

But so far the actions don't match the promises. The administration's only comprehensive policy document, which would be the budget outline to date, contains no effort to increase domestic production of critical oil and natural gas resources. Instead, the proposal raises taxes on the consumption of energy, spends a small fraction of the revenue on energy research, and claims that it is a strategy to end our dependence on foreign oil. Again, we see a policy of saying no to domestic energy sources.

Research and development in this field—don't get me wrong—is a good thing. It is a great thing, as a matter of fact. But we need to be candid with the American people. This should not be about bait and switch. We cannot promise a plan to end our dependence on foreign oil but give them the President's proposal to reach in the back pocket to take control of more of their money. With an abundant, largely untapped supply here at home, surely the administration can do better than to say their best idea is to restrict demand through an energy tax. That is essentially telling the Americans, your best bet is to buy a sweater because it is going to be costly to heat your home.

I am going to end my comments where I started. I am worried. Nebraskans are frustrated by a policy of saying no to American energy. I am in favor of the expansion of domestic sources of energy of all sorts—wind and solar, wave and tidal and geothermal, alternative biofuels and nuclear—a policy of doing all we can to end our dependence on foreign oil. But I am also for expanding domestic sources of natural gas and crude oil. We need them. It simply makes no sense to buy from abroad, indeed to beg for more oil at times, when we have made it a matter of Federal policy to place our resources off limits. I, as one Senator, will be watchful. The President will send up his budget this week. We will see if the President demonstrates a commitment to bringing on line American natural gas and oil resources. I hope he does. I will be anxious to support that. We will watch and see if the administration continues, though, the policy of no when it comes to energy that is right here at home.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CASEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WITNESS TO HUNGER

Mr. CASEY. Mr. President, I rise this morning to talk about a very important and very moving exhibit I am

proud to host in the Capitol complex; in particular, specifically in the Russell Building. The name of the exhibit is called "Witness to Hunger." It is a project created by Dr. Mariana Chilton at Drexel University in Philadelphia, PA, and it is currently on display not far from here in the Russell Building.

To create this exhibit, Dr. Chilton gave cameras—cameras—to 40 women living in Philadelphia so they could document their lives, their struggles with hunger and poverty and so many other challenges. The result is a powerful exhibit of photographs giving us an insight—not the whole picture but an insight—into the lives of these women and the lives they lead and their children's lives and their struggles living today in Philadelphia.

Women who are living in this city—part of this exhibit—try every day to provide a safe and nurturing home for their children, while finding a job that pays a living wage. They labor every day to provide food and medicine for their children. These are women fighting to make sure their children, their families, can have the health care they need. I will have the opportunity today to meet with several of the women who participated in the "Witness to Hunger" exhibit and this project. I wish to thank them for their bravery and rare courage to be able to open themselves, open part of their lives to all of us, and for making the trip to Washington so we can hear about their experiences firsthand.

I have always believed that at its best, when it is doing the right thing, Government is about people. It is not, in the end, about budgets and data and information and numbers. That is important, but that is the means to the end. It should be about not every day do we meet this objective, but it should be about and must be about people. Today, we have a real example of that, a real living example of real people's lives. "Witness to Hunger" reminds us that the programs we advocate for and work on and new initiatives in Washington that affect people's lives are what we must be about. There is no better investment, in my judgment, than in the future of our children.

I also believe every child in America—every single child—is born with a light inside them. For some, that light will be boundless or scintillating or incandescent. Pick your word. There are no limits to the potential some children have; because of intellect or circumstance or otherwise, their future is indeed boundless. For other children, that light is a little more limited because of those same circumstances. But I also believe, at the same time, no matter whether that light inside a child is boundless or much more limited, it is our obligation to do everything we can to make sure that child's potential—that bright light—is given the opportunity to shine as brightly as possible.

