Small Business, I continue to receive pleas for help. We have not yet found the perfect formula to bring economic hope and independence to these communities. But I believe we are working on it. I think we are on the right track.

The message for help has changed somewhat. Although help has been forthcoming from the Federal Government, high unemployment and poverty remain. One community leader, for example, has stressed to me that his city has all the job training funds it is capable of using. He said, "Don't send us any more training funds. Send us some jobs." What the city, the inner city, and people there need is more jobs.

Too many of our Nation's cities and rural areas have suffered economic decline while others have prospered often with Federal assistance. In October of last year, I chaired a hearing before the Senate Committee on Small Business on "Revitalizing America's Rural and Urban Communities." We heard insightful testimony about the importance of changing the U.S. Tax Code, for example, and providing other incen-

tives to attract businesses to the communities in need of economic opportunity. Their recommendations have merit, and I urge my colleagues in the committees with jurisdiction over appropriate legislation to take swift action to bring these legislative changes to the Senate floor.

What distinguishes the HUBZone Act of 1996 from other excellent proposals is that there is an immediate impact this bill can have on economically distressed communities. The HUBZone proposal would benefit entire communities by creating meaningful incentives for small businesses to operate and provide employment within America's most disadvantaged inner-city neighborhoods and rural areas.

Specifically, the HUBZone Act of 1996 creates a new class of small businesses eligible for Federal Government contract set-asides and preferences. To be eligible, a small business must be located in a historically underutilized business zone—that is the basis for the acronym "HUBZone"—and not less than 35 percent of its work force would have to reside in a HUBZone.

I will contrast the HUBZone proposal in this legislation today with a draft Executive order that is being circulated by the Clinton administration to establish an empowerment contracting program. I commend the President and the administration for focusing on the value of targeting Federal Government assistance to low-income communities. However, I think that program falls short of meeting the goal of helping low-income communities and its residents.

For example, under the President's proposal, any business, large or small, located in a low-income community would qualify for a valuable contracting preference, even if it does not employ one resident of the community. This is clearly a major deficiency or loophole when trying to assist the unemployed and underemployed who live in those target areas. A further weakness in the President's proposal is the failure to define clearly and objectively the criteria which makes a community eligible for his program. We need to avoid creating a new Federal program that ends up helping well-off individuals and companies while failing to have a significant impact on the poor.

The HUBZone Act of 1996 makes the contracting preference available only if the small business is located in the economically distressed area and employs 35 percent of its work force from a HUBZone. That is a significant difference. It is one that is clearly designed to attack deep-seated poverty in geographic locations within the United States.

To qualify for the program, the small business would have to certify to the Administrator of the U.S. Small Business Administration that it is located in a HUBZone and that it will comply with certain rules governing subcontracting. In addition, a qualified small business must agree to perform at least

50 percent of the contract in a HUBZone unless the terms of the contract require that the efforts be conducted elsewhere; in other words, a service contract requiring the small business' presence in Government-owned or leased buildings, for example. In the latter case, no less than 50 percent of the contract would have to be performed by employees of the eligible small business.

Mr. President, the HUBZone Act of 1996 is designed to cut through Government redtape while stressing a streamlined effort to place Government contracts and new jobs in economically distressed communities.

Many of my colleagues are familiar with the SBA's 8(a) minority small business program and some of the rules which are cumbersome for small businesses seeking to qualify for the program. Typically, an 8(a) program applicant has to hire a lawyer to help prepare the application and shepherd it through the SBA procedure, which can often take months. In fact, Congress was forced to legislate the maximum time the agency could review an application as a last-ditch effort to speed up the process. Today, it still takes the SBA at least 90 days, the statutory maximum, to review an application.

The HUBZone Act of 1996 is specifically designed to avoid bureaucratic roadblocks that have delayed and discouraged small business from taking advantage of Government programs. Simply put, if you are a small business located in the HUBZone, employing people from a HUBZone, you are eligible. Once eligible, the small business notifies the SBA of its participation in the HUBZone program, and it is qualified to receive Federal Government contract preferences.

Our goal in introducing this measure is to have new Government contracts being awarded to small businesses in economically distressed communities. Therefore, we have included some ambitious goals for each Government agency. In 1997, 1 percent of the total value of all prime Government contracts would be awarded to small businesses located in HUBZones. The goal would increase to 2 percent in 1998, 3 percent in 1999, and 4 percent in 2000 and each succeeding year.

HUBZone contracting is a bold undertaking. Passage of the HUBZone Act would create hope for inner cities and distressed rural areas that have long been ignored. Most importantly, passage of the HUBZone bill will create hope for the hundreds of thousands of unemployed or underemployed people who long ago thought our country had given up on them. This hope is tangible; it is jobs and income.

We are going to be holding hearings before the Committee on Small Business on the HUBZone Act of 1996 and the role our Nation's small business community can play in revitalizing our distressed cities and rural communities. I really think the HUBZone proposal has great merit. I ask my colleagues to look at it, offer comments,