

PRESIDENT MOUL: One minute.

SENATOR SCHMIT: If an individual likes the person who makes the application, it works out. If I were to go to the department for those people and recommend they make a loan, they might look at it more favorably than they would a new senator, but that's not the way the system is supposed to work. This is government at its worst and, ladies and gentlemen, it's going to come back and haunt us again and again and again. I support the Wesely amendment. I wish you were striking the program.

PRESIDENT MOUL: Thank you, Senator Schmit. Senator Wehrbein.

SENATOR WEHRBEIN: Madam President and members, it's kind of a tough call. It looks like you're voting for squandering money here if you oppose this amendment, but I'm going to oppose the amendment. The reason is, after what Senator Schmit was talking about, he makes a case perhaps that it sounds like an inordinate high amount of administrative costs. On the other hand, we've heard many, many speeches on this floor, especially the last few months that we've got to protect our interests and it looks like if you protect your interests, to me, it's going to cost some money. That's what this administrative cost in general is all about and I'm not going to pretend to make myself an expert on this. But the point is if you're going to take some risks, you're going to encourage entrepreneurship and it looks like to me you're going to have to have some people out there traveling around, getting a...holding hands and doing some things to be sure the money is well spent. It means counselling, it means a lot of time counselling, it means a lot of travel time. It means going out and soliciting funds to find partners. I can't understand why this is...you look at that as if they're squandering money. If this R & D Authority is to do its job, it looks like to me you're going to be spending some money to do it. If it was that easy, we wouldn't need it. Why was it put in place back five or six years ago if you didn't think you were going to have this kind of thing? It looks like to me if you want the kind of oversight that you have, then you're going to have some of these costs and we ought to be willing to pay for it. They've got their money leveraged about 27 percent, about three to one, I should say, which is about a 25, 27 percent position, equity position. The companies that I'm familiar with are starting from scratch and they're doing fairly well for starting businesses. Let's even be honest. They're probably