Kids in school right now will be the workforce that will help us build new

industries and jobs and transform our economy into the future. The good news is we have already passed some important pieces of legislation that are improving children's lives. Last year, the farm bill included a very strong nutrition section to increase access and benefits for people who use food stamps, now called by the acronym SNAP, but food stamps and other nutrition programs. The Children's Health Insurance Program is another example which will bring the number of children in America who have the benefit of this good program—this time-tested, effective program—to almost 11 million American children. We will have an opportunity to do more because, despite the advancements we have made in children's health insurance, there are still 5 million more children, even when we get to the 10.5 million, 11 million children, 5 million more with no health insurance.

I have a bill on prekindergarten education, and I will be working on that to make sure children have an opportunity for early learning; nutrition programs which also include not just food stamps, as I mentioned before, but the school lunch program, the Women, Infants, and Children Program, and on and on. One of the most important endeavors we will be working on in the near term is the Child Nutrition Act, critically important to make sure children get a healthy start in life.

When we talk about that light inside a child, I do believe we have—all of us in both parties, in both Houses of Congress, and in the administration—all of us have an obligation to make sure that light shines as brightly as possible for each and every child. We do that by doing a number of things. One is to make sure the children have access to early learning, that they have nutrition in the early years of their life, and that they also have health care. If we at least provide that opportunity for every child—nutrition, health care, and early learning—not only will that child be better off, we are all going to be better off in terms of the kind of economy and, therefore, the kind of workforce that is the foundation of that economy we build into the future.

I hope my colleagues and their staffs have a chance to view this exhibit "Witness to Hunger." I also believe it is in keeping with and is consistent with that commitment to make sure the light in every child burns as brightly as possible for each and every child in his or her family. I know that is my obligation as a Senator from Pennsylvania, and I believe it is all our obligations as Senators.

Mr. President, thank you very much. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. GREGG. Mr. President, is the vote at 10:30?

The ACTING PRESIDENT pro tempore. I believe it is 10:40.

Mr. GREGG. Mr. President, I ask unanimous consent to speak in morning business for 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AUTOMOBILE INDUSTRY

Mr. GREGG. Mr. President, I rise to speak about the continuing effort to address the issue of our automobile manufacturers—specifically, Chrysler and General Motors, and especially where the taxpayer ends up in this effort, whether the taxpayer ends up as a winner or a loser.

On the Chrysler bailout proposal, it is pretty clear that if the administration's initiative is followed through, some very significant events will occur that will adversely affect the taxpayer. In fact, instead of getting a brandnew car, the taxpayer is going to let a lemon.

What is being proposed by the administration—or what was proposed prior to the bankruptcy being filed and which is now being pushed by the administration into bankruptcy, as I understand it—is that the three different classes of basic players, relative to the reorganization of Chrysler, would get significantly different treatment. For example, the taxpayer, who has already put \$4 billion into Chrysler—the American taxpayer—would have to forgive all of that; all \$4 billion would be lost, 100 percent lost under the administration's proposal, and then they would be asked to put another \$8 billion into the pot as Chrysler comes out of bankruptcy. In exchange for forgiving the first \$4 billion, the taxpayer would get 8 percent of the new Chrysler, the Chrysler that came out of bankruptcy. This was the proposal. I don't think that sounds like a great deal for the taxpayer, to have put \$4 billion in and get none of it back—and remember, we just put the \$4 billion in—and then to be asked to put another \$8 billion in and get an 8-percent stake. It especially doesn't make a lot of sense when you look at what is proposed—well, let's go to the bondholders next, though.

The bondholders would be asked to essentially take an even more significant reduction in their position, which may be legitimate. They would be asked to forgive, I believe—well, I am not absolutely sure of the number they would be asked to forgive, but I think it would be in the multiple-billion-dollar range, and they would be asked to forgive it, even though they may be secured bondholders. So they would be basically wiped out in this process or their interests would be reduced dramatically.

The practical implications of that are that the bondholders had invested poorly, obviously, and specifically, they would have to forgive, I believe, \$4 billion of their \$6.8 billion of debt, and they would get \$2 billion back. But that would be a big haircut, and that is

probably reasonable. They made a bad investment. But interestingly enough, even though they are secured creditors, in many instances, or have a higher priority of bond debt than, for example, the UAW debt or maybe even the taxpayer debt, their position would be treated more detrimentally than the taxpayer or the UAW. That doesn't bother me all that much, from the standpoint of the taxpayer. Obviously, we should be treated better than anybody else in this process.

