

Here is what his mother Melissa said about him:

My son, he's already on the small side and he needs every bit of food that he can get to make him healthy, keep him healthy. He has failure to thrive. He has a bone deficiency that doesn't allow him to grow. He's only 30 pounds. He has acid reflux. He had RSV, failure to thrive, chronic asthma.

This is one example of a child who doesn't have enough to eat, which leads to the obvious health problems that entails.

This next picture is a photograph of three children sitting at a table. They have beautiful smiles. They are wonderful children. The title of this picture is "Oodles of noodles." These children are eating lots and lots of noodles. Their mother says:

And the kids know my food stamps got cut off. Because when they came home from school today, they didn't have their snacks. So they know that I didn't go to the market. I really didn't tell them why or anything like that, because I don't think they understand. But it affected them.

When people make decisions about cutting programs or voting against programs, we know they have real consequences.

The last picture is a young boy holding bananas and giving the photographer a great smile. In this photo, Gale, his mother, captures her son's happiness as he holds up a bunch of bananas.

Some people tell us people choose to eat unhealthy foods. They use that as a rationale, a pathetic and insulting rationale. But sometimes they make that argument. We know families want more access to fresh fruits and vegetables. But, frankly, in a lot of inner cities, they are not available, not at all. We have to recognize that, rather than denigrate or judge people who live in those communities. There are plenty of folks in Washington who are good at judging. They are not real good at responding to the needs of people.

There is so much in this bill. I will not go through more of it because we don't have time. I believe this bill does meet that basic obligation to do everything we can, at least in this program, at least with this opportunity, to make sure that light inside every child burns as brightly as the full measure of that child's potential, as brightly as we can possibly allow it to burn with our help. I believe this bill does one thing as well, going back to that reference to Scripture about a faithful friend being a sturdy shelter. This bill will not solve all the problems of the families who will be positively impacted. It will not eliminate hunger. It will not rescue a child from so many challenges in the life of a child who lives in a poor family. But this bill is one example of one way we can demonstrate what that scriptural reference tells us. It gives us a chance to demonstrate in a significant way that we are trying to do all we can to be that faithful friend to our children and to provide some measure of shelter when the storms of this recession hit that family and hit that

child. We can take a step in proving that we are trying to be that faithful friend to children.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

#### SMALL BUSINESS LENDING FUND ACT

Ms. LANDRIEU. Mr. President, I rise to speak on an issue that is still pending before this body. Unfortunately, it looks as though we will not be able to wrap this up in the next few hours. It looks encouraging that we may be able to take it up immediately when we return in September.

Before I speak about that, I compliment Senators LINCOLN, CASEY, HARKIN, and others who have come to the floor in the last few hours but have been working for months, if not years, on the child nutrition bill. It is quite extraordinary that this Chamber at this late hour, because of the work of Senators LINCOLN, HARKIN, CASEY, and others, has decided by unanimous consent to pass a significant and major piece of legislation the Senator from Pennsylvania beautifully described. I compliment all of them for their work.

I wish we had been able to do the same thing for the small business bill we have been fighting for, the Small Business Job Creation Act of 2010. We can't seem to get to a point where we can get unanimous consent. So we will have to fight this out a step at a time. We had some significant votes this last week by including a Republican amendment, including in the small business bill a \$30 billion lending program. We have potentially other aspects to strengthen it. But the bill is in extremely good shape.

I wish to put this up for a visual. I know people will find it hard to believe we could have literally over 100 organizations, extraordinarily strong and powerful bipartisan, conservative, moderate and liberal organizations, supporting small business. It may seem surprising that with all this support, we couldn't pass the bill before we leave. I wish to call out again just a few: The American Hotel and Lodging Association, the American International Automobile Dealers Association, the Associated Builders and Contractors of California, the California Bankers Association, Engineering Contractors, Hispanic Bankers of Texas, National Association of Self-Employed, National Restaurant Association, Recreation Vehicle Industry Association, the U.S. Hispanic Chamber of Commerce. I just listed one-half dozen or a dozen. Members can see we have hundreds of extraordinary organizations that have stepped up to say what I have been saying, what the Senator from Washington, Ms. CANTWELL, has been saying, what the senior Senator from Washington, Senator MURRAY, and Senators BOXER and MERKLEY are saying: We are not going to end this recession until we find a way to get cap-

ital and cash in the hands of small business. That will lead the way out of this recession. It is not going to be led by Wall Street. It is going to be led by Main Street.

