

We need to act on these issues quickly. The American people are watching to see if we intend to bring this Nation out of our economic downturn and back on the road to economic prosperity, or if we are going to continue to fiddle around while the country burns. I hear that from the folks back in Ohio: "You are fiddling around in the Senate, and you are not getting anything done. Don't you understand how bad it is on the street?"

They want us to make the hard choices about spending. They want us to work together to develop solutions to our energy crisis, to pay down our debt, and provide quick and measurable tax relief. They want us to put aside the partisan bickering and the gamesmanship and act in the best interests of the Nation. After all, that is what they think they elected us to do.

We need to act in the spirit of the old Rogers and Hammerstein song from *Carousel*—many remember that—"You'll Never Walk Alone," so that the American people know that "at the end of the storm there is a golden sky and the sweet silver song of the lark."

Now, more than ever before, we have to restore people's faith and their confidence in the economic future of our Nation. It is in our hands.

GOVERNOR MELDRIM THOMSON

Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to my dear personal friend and political mentor, former New Hampshire governor Meldrim Thomson, who passed away last Thursday. Mel, who was 89, was one of the greatest governors in the history of the State of New Hampshire.

Mel Thomson left a lasting legacy. His legacy of country, state, family, and God will not soon be forgotten by those of us whose lives he touched so deeply. He was not only a gentleman but a gentle man, a loving husband to Gale, father of six, grandfather, and great-grandfather. He was one of my closest and most treasured friends. In politics, loyalty and friendship mean everything.

In 1993, Governor Thomson wrote a book, "100 Famous Founders," for which I was honored to have written the introduction. Among the first of the Founding Fathers to step forward and put his life, property, and honor on the line for his country by signing the Declaration was Josiah Bartlett of New Hampshire. Dr. Bartlett later served as the Governor of New Hampshire. It is fitting that this magnificent book of profiles of our Nation's one hundred foremost Founders was written by one of Josiah Bartlett's most distinguished and patriotic successors as Governor, Meldrim Thomson.

Meldrim Thomson had the same trust in God, love of family, steadfast dedication to his country and state, and sense of honor that characterized the Founders about whom he wrote. Indeed, had he lived in Josiah Bartlett's

time, Meldrim Thomson certainly would have been a Founder too. Had he lived during the American Revolution, he would have stood shoulder-to-shoulder fighting for the cause alongside George Washington, Thomas Jefferson, Sam Adams, and General John Stark.

Meldrim Thomson, Jr., took the oath of office as the 91st Governor of New Hampshire on January 3, 1973, and served until January 4, 1979. He is the only Republican to have served as Governor of New Hampshire for three consecutive two-year terms.

Meldrim Thomson's road to the governorship began in 1954, when he moved his publishing business and his family from New York to a new home in Orford, NH. Although he was not a native son, Meldrim Thomson's strongly independent nature and his bedrock conservative principles were right for New Hampshire. In spirit, then, he quickly became a son of New Hampshire.

Plunging into New Hampshire politics, Meldrim Thomson waged an unsuccessful campaign for the U.S. House of Representatives in 1964. That same year, though, he won election to New Hampshire's Constitutional Convention.

With characteristic grit and determination, Meldrim Thomson did not let his defeats in the 1968 and 1970 New Hampshire Republican gubernatorial primaries discourage him from continuing to seek our State's highest office. His commitment paid rich dividends in 1972, when he won election as Governor. He ran and won again in 1974 and 1976. In waging his victorious campaigns, Meldrim Thomson proved himself to be a true populist. Running on the slogan "ax the tax," Governor Thomson took his campaigns to the people of New Hampshire in their living rooms and meeting halls.

As Governor, Meldrim Thomson did not shrink from difficult decisions. As the spiritual descendant of the Founding Fathers, he had the courage to take grave political risks on behalf of his unflinching conservative principles. Meldrim Thomson fought tirelessly for low taxes and strict fiscal discipline. As a result, during his time as Governor, the economy of New Hampshire enjoyed a prosperity that was unknown in the rest of New England. Attracted by the state's low taxes, significant new businesses moved their operations to New Hampshire. Wages and salaries increased. Old manufacturing centers such as Manchester and Nashua demonstrated new signs of life.

Beyond his great economic successes, Meldrim Thomson did not hesitate to use his platform as Governor to speak out on vital national and international issues. He did not hesitate to criticize the foreign and domestic misadventures of the Administration of Jimmy Carter. In fact, Governor Thomson ordered New Hampshire State flags flown at half-staff to protest President Carter's pardon of Vietnam era draft resisters. It deeply offended Governor

Thomson's profound sense of patriotism that a President of the United States would take such an unprecedented action to shield those who refused their country's call from the rightful legal consequences of their acts.

I have so many personal, inspiring memories of Mel Thomson. In our private moments, of which we shared many up at the farm in Orford, he would affectionately call me "son". I thought of him like a father, both personally as well as politically.

