

(Mr. LAUTENBERG) was added as a cosponsor of S. Con. Res. 67, a concurrent resolution expressing the need for enhanced public awareness of traumatic brain injury and supporting the designation of a National Brain Injury Awareness Month.

S. CON. RES. 73

At the request of Mrs. FEINSTEIN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. Con. Res. 73, a concurrent resolution expressing the deep concern of Congress regarding the failure of the Islamic Republic of Iran to adhere to its obligations under a safeguards agreement with the International Atomic Energy Agency and the engagement by Iran in activities that appear to be designed to develop nuclear weapons.

S. RES. 244

At the request of Mrs. BOXER, the names of the Senator from Connecticut (Mr. DODD) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of S. Res. 244, a resolution congratulating Shirin Ebadi for winning the 2003 Nobel Peace Prize and commending her for her lifetime of work to promote democracy and human rights.

AMENDMENT NO. 1828

At the request of Mr. BENNETT, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of amendment No. 1828 proposed to H.R. 1904, a bill to improve the capacity of the Secretary of Agriculture and the Secretary of the Interior to plan and conduct hazardous fuels reduction projects on National Forest System lands and Bureau of Land Management lands aimed at protecting communities, watersheds, and certain other at-risk lands from catastrophic wildfire, to enhance efforts to protect watersheds and address threats to forest and rangeland health, including catastrophic wildfire, across the landscape, and for other purposes.

AMENDMENT NO. 1966

At the request of Mr. DEWINE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of amendment No. 1966 proposed to H.R. 2800, a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes.

AMENDMENT NO. 2000

At the request of Mr. DORGAN, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of amendment No. 2000 proposed to H.R. 2800, a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2004, and for other purposes.

At the request of Mr. GRAHAM of Florida, his name was added as a cosponsor of amendment No. 2000 proposed to H.R. 2800, *supra*.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COLEMAN (for himself, Mr. GRAHAM of South Carolina, and Mr. DEWINE):

S. 1796. A bill to revitalize rural America and rebuild main street, and for other purposes; to the Committee on Finance

Mr. COLEMAN. Mr. President, I ask unanimous consent that the bill I introduce today, the Rural Renaissance Act, be printed in the RECORD.

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

S. 1796

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Renaissance Act".

### SEC. 2. RURAL RENAISSANCE CORPORATION.

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) is amended by adding at the end the following new section:

#### "SEC. 379E. RURAL RENAISSANCE CORPORATION.

"(a) ESTABLISHMENT AND STATUS.—There is established a body corporate to be known as the 'Rural Renaissance Corporation' (hereafter in this section referred to as the 'Corporation'). The Corporation is not a department, agency, or instrumentality of the United States Government, and shall not be subject to title 31, United States Code.

"(b) PRINCIPAL OFFICE; APPLICATION OF LAWS.—The principal office and place of business of the Corporation shall be in the District of Columbia, and, to the extent consistent with this section, the District of Columbia Business Corporation Act (D.C. Code 29-301 et seq.) shall apply.

"(c) FUNCTIONS OF CORPORATION.—The Corporation shall—

"(1) issue rural renaissance bonds for the financing of qualified projects as required under section 54 of the Internal Revenue Code of 1986,

"(2) establish an allocation plan as required under section 54(f)(2)(A) of such Code,

"(3) establish and operate the Rural Renaissance Trust Account as required under section 54(i) of such Code,

"(4) perform any other function the sole purpose of which is to carry out the financing of qualified projects through rural renaissance bonds, and

"(5) not later than February 15 of each year submit a report to Congress—

"(A) describing the activities of the Corporation for the preceding year, and

"(B) specifying whether the amounts deposited and expected to be deposited in the Rural Renaissance Trust Account are sufficient to fully repay at maturity the principal of any outstanding rural renaissance bonds issued pursuant to such section 54.

"(d) POWERS OF CORPORATION.—The Corporation—

"(1) may sue and be sued, complain and defend, in its corporate name, in any court of competent jurisdiction,

"(2) may adopt, alter, and use a seal, which shall be judicially noticed,

"(3) may prescribe, amend, and repeal such rules and regulations as may be necessary for carrying out the functions of the Corporation,

"(4) may make and perform such contracts and other agreements with any individual, corporation, or other private or public entity however designated and wherever situated,

as may be necessary for carrying out the functions of the Corporation,

"(5) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid,

"(6) may, as necessary for carrying out the functions of the Corporation, employ and fix the compensation of employees and officers,

"(7) may lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with such property (real, personal, or mixed) or any interest therein, wherever situated, as may be necessary for carrying out the functions of the Corporation,

"(8) may accept gifts or donations of services or of property (real, personal, or mixed), tangible or intangible, in furtherance of the purposes of this section, and

"(9) shall have such other powers as may be necessary and incident to carrying out this section.