I would like to put up our Main Street sign. Main Street is going to lead the way. There was a beautiful article written by Harold Meyerson. It was dated August 4 in the Washington Post. The article is entitled "Jobs in the Cards?" It reads, in part:

All things considered, American big business is doing just fine, thank you. Profits, productivity and exports are up. New hires, rehires and wage increases, as I have written, are nowhere to be seen. They're no longer part of the U.S. corporate business plan, in which higher profits are premised on having fewer employees. Sell abroad, cut costs at home—the global marketplace that American business has created is paying off big-time.

Not so for American small business, which inhabits those less rarified realms of the economy in which depressed domestic demand and bottled-up credit remain a mortal threat. The great private-sector trickle-down machine has largely stopped working for small business.

He is right. If we don't get small business started up again and focus on them and help them, this recession will never come to an end. Maybe that is what some people on the other side of the aisle want. Maybe they put politics before progress. But this is dangerous, it is wrong, and it is painful. We have to figure out a way.

I ask unanimous consent to have the article from which I just quoted printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 4, 2010.]

JOB IN THE CARDS?

(By Harold Meyerson)

All things considered, American big business is doing just fine, thank you. Profits, productivity and exports are up. New hires, rehires and wage increases, as I have written, are nowhere to be seen. They're no longer part of the U.S. corporate business plan, in which higher profits are premised on having fewer employees. Sell abroad, cut costs at home—the global marketplace that American business has created is paying off big-time.

Not so for American small business, which inhabits those less rarefied realms of the economy in which depressed domestic demand and bottled-up credit remain a mortal threat. The great private-sector trickle-down machine has largely stopped working for small businesses. A May report from the Congressional Oversight Panel on the TARP (chaired by consumer advocate Elizabeth Warren) found that bank lending to small businesses has plummeted, particularly among the big banks that taxpayers helped bail out. The Wall Street banks' lending portfolio declined 4 percent between 2008 and 2009, the report concludes, but their lending to small business declined 9 percent. Smaller banks—"strained by their exposure to commercial real estate and other liabilities"—have similarly reduced their lending.

As the corporate sector hums along without hiring, hope for a recovery increasingly depends on boosting consumer demand through public investment and jump-starting small-business expansion through tax

credits and a reopened lending window. For the past half-year, the administration and congressional Democrats have been unable to overcome Republican senators' resistance to increasing public investment. Senate Republicans have also blocked their efforts to cut taxes and increase loans to small businesses—even though such policies have long been GOP priorities and small business has long been considered a key Republican constituency.

Late last week, the Senate's 41 Republicans united to block a bill that would have temporarily eliminated the capital gains tax on small businesses that issue stock, increased the tax deduction for start-ups, increased their depreciation allowance, and established a \$30 billion fund, offset by budget cuts elsewhere, dedicated to small-business lending by small banks. The bill was backed by generally pro-Republican business lobbies; to add a further note of absurdity to the GOP opposition, some of the bill was written by Republican senators. The Republicans' ostensible reason for opposing these motherhood-and-apple-pie provisions was that Democrats were limiting the number of amendments they could bring up. Their actual reason was to deny Democrats a legislative victory on the kind of stimulus package that still commands substantial public support and, just possibly, to forestall any economic uptick before November.

Republicans are certainly right that Democrats, for political and economic reasons, are focusing more on helping small business recover. A June survey from the firm of Democratic pollster Stan Greenberg argued that "Democrats can win the economic debate by making small business the center of their agenda."

But there's another way Democrats can assist small business besides continuing to press for their small-business stimulus. The president can choose a champion of small business to direct the newly created Consumer Financial Protection Agency. He can nominate Elizabeth Warren.

To date, we have heard chiefly that the big banks look askance, and then some, at the prospect of Warren heading the agency. She is among the nation's leading critics of the credit card rip-offs that big banks have long inflicted on cardholders as a matter of policy. Precisely for this reason, she stands out as a small-business hero, because in the absence of bank lending, small businesses increasingly are turning to credit cards as a source of funding or operating revenue. Fully 83 percent of small businesses, the Federal Reserve reported in May, use credit cards. Three-quarters of small businesses that apply for business credit cards secure them, according to a 2010 survey from the National Federation of Independent Business, while just 39 percent of bank-loan applicants obtain loans. A 2009 study from the National Small Business Association concluded that 59 percent of small businesses used cards to meet their capital needs.