He always inspired me with his words of wisdom. He often said "put principle above politics." He heeded his own words. Like Lincoln, Churchill and so many great men, he was unfairly criticized, but rose above it all to do what was right. He was a dedicated conservative, who was as solid as the granite in our mountains.

Mel Thomson's impact on the state, patriotism, and commitment to his values and his family will not be forgotten. I will miss him terribly, as will those many New Hampshire citizens whose lives he touched. Rest in peace, my friend. You have earned it. It has been an honor to represent you in the U.S. Senate.

COMMENDING NAVY LT. SHANE OSBORN AND HIS CREW MEMBERS FOLLOWING THEIR DETAINMENT ON HAINAN ISLAND, CHINA

Mr. DASCHLE. Mr. President, I come to the floor to commend in the strongest possible terms the members of the United States Navy crew who were detained on Hainan Island in China for 11 long days earlier this month. I think I speak for our entire nation when I say how much we admire their dedication and the extraordinary level of professionalism they exhibited throughout their ordeal.

Under the command of Lt. Shane Osborn, this crew of 24 servicemen and women left Kadena Airbase in Okinawa, Japan, on the evening of March 31 for what was to have been a routine mission over the South China Sea.

As we all now know, what happened after they left Okinawa, and for the next 11 days, was *not* routine. It was *heroic*. The entire world witnessed the strength, discipline and courage of our Navy crew.

Every man and woman on that plane is a hero.

I am especially impressed with the skill and character of a remarkable young man who first dreamed of flying as a 3-year-old watching a small Cessna on a South Dakota farm.

We are fortunate that Lt. Shane Osborn pursued his dream to fly. And we are doubly fortunate that he put that dream to work in service of his country.

Lt. Osborn says, modestly, that he was just what he'd been trained to do when he landed his damaged aircraft safely. Others see it differently. A Pentagon spokesman described the landing

as a "spectacular feat of airmanship." Experienced EP-3 pilots termed it astounding. Indeed, it was.

Think about what had just happened: The collision with a smaller, faster Chinese F-8 had dropped Lt. Osborn's EP-3 between 5,000 and 8,000 feet and turned it almost completely upside-down; two of the plane's four propellers had been clipped in the collision, rendering useless the wing flaps used to slow the plane during landing.

The collision had also sheared off the plane's nose cone.

And most of the plane's instruments were so badly damaged that they were useless.

Even so, Lt. Osborn managed to stabilize the plane, and he and his crew were able to guide it to the nearest airport, 70 miles northwest, on China's Hainan Island.

Remarkably, during that 70-mile flight, Lt. Osborn and his crew had the presence of mind to follow international procedure and issue a series of distress signals. In fact, they issued as many as 25 signals on two separate standard frequencies.

Lt. Osborn's crew and commanders say his courage and quick thinking saved 24 lives.

After landing in Hainan, with their plane surrounded by armed Chinese personnel, Lt. Osborn and his crew followed U.S. Navy procedure. They destroyed sensitive documents and technology, greatly limiting what could have been a significant intelligence loss.

For the next 11 days, Lt. Osborn's leadership, courage, dignity, and his remarkable sense of humor, helped keep the spirits of his crew high.

We are fortunate to be protected and represented by the entire crew of that Navy EP-3: Richard Bensing; Steven Blocher; Bradford Borland; David Cecka; John Comerford; Shawn Coursen; Jeremy Crandall; Josef Edmunds; Brandon Funk; Scott Guidry; Jason Hanser; Patrick Honeck; Regina Kauffman; Nicholas Mellos; Ramon Mercado; Richard Payne; Mitchell Pray; Kenneth Richter; Marcia Sonon; Curtis Towne; Jeffrey Vignery; Wendy Westbrook, and Rodney Young.

As a *South Dakotan*, I must say I am especially proud of Lt. Shane Osborn, who followed his dream from Mitchell, SD, to the Norfolk, Nebraska Civil Air Patrol, and now, into the pages of Naval history. He is a true hero, and we are proud of him.

SMALL BUSINESS AMENDMENT TO THE 2002 BUDGET RESOLUTION

Mr. KERRY. Mr. President, I submit a statement for the RECORD regarding a small business amendment I offered to the fiscal year 2002 budget resolution with my colleague, Senator BOND, on April 6, 2001.

First, let me extend sincere thanks to my colleagues for supporting this amendment which restored critical

funding to the Small Business Administration's finance and management assistance programs that help start and strengthen small businesses in our country. Second, let me correct the Record to reflect all the cosponsors:

Senators BOND, BINGAMAN, WELLSTONE, LANDRIEU, DASCHLE, LEAHY, JOHNSON, SCHUMER, COLLINS, LEVIN, SNOWE, HARKIN, CONRAD, and DOMENICI.

