

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.

I hope that before we get back here, the President will administratively lift this moratorium. That is what he should do. We have put new safety requirements in. BP is going to pay the fines, billions of dollars of fines. They put \$20 billion in escrow. Claims are being paid. That part is working fairly well. What is not working are the people in the gulf of Mexico. We do not want handouts. We do not want welfare. We do not want food stamps. We want to go back to work, and that is what we are going to work on.

So this Senate has some work to do. The House has done its job in this regard. I hope, Mr. President, you and your team and the Secretary of Interior will think very hard about the economic damage that is being done right now. I understand safety is at issue. I understand we want our oceans clean. Nobody wants them cleaner than those of us who swim in the gulf, live in the gulf, fish in the gulf, and have for decades and centuries. But enough is enough. We have to get back to work. There are things that can be done, and I submit the bill at this time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. BROWN of Ohio. Mr. President, I ask unanimous consent to address the Senate for up to 10 minutes as in morning business.

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

HEALTHY, HUNGER-FREE KIDS ACT OF 2010

Mr. BROWN of Ohio. Mr. President, I rise to express strong support and to echo the comments of the previous speaker before Senator LANDRIEU, Senator CASEY, for the Healthy, Hunger-Free Kids Act of 2010.

Chairwoman LINCOLN has led the reauthorization efforts—chairing hearings of the Agriculture Committee, on which I sit, and speaking eloquently in this Chamber about what is at stake in the Healthy, Hunger-Free Kids Act.

The health and well-being of our Nation's children, it goes without saying, has a direct effect on the health and well-being of our Nation. Our economic security depends on a strong and capable workforce. Our national security depends on a highly skilled and physically fit military. In fact, when President Truman signed the National School Lunch Act—laying the foundation for President Johnson to sign the Child Nutrition Act of 1966—he did so at the request of our military leaders, who saw firsthand the malnutrition plaguing so many of our soldiers—especially rural soldiers, White and Black alike—in World War II.

When Congress passed the National School Lunch Act in 1946, it said:

It is hereby declared to be the policy of the Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children.

Today, our military leaders once again support the Child Nutrition Act

and have joined with hunger and nutrition advocates to urge Congress to pass this critical legislation.

So, too, are educators and business leaders and health care providers, who are worried about the costs of poor nutrition to our economy and our health care systems and the educational development of our children.

As Senator CASEY said so well, hungry children simply cannot learn. And my guess is, there are few, if any, in this Chamber who went to school so hungry as kids that they could not learn. But it certainly is proven, and we know that from observing kids, from talking to children, from watching their performance.

Study after study indicates that access to healthy, nutritious foods is critical, obviously, to our children's health and their ability to learn. Yet the stories behind these studies put a real face on the issue of childhood hunger.

Twenty percent of Ohio children under 18 years of age—570,000 children—think of that, 1 out of 5 children in a State, in a generally wealthy State, in a very wealthy country; 20 percent, 1 out of 5 children in my State under 18 years of age, more than 500,000 children—live in food-insecure homes. Those numbers are comparable in the Presiding Officer's State, in cities such as Huntington and Charleston and Morgantown and Beckley and all over his State.

Too many students nationwide—more than 1 million children—slip through the cracks and do not receive free or reduced-priced lunches for which they are eligible. In Ohio, about 700,000 children are eligible for reduced-priced or free breakfast or lunch. Every day, that number is significantly fewer as to those children who actually receive lunch and breakfast.

Understand, too, on weekends in the summer months, those numbers shrink dramatically. There are feeding programs in the summers, but only about 1 out of 10 children who are eligible actually gets those free breakfasts, free lunches, free snacks in those summer months. So the effects of poor nutrition reach beyond the boundaries of hunger. It also fuels childhood obesity, ironically. So it plagues communities across the Nation.

That is why this reauthorization is so important. Every 5 years, we have a chance to make the programs and resources available to our children better and more effective. This year we did that, and the Senate passed it today.

The bill will improve the quality of food in the National School Lunch Program and make sure children who need the help most are actually getting it. Each day, some 30 million schoolchildren across the country participate in the National School Lunch Program, from cities as large as Cleveland and Cincinnati and Columbus to rural towns such as Gallipolis and Galion and Grafton.

Each school day, the number of schoolchildren receiving free or re-

duced-price meals increases as more families struggle with high unemployment and increased poverty. We know that during the extension of unemployment benefits, the number of families who lost their jobs, then lost their unemployment insurance, then lost their health care, then lost their cars in some cases and in far too many cases then lost their homes to foreclosure—that those families even more relied on the school breakfast and lunch program.

The reauthorization includes provisions from the Hunger Free Schools Act that Senator CASEY from Pennsylvania and Senator BENNET from Colorado and I introduced earlier this year.

This legislation would auto-enroll eligible children and eliminate duplicative paperwork that costs schools and families valuable time and, in too many kids' cases, access to healthy school meals. It would allow eligible schools in high-poverty areas to serve universal free school lunches and breakfasts. In Ohio, an estimated 432 schools enrolling more than 150,000 students could opt into this program. So making this part of the reauthorization absolutely matters to embrace more children in these programs.

This bill is about reaching the very children—the neediest and most vulnerable—we should have been reaching in the first place.

The reauthorization would also expand the Afterschool Meal Program and the Summer Food Service Program, which play critical roles in childhood development outside of the classroom. We know that for particularly young children, if they are not eating right, their development as sentient, strong, healthy, intelligent human beings is significantly arrested.

Less than 10 percent of Ohio's eligible schoolchildren receive summer nutrition assistance. As I said, in rural Appalachia, across the river from the Presiding Officer's State, the numbers are bleaker as meal locations are fewer and farther between. The numbers are not good enough in Cleveland. They are not good enough in Youngstown. They are even worse in Malta and McConnelsville, in Pomeroy, in Piketon, and especially in the even more rural areas such as Colton in Jackson County, Coolville in Athens County, and those small remote areas where meal locations are even harder to reach. By strengthening these summer programs, we ensure more children have a nutritious breakfast, lunch, or snack during the summer months. It is a key ingredient in keeping children healthy, educated, and active.

Steve Garland of the E.L. Hardy Center—a summer feeding site outside of Columbus—tells a story of a single father with three sons who relies on the center for meals and mentoring. The father says that without the center, his young sons are at risk of falling behind in school and getting in trouble in the community.

It is not just keeping children fed. It also matters for their school work. It