Bank loans to small businesses have been increasingly supplanted by bank credit cards. And no one is more expert than Warren on how banks exploit their cardholders. She is, by common consent, one of the leading academic authorities on the topic as well as a passionate advocate for getting cardholders a fairer shake.

Enemy of Wall Street? When necessary, absolutely. Friend of Main Street? None better. If he nominates Warren and can get her confirmed, President Obama will have found one more way to aid American small business.

Ms. LANDRIEU. The bill we have put forward, supported by hundreds of organizations, has a way forward.

I wish to also include for the RECORD another editorial by Mr. Richard

Neiman of the Wall Street Journal. I submit it again because it is so good. The Journal mistakenly editorialized against this bill, but there are people sending letters to the Wall Street Journal to take a second look. Richard Neiman is one of them.

He writes:

Unlike TARP, the SBLF would incentivize banks to loan by lowering the dividend rate at which banks must repay the government if the banks meet lending performance metrics. Further, the SBLF removes the TARP stigma that discouraged small banks from participating in government programs that support lending. It is these banks that are the primary source of credit for small businesses which lack the same access to capital markets as large companies.

The SBLF is not a sequel to TARP, but it can be a segue toward a stronger future for our nation's small businesses and their employees.

I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 5, 2010]

SMALL BUSINESS LENDING FUND WILL HELP  
RECOVERY, JOBS

(By Richard Neiman)

Your editorial, "Son of TARP" (July 30) is unfortunately titled, and underestimates the potential of the proposed Small Business Lending Fund (SBLF).

Small business growth is the only way out of this recession. Yet our entrepreneurs are not being provided the credit they need, as the TARP Congressional Oversight Panel often hears from small business owners. Our recent report on the issue demonstrates that, during the crisis, lending to small businesses fell by 9 percent at our Nation's largest banks, and the bankruptcy of nonbank business lenders such as the CIT Group has further limited credit options.

The financial crisis and recession have created the lack of demand for credit that your editorial points out, but it is as important to point out the lack of supply. Small banks are reluctant to take on more risk when small businesses' customer base is weak. Breaking this stalemate requires old-fashioned underwriting to identify the good deals which are still waiting to be made.

The SBLF is intended to provide public-sector support to bring credit- and lending-worthy parties back to the table. Unlike TARP, the SBLF would incentivize banks to lend by lowering the dividend rate at which banks must repay the government if the banks meet lending performance metrics. Further, the SBLF removes the TARP stigma that discouraged small banks from participating in government programs that support lending. It is these banks that are the primary source of credit for small businesses which lack the same access to capital markets as large companies.

The SBLF is not a sequel to TARP, but it can be a segue toward a stronger future for our nation's small businesses and their employees.

Ms. LANDRIEU. I also ask unanimous consent to have printed in the RECORD another very nice article that appeared in the Wall Street Journal by Ruth Simon, one of their reporters, who outlines a particular story about Pinnacle Bank, which is basically in support of our bill. This is a story about a bank in Florida. It will be in the RECORD for Members to read.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 5, 2010]  
SBA PROGRAM PROVES A HIT, BUT NOW IT IS  
IN LIMBO

(By Ruth Simon)

Pinnacle Bank made just two loans through the Small Business Administration in 2007 and 2008. So far this year, the Orange City, Fla., bank's total is nine, to borrowers from an auto dealer to a computer-equipment wholesaler to a bakery.

"The SBA program is the only way we can continue to lend right now," says David Bridgeman, president of Pinnacle, which has two branches and assets of \$213 million, including about 600 loans. For many of the \$3.4 million in loans Pinnacle made through the SBA in 2010, the bank has to set aside capital against only the 10% slice that isn't guaranteed by the U.S. government.

Across the nation, many banks have turned to the SBA's so-called 7(a) program to help unfreeze credit. Nearly 3,000 lenders have made 7(a) loans in the current fiscal year, up 21% from 2008.

