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United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

PATRICIA R. FORBES, MAJORITY STAFF DIRECTOR AND CHIEF COUNSEL
EMILIA DISANTO, REPUBLICAN STAFF DIRECTOR

July 17, 2002

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

As Chairman of the Senate Committee on Small Business and Entrepreneurship and an advocate for the small businesses which remain the backbone of our economy, I am deeply concerned that small businesses in as many as 36 states, including Massachusetts, South Carolina, Montana, Virginia, and Georgia, are being devastated economically by the effects of severe drought conditions that are expected to continue throughout this difficult summer.

Much like the effects of floods, tornadoes and other natural disasters, the adverse effects of drought conditions on local economies cannot be understated. Farmers and farm-related businesses crippled by drought, thankfully, can find a lifeline through the USDA. Unfortunately, similar assistance for non-farm small business drought victims is not available. Despite the hardship that small businesses are facing due to prolonged drought, they are not eligible for Small Business Administration disaster loans because the program has been interpreted not to apply to drought victims.

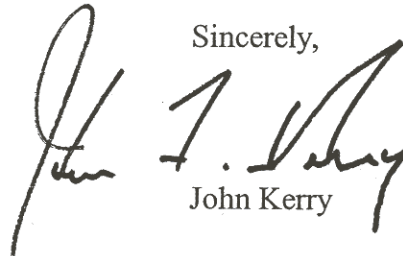
I'm not particularly interested in a bureaucratic interpretation of disaster loans -- and neither are hardworking small businesses suffering the economic consequences of a drought far beyond their control. I simply want us to give these small businesses some way to help themselves. That is why yesterday, together with Senators Hollings, Landrieu, Baucus, Bingaman, Daschle and Johnson, I introduced the Small Business Drought Relief Act which will make SBA disaster loans available to small business drought victims throughout the country. I ask you to support my efforts to promptly pass this legislation so that small businesses in tourism and other water-related or water-reliant industries can receive the disaster relief they deserve. This assistance is critical for the survival of many of these small businesses, particularly in today's difficult economic times.

As you know, politics in Washington can wreak havoc on even the most common sense solutions to real life problems. We can not afford to allow delay or partisan obstruction to deny passage of this legislation as it, regrettably, did our emergency relief efforts to help small businesses suffering the economic fall-out of September 11th. I hope you will agree with me on the merits of assisting

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small businesses throughout the United States suffering from drought. If the Administration will work with me and my Committee, together we can achieve the swift enactment of the Small Business Drought Relief Act and provide immediate help for small business drought victims.

Sincerely,

A handwritten signature in black ink, appearing to read "John F. Kerry", written in a cursive style.

John Kerry

cc The Honorable Hector V. Barreto