It does bother me a little bit from the standpoint of how you prioritize debt. If we look at what is happening with the UAW in the deal, as proposed by the administration, they would have to forgive, I believe, approximately \$6 billion of their outstanding responsibility—outstanding debt—which is about 57 percent of the obligation of Chrysler to the UAW. But in exchange for forgiving that \$6 billion, they would get a 55-percent stake in the new company.

So to review this situation, the UAW would forgive 57 percent of their debt owed them by the company—or \$6 billion—and they would get 55 percent of the new company. The taxpayer would have to forgive 100 percent of what was just put into Chrysler and would get 8 percent of the new company. The senior bondholders would have to forgive all of their debt, and in exchange they would get \$2 billion back. That doesn't make a lot of sense.

Basically, what is happening is, the UAW, the union, is being put in a far superior position than the bondholders, who are secure, or the American taxpayer, who basically was asked to put up \$4 billion, and then has that wiped out in exchange for 8 percent of the new company, and then is being asked to put in another \$8 billion.

This has two fairly significant implications. First, the taxpayer is buying a lemon, getting a bad deal. We, the taxpayers, are getting a bad deal. Second, the unions are getting a great deal. They are getting a higher status as secured debtors. They are getting a significantly higher return—which is 55 percent versus 8 percent of the new company—than the taxpayer. The process is basically turning on its head the traditional legal order under which people are repaid out of a bankruptcy estate. The taxpayer usually comes first out of a bankruptcy estate. Usually, it is the IRS in that case, then comes senior debt, then comes the issue of debt owed to pension funds, obligations which the unions have, and then comes the common equity. In this structure, it is just the opposite. Well, that change sends a very serious signal to the marketplace that is not good because if people don't know the prioritization of debt, then they don't know how to lend money and what the cost of the money they lend should be.

That is going to affect interest rates and create uncertainty and basically undermine what is an established rule of law that we have in this Nation rel-

ative to the prioritization of how people get paid off when somebody goes into bankruptcy. It is a very important issue, one of the things that makes our commercial system different than, say, a place like Russia, where you have no idea what is going to happen when you go into a court system because it is totally arbitrary. In ours, we have a structured proposal, an orderly way of approaching things. Everybody knows what is going to happen if an investment should go south. Everybody knows what their order of priority is in being paid out. In a bankruptcy situation, it is pretty clear.

Yet now comes the administration, and for what appears to be purely political reasons, not economic reasons, because the economic issue is how you basically take a company such as Chrysler and make it competitive again so it can produce cars that people want to buy at a price people can afford—that is the economic issue—and keep it viable to the extent that it is viable. No, this is a political decision to reorder who the winners and losers are in a structure—what amounts to an attempt to structure a bankruptcy before it occurs. That was the administration's initiative.

This is a serious issue. When we start putting politics in place of the law in any area in our Nation, but obviously in the area of commercial activity—when we start picking winners and losers based on the political party's implied interest or interest in seeing a certain segment of the society be the winner versus another segment they see as being less deserving, then we undermine the essence of our commercial activity in this Nation, which is to have knowable, identifiable, ascertainable results, as a result of having a legal system that defines people's property rights.

Yet this administration, in a very cavalier way, has suggested that the UAW should be a huge winner compared to the taxpayers and the bondholders in a manner which has no relationship to what has been the historical priority of status relative to distributing and reorganizing a company—distributing a bankruptcy estate and reorganizing a company.

Why would it occur that this administration would, in a very arbitrary way, try to set aside the rules of priority of ownership and property rights to benefit one group over another group outside of what has been the historical and legal way things have been structured? It is obvious. It doesn't take much to recognize that. The UAW has a huge political influence in this administration and in this Congress. They used that political influence to make sure this deal was structured in a way that most significantly benefitted them. But who is the loser? The loser is the real stakeholders and people to whom we are supposed to have primary responsibility as a government, and that is the taxpayers. The taxpayers are the losers on the face of it, when we