The 7(a) program, the SBA's largest loan program, is hardly a cure for the credit shortage affecting many borrowers. The agency is involved in less than 10% of all small-business loans, and some banks won't participate because of red tape. Lenders must follow the SBA's rules when making 7(a) loans, which can be used for working capital, fixed assets and other business expenses. The term of the loan can be as long as 25 years.

Last year, Congress temporarily sweetened the 7(a) program by increasing the SBA guarantee to 90% of any given loan from as little as 75% previously. Lawmakers waived fees costing borrowers as much as 3.5% of the loan amount, as well as costs charged in a separate SBA program providing structured financing for fixed assets.

But the sweetened program is now in limbo, drawing complaints from borrowers and lenders, as lawmakers haggle over broader small-business legislation.

Since the SBA program was sweetened, more than 1,300 lenders that hadn't made an SBA loan since at least 2007 have barreled in, while existing participants like Pinnacle have been pushing more borrowers through the agency's pipeline to take advantage of better terms.

About \$16.2 billion in 7(a) loans have been made under the more-attractive terms. By May, the program's loan volume had returned to before-the-credit-crunch levels.

"The extra 15% of guarantee helped us stretch a little more," says Vito Pantilione, president of Parke Bank, a unit of Parke Bancorp Inc. The five-branch Sewell, N.J., bank recently used the program to make loans to two printing companies looking to adapt to electronic publishing.

Since hiring a local banker with expertise in SBA loans in August 2009, Bank of Holland, a Holland, Mich., unit of Lake Michigan Financial Corp., has made more than two dozen loans through the federal agency.

"We do not have capital issues, but it's very difficult to find businesses that . . . have not lost money and suffered some weakening of their balance sheet," says Garth Deur, Bank of Holland's president.

Sweetened government backing makes it easier for banks to stomach the risks of lending to local businesses that hit bumps when the economy slowed or to finance entrepreneurs with a solid business plan but little track record, Mr. Deur says.

The SBA has repurchased 0.2% of the loans made with the higher guarantees. That rate,

which reflects defaults, is in line with the program's historical levels.

Congress extended the higher guarantees three times, but the latest round of funding was exhausted in May, causing a decline in SBA loan volume. A provision included in the small-business job-creation bill now before the Senate would resuscitate the 90% guarantee through Dec. 31 and allow the SBA to increase the maximum loan amount to \$5 million from \$2 million. The bill already has passed the House, but the Senate is bogged down by disputes over the broader bill.

"On the financing side we're stuck" until Congress acts, says Mark DeHaan, who is hoping to get a 7(a) loan for \$1.6 million from the Bank of Holland to pay construction and start-up costs for an educational child-care center in Grand Rapids, Mich.

Pinnacle largely avoided the worst sins committed by banks throughout in Florida, such as lending on raw land being purchased for housing developments. Still, Pinnacle had a net loss of \$1.8 million in 2009 as falling real-estate values and rising unemployment forced the bank to boost loan-loss reserves. Pinnacle has shed about a third of its troubled loans but is looking for additional capital.

Mr. Bridgeman, who started his banking career 28 years ago as a teller in Kentucky and took over as Pinnacle's president in 2003, says the bank decided to rev up its SBA lending after a tough regulatory exam forced it to halt most traditional lending in order to conserve capital.

Pinnacle made 11 SBA loans for \$3 million in 2009. The bank has generated fee income by selling some of its SBA loans on the secondary market.

Car dealer J. Brendan Hurley was rejected by four other banks before Pinnacle won approval in March for a \$560,000 loan through the SBA to help him add Dodge cars to his Chrysler franchise in DeLand, Fla. Since getting the loan, Mr. Hurley has hired six new employees, and service volume has doubled, he says.

"The fact that I had a commitment from Pinnacle sealed the deal to get the Dodge franchise," he adds. Mr. Hurley is seeking a second SBA loan from Pinnacle that would allow him to build a new facility designed to meet Chrysler Group LLC's requirements.

Ms. LANDRIEU. Finally, I have another article written by Barbra Barrett of the Miami Herald. It reads:

The U.S. Senate might leave town this week without finishing up what Democrats had hoped would be a significant political achievement. . . .

On its face, the legislation would pour billions into a slate of programs to help small business obtain federal microloans, government contracts and export assistance.