My apologies to Senators CONRAD, DOMENICI, and HARKIN who were not listed in the RECORD when the amendment passed. Again, thank you to all my colleagues for agreeing to this amendment and showing their support for our small businesses.

I ask unanimous consent that a copy of the amendment and the summary along with all the letters of support be printed in the RECORD.

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

AMENDMENT NO. 183

(Purpose: To revise the budget for fiscal year 2002 so that the small business programs at the Small Business Administration are adequately funded and can continue to provide loans and business assistance to the country's 24 million small businesses, and to restore and reasonably increase funding to specific programs at the Small Business Administration because the current budget request reduces funding for the Agency by a minimum of 26 percent at a time when the economy is volatile and the Federal Reserve Board reports that 45 percent of banks have reduced lending to small businesses by making it harder to obtain loans and more expensive to borrow)

On page 21, line 15, increase the amount by \$264,000,000.

On page 21, line 16, increase the amount by \$154,000,000.

On page 43, line 15, decrease the amount by \$264,000,000.

On page 43, line 16, decrease the amount by \$154,000,000.

On page 48, line 8, increase the amount by \$264,000,000.

On page 48, line 9, increase the amount by \$154,000,000.

Purpose: To amend the budget for fiscal year 2002 so that the small business programs at the Small Business Administration are adequately funded and can continue to provide loans and business assistance to the country's 24 million small businesses. It is necessary to restore and reasonably increase funding to specific programs at the SBA because the current budget request reduces funding for the Agency by a minimum of 26 percent at time when the economy is volatile and the Federal Reserve Board reports that 45 percent of banks have reduced lending to small businesses by making it harder to obtain loans and more expensive to borrow.

All funds are added to Function 376, which funds the SBA for FY 2002.

CREDIT PROGRAMS

\$118 million for 7(a) loans, funding an \$11 billion program

\$26.2 million for SBIC participating securities, will support a \$2 billion program

\$750,000 million for direct microloans, funding a \$30 million program

\$21 million for new markets venture capital debentures, funding \$150 million program

Total request for credit programs = \$166 million

NON-CREDIT PROGRAMS

\$4 million for the National Veterans Business Development Corporation

\$10 million for Microloan Technical Assistance, total of \$30 million

\$30 million for the Small Business Development Centers, total of \$105 million

\$30 million for New Markets Venture Capital Technical Assistance

\$15 million for the Program for Investment in Microenterprise

\$7 million for BusinessLINC

\$1.7 million for Women's Business Centers, bringing total to \$13.7 million

\$250,000 for Women's Business Council, bringing total to \$1 million

Total request for non-credit programs = \$98 million

Total request for credit and non-credit programs = \$264 million

THE NATIONAL ASSOCIATION OF GOVERNMENT GUARANTEED LENDERS, INC.,

Stillwater, OK, April 5, 2001.

Hon. JOHN F. KERRY,
U.S. Senate, Washington, DC.

DEAR SENATOR KERRY: I am writing on behalf of NAGGL's nearly 700 members in support of your amendment, number 183, to the Budget Resolution that would revise the proposed budget for the Small Business Administration in fiscal year 2002. Specifically, your amendment would restore \$264 million to the SBA's budget in fiscal year 2002 of which \$118 million is earmarked for the agency's 7(a) guaranteed loan program. We strongly believe it is in the best interest of small business that your amendment be adopted.

The present budget proposes no fiscal year 2002 appropriations for the 7(a) loan program and instead proposes to make the program self-funding through the imposition of increased fees. The previous SBA Administrator testified before the House Small Business Committee last year that the 7(a) program was already being run at a "profit" to the government. This statement was confirmed in a September 2000 Congressional Budget Office report entitled "Credit Subsidy Reestimates, 1993-1999." Unfortunately, the budget as currently proposed would, in our view, have the effect of imposing additional taxes by increasing program fees. This result would be ironic given the Administration's push for tax cuts.

A recent survey of NAGGL's membership, who currently make approximately 80 percent of SBA 7(a) guaranteed loans, shows that if the budget were adopted as proposed, most lenders would significantly curtail their 7(a) lending activities. Therefore, small businesses would find it more difficult and expensive to obtain crucial long-term financing. The proposed budget would increase the lender's cost of making a loan by 75 percent and would increase the direct cost to the borrower by 12 percent. Any fee increase is unacceptable when the program is already profitable for the government.

The small business consequences of a slowdown in 7(a) guaranteed lending are manifold. Currently, according to statistics available from the Federal Deposit Insurance Corporation and the SBA, approximately 30 percent of all long-term loans, those with a maturity of 3 years or more, carry an SBA 7(a) guarantee. This is because lenders generally are unwilling to make long-term loans with a short-term deposit base. Therefore, reducing the availability of 7(a) capital to small businesses will have a significant effect on them and on the economy.

The average maturity for an SBA 7(a) guaranteed loan is 14 years. The average conventional small business loan carries an average maturity of one year or less. For those