I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Miami Herald, Aug. 5, 2010]

SMALL BUSINESS BILL APPEARS TO BE STUCK  
IN SENATE

(By Barbra Barrett)

WASHINGTON.—The U.S. Senate might leave town this week without finishing up what Democrats had hoped would be a significant political achievement before the August recess: passing a multibillion-dollar swath of programs to help struggling small businesses.

On its face, the legislation would pour billions into a slate of programs to help small business obtain federal microloans, government contracts and export assistance. But

the bill also is part of the political wrangling that's going on in Washington ahead of fall's midterm elections.

Republican senators unanimously blocked the legislation a week ago, preventing an up-or-down vote that could have given the Democratic majority a political victory going into the August recess. In response, President Barack Obama gave a speech Monday urging the Senate to pass the bill.

Senate Majority Leader Harry Reid has vowed to try again this week, but it's uncertain whether the vote will happen.

Observers say the legislation could have sweeping effects in North Carolina.

More than 85 percent of companies in the state have fewer than 100 employees, said Scott Daugherty, N.C. small-business commissioner and executive director of the Small Business and Technology Center.

"We are substantially a state of small companies," he said.

The Economic Policy Institute recently calculated that there are nearly five job seekers for every open job. The unemployment rate in North Carolina remains above 10 percent.

Failure to pass the bill would bring Democrats such as U.S. Sen. Kay Hagan, who supports the act, back to their states this week-end with one fewer success to show from their party.

And it would give Republican U.S. Sen. Richard Burr, who is running for reelection, another point of criticism against the Democratic majority and the Obama administration.

Burr declined to be interviewed for this story, but in a prepared statement, his spokesman, David Ward, turned blame for the struggle of small businesses on the Democrats.

"What (small businesses) really need is for Congress and the administration to stop overburdening them with federal mandates, excessive bureaucratic red tape, tax increases and high energy costs," Ward said.

Carter Wrenn, a Republican political consultant in Raleigh, said Burr should easily be able to defend his "no" vote to his Tar Heel constituents.

"He can explain that all the job programs haven't worked, and he can explain that this is just one more," Wrenn said.

He said the legislation is a spending bill dressed up as a bailout.

"The truth is there's a trillion dollars now in the banking industry now that's loanable that ain't being loaned," Wrenn said. "The real problem is everybody's so uncertain about the future that no one wants to loan money."

Burr's no vote last week on the procedural question on the bill drew immediate criticism from the Democratic Senatorial Campaign Committee, which supports his challenger, Elaine Marshall, in the upcoming Senate race.

"Again and again, Burr shows he's more loyal to Republican leaders in Washington than to North Carolina small businesses," Deirdre Murphy, DSCC spokeswoman, said in a statement.

And David Axelrod, Obama's senior adviser, said Tuesday that GOP senators can expect to hear questions from constituents about why the bill didn't move forward.

"Make no mistake: It will be an issue if politics intrudes on what we should be doing," Axelrod said. "I think if I was in the position of Senator Burr, I'd rather go home and say I did something constructive for the small businesses of my state."

Much of the bill includes bipartisan proposals. Among them are provisions that would increase amounts of Small Business Administration loans, leverage \$1 billion in export capital, offer tax breaks for invest-

ments and startup costs, and give temporary funding for rural exports.

At the bill's center is a \$30 billion program for community banks to extend loans to small businesses. Burr's opposition puts him at odds with the N.C. Bankers Association, which supports the legislation.

"We think it is imperative," said Thad Woodard, the group's president. "Our folks have emphasized this as a lubricant for small-business lending."

Ms. LANDRIEU. She is right. We have worked across the aisle as much as we could. But for some inexplicable reason, we can't seem to get unanimous consent to move such an important and extraordinary bill forward.

The small business bill, the Main Street bill, has \$12 billion in tax cuts for small business. Democrats are for tax cuts for small businesses that will help them to create the jobs we need. It is very targeted, very strategic, very thoughtful, very careful, and focused on reducing the deficit as well. All I hear from the other side is: Extend tax cuts permanently to everybody, to heck with the deficit. Who cares if we get to a balanced budget. We want to go back to the way things were.

Democrats don't want to go back to the way things were. We want to go forward in a new way—with sound fiscal policy, balanced budgets, focused on Main Street, focused on small business. That is what Democrats and a handful of our Republican colleagues want—unfortunately, not enough to get the job done. I do thank the great coalition of Senators who have helped.

I also wish to submit an article by Jeff Cox, of CNBC, "Four Things That Could Help Companies Start Hiring Again." He talks about positive momentum, loans to small business, and foreign demand.

One of the things he mentions is:

American consumers—even those with jobs and savings—are focused on paying down debt and not greasing the economic skids.

As such, job markets may have to rely on low export prices and consumers in robust developing economies to help generate demand.

He is correct. We are going to have to rely on markets outside the United States to sell our goods there and pull ourselves out of this recession. Do Members think small businesses get the least amount of help with exports? No, they don't. In our bill, we have extra support for the Department of Commerce and the Small Business Administration to help small businesses in Louisiana, in West Virginia, and around the world to reach out from our main streets to main streets in foreign countries to try to sell goods. It is going to be a Main Street-to-Main Street partnership around the world. With the Internet, this is possible. Before the Internet, it would be laughable to even suggest such a thing.

But with the Internet, with the global air transportation, with expanded trucking and train transportation, we literally can move goods from Main Street right here. I would not be surprised if Georgetown Cupcake, which I

spoke about yesterday, ships their cupcakes to India or China because they are really good cupcakes and maybe they do not make them as well there. That may be a little exaggeration, but I think it makes the point that if we can help our small businesses, there is no telling where these cupcakes—and in my State, it would be King Cakes—can go to support businesses on Main Street.

So I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From CNBC, August 5, 2010]

FOUR THINGS THAT COULD HELP COMPANIES  
START HIRING AGAIN

(By Jeff Cox)

Job creation in 2010 has been slow but unsure, coming in a weak trickle that has left investors unsatisfied and asking what it will take to actually get employment moving in a meaningful way.

Thursday's weekly jobless claims report only reinforced what Wall Street already knew—that despite halting signs of improvement, 479,000 new filings for unemployment insurance was hardly indicative of a robust recovery.

As such, the stock market sold off and strategists and analysts were left to ponder how long it will take for things to turn accelerate off the weak growth that has taken place this year.

"The question is when is that going to pick up enough to meaningfully lower the unemployment rate and spark the virtuous cycle of upward momentum, to get employment, wages and aggregate demand higher," says Tom Higgins, chief economist at Payden & Rygel in Los Angeles. "That takes time. If you look back at the last two cycles, employment recoveries have been slow."

Economists and employment experts say four things will have to happen to get jobs moving:

1. POSITIVE MOMENTUM

Slowdowns are as much psychological phenomena as they are economic, with confidence the key as much as any other factor.

With the news mostly bad about the economy, companies are afraid to hire until a more positive tone comes about.

"Hiring has tended to be slow the last two cycles," Higgins says. "The trajectory coming out of this recession is even shallower. That likely means the trajectory of hiring is much shallower."

One of the main problems is an economic Catch-22: Companies won't hire until they see more strength from consumers, and consumer spending can't get stronger if people don't have jobs. That means corporate America will have to rely on "small positives" to keep building until confidence is established, says Kurt Karl, chief US economist at Swiss Re in New York.

"Businesses like to look at year-over-year growth in sales, and that just isn't that strong yet. But it should be better and better as we get deeper into the recovery," Karl says. "With these unemployment recoveries, you either get one extreme or the other. You're either booming, or it's crash and burn. But we're muddling in between."

2. LOANS TO SMALL BUSINESS

While the biggest companies sit on the lion's share of the \$1.8 trillion in cash on corporate balance sheets, small businesses are groping for funds.

That's not been made any easier by banks that have been loathe to lend as they meet

capital requirements laid out in the new financial reform legislation. Without that access to capital, small businesses will be unlikely to add new employees.

"We need small businesses, which generate 60 percent of the jobs, to get more access to lending, to capital, so people can take risks," says John Challenger, CEO at job outplacement firm Challenger, Gary & Christmas. "Entrepreneurs rely on savings, but those savings have been depleted."

The ability to invest in companies and develop products will help spur the demand needed to create jobs, Challenger says.

Small businesses in the recessionary environment "don't have access to the savings they might normally have. On the front end, with small businesses not there to pick up the slack, that's a very important hindrance to getting this economic engine going," he says.

3. FOREIGN DEMAND

American consumers—even those with jobs and savings—are focused on paying down debt and not greasing the economic skids.

As such, the jobs market may have to rely on low export prices and consumers in robust developing economies to help generate demand.

"One thing we do know is exports are strong. Overseas economies are doing quite well," says Brian Gendreau, market strategist with Financial Network Investment, based in El Segundo, Calif. "For large-cap stocks, more and more revenues are going to come from abroad. That's where we're going to get the growth."

Of 250 companies in the Standard & Poor's 500, 46.6 percent of all sales came outside the US in 2009, actually a slight decrease from the previous year, according to S&P.

But Gendreau sees capital expenditures increasing in a way that seems to anticipate more spending coming soon.

"Companies seem to be spending a lot of money in anticipation of demand that doesn't look obvious it will show up," he says.

4. CAPITAL SPENDING

Indeed, one of the main precursors seen for employment growth is capital spending by companies on plants and equipment.

In fact, Deutsche Bank analysts say cap-ex spending this year is robust—growing 20 percent over the previous quarter—and the trend traditionally leads the jobs market by a full quarter. The movement in cap-ex, says Deutsche economist Joseph A. LaVorgna, suggest a strong jobs-creation move in the third quarter.

"Taken literally (the comparison between cap-ex and jobs) implies we will see several million jobs created over the next few quarters," LaVorgna said in a note to clients. "While we are not so bold to forecast such sizeable job gains, we wonder whether there is some upside risk to our slightly above consensus forecast for July private payrolls."

Deutsche is projecting Friday's nonfarm payrolls to show job gains of 110,000 in July, compared to the consensus of 90,000.

That would be some indication that Wall Street is putting cash to work.

"We all know companies are sitting on mounds and mounds of cash, possibly record amounts of cash," Gendreau says. "The question is, when are they going to start putting it to work?"

MORATORIUM IN THE GULF COAST

Ms. LANDRIEU. Mr. President, I know there are Senators who wish to speak, but I have one more subject to speak about before I yield the floor.

In addition to fighting for Main Street, I am going to come back here

in September—and continue through the August recess with many hearings in my State and meetings in my State—to fight for justice for the gulf coast.

I have not spent a lot of time in the last week or two here on the floor on this issue because I have been handling this small business bill, but I have been spending an awful lot of time on the phone, in meetings, and in Louisiana and will continue around the country to talk about this tragedy that has occurred.

As shown on this chart I have in the Chamber, this is what the gulf coast looked like before the moratorium was put in place—this blanket moratorium, unnecessary moratorium—by the administration. We had 33 deepwater rigs in the Gulf of Mexico. As you can see, many of them were off the coast of New Orleans and Louisiana.

As shown on this other chart, this is what it looks like today. Nobody is working. There is one rig being drilled. It is the Deepwater Horizon current site of the relief well. Everybody else has been put out of business in the Gulf of Mexico. This represents, at a minimum, 40,000 direct jobs—40,000 direct jobs.

I want to show you a picture of the shallow water. This other one is of the deep water. That is what it looks like shut down. This one is of the shallow water. There is no moratorium in the shallow water. But before the moratorium, there were 55 wells in the shallow Gulf of Mexico. These wells—each one of them—represent hundreds of people supporting them and on the shore supporting them. We are down to 13. And I have to fight so hard to get one permit issued by MMS.

I am proud, very proud, that my colleague in the House of Representatives, CHARLIE MELANCON, did what I did not believe was even possible: he got the entire Democratic caucus on record asking the President basically to lift this moratorium. Yes, there was some language in there. I would have liked it to have been immediately. But the fact that we have now every Democrat and every Republican in the House of Representatives on record lifting this moratorium and helping us get back to work in the gulf is really extraordinary.

I am looking forward to coming back to lead the effort in the Senate to follow the lead of the Congressman from the district that is most affected, Mr. MELANCON, to get the gulf back to work. There are 25 idle rigs, there are 5 nondrilling operators, one Deepwater Horizon, and 2 wells being drilled. We have to get the gulf coast back to work.

So in addition to passing the small business bill that we have to pass for the whole country, we have work to do along the gulf coast. We have a liability issue to settle. We are working on a compromise. I have a justice for the gulf document I am going to submit, a bill I am going to ask to be filed right now so that we can work in earnest.