"(e) NONPROFIT ENTITY; RESTRICTION ON USE OF MONEYS; CONFLICT OF INTERESTS; INDEPENDENT AUDITS.—

"(1) NONPROFIT ENTITY.—The Corporation shall be a nonprofit corporation and shall have no capital stock.

"(2) RESTRICTION.—No part of the Corporation's revenue, earnings, or other income or property shall inure to the benefit of any of its directors, officers, or employees, and such revenue, earnings, or other income or property shall only be used for carrying out the purposes of this section.

"(3) CONFLICT OF INTERESTS.—No director, officer, or employee of the Corporation shall in any manner, directly or indirectly participate in the deliberation upon or the determination of any question affecting his or her personal interests or the interests of any corporation, partnership, or organization in which he or she is directly or indirectly interested.

"(4) INDEPENDENT AUDITS.—An independent certified public accountant shall audit the financial statements of the Corporation each year. The audit shall be carried out at the place at which the financial statements normally are kept and under generally accepted auditing standards. A report of the audit shall be available to the public and shall be included in the report required under subsection (c)(5).

"(f) TAX EXEMPTION.—The Corporation, including its franchise and income, is exempt from taxation imposed by the United States, by any territory or possession of the United States, or by any State, county, municipality, or local taxing authority.

"(g) MANAGEMENT OF CORPORATION.—

"(1) BOARD OF DIRECTORS; MEMBERSHIP; DESIGNATION OF CHAIRPERSON AND VICE CHAIRPERSON; APPOINTMENT CONSIDERATIONS; TERM; VACANCIES.—

"(A) BOARD OF DIRECTORS.—The management of the Corporation shall be vested in a board of directors composed of 7 members appointed by the President, by and with the advice and consent of the Senate.

"(B) CHAIRPERSON AND VICE CHAIRPERSON.—The President shall designate 1 member of the Board to serve as Chairperson of the Board and 1 member to serve as Vice Chairperson of the Board.

"(C) INDIVIDUALS FROM PRIVATE LIFE.—Five members of the Board shall be appointed from private life.

"(D) FEDERAL OFFICERS AND EMPLOYEES.—Two members of the Board shall be appointed from among officers and employees of agencies of the United States concerned with rural development.

"(E) APPOINTMENT CONSIDERATIONS.—All members of the Board shall be appointed on the basis of their understanding of and sensitivity to rural development processes. Members of the Board shall be appointed so that

not more than 4 members of the Board are members of any 1 political party.

“(F) TERMS.—Members of the Board shall be appointed for terms of 3 years, except that of the members first appointed, as designated by the President at the time of their appointment, 2 shall be appointed for terms of 1 year and 2 shall be appointed for terms of 2 years.

“(G) VACANCIES.—A member of the Board appointed to fill a vacancy occurring before the expiration of the term for which that member's predecessor was appointed shall be appointed only for the remainder of that term. Upon the expiration of a member's term, the member shall continue to serve until a successor is appointed and is qualified.

“(2) COMPENSATION, ACTUAL, NECESSARY, AND TRANSPORTATION EXPENSES.—Members of the Board shall serve without additional compensation, but may be reimbursed for actual and necessary expenses not exceeding \$100 per day, and for transportation expenses, while engaged in their duties on behalf of the Corporation.

“(3) QUORUM.—A majority of the Board shall constitute a quorum.

“(4) PRESIDENT OF CORPORATION.—The Board of Directors shall appoint a president of the Corporation on such terms as the Board may determine.”

### SEC. 3. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to credits against tax) is amended by adding at the end the following new subpart:

#### “Subpart H—Nonrefundable Credit for Holders of Rural Renaissance Bonds

“Sec. 54. Credit to holders of rural renaissance bonds.

#### “SEC. 54. CREDIT TO HOLDERS OF RURAL RENAISSANCE BONDS.

“(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a rural renaissance bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

“(b) AMOUNT OF CREDIT.—

“(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a rural renaissance bond is 25 percent of the annual credit determined with respect to such bond.

“(2) ANNUAL CREDIT.—The annual credit determined with respect to any rural renaissance bond is the product of—

“(A) the applicable credit rate, multiplied by

“(B) the outstanding face amount of the bond.

“(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate with respect to an issue is the rate equal to an average market yield (as of the day before the date of sale of the issue) on outstanding long-term corporate debt obligations (determined in such manner as the Secretary prescribes).

“(4) CREDIT ALLOWANCE DATE.—For purposes of this section, the term ‘credit allowance date’ means—

“(A) March 15,

“(B) June 15,

“(C) September 15, and

“(D) December 15.

Such term includes the last day on which the bond is outstanding.

“(5) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is

issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

“(c) LIMITATION BASED ON AMOUNT OF TAX.—

“(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

“(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(B) the sum of the credits allowable under this part (other than this subpart and subpart C).

“(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

“(d) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

“(e) RURAL RENAISSANCE BOND.—For purposes of this part, the term ‘rural renaissance bond’ means any bond issued as part of an issue if—

“(1) 95 percent or more of the proceeds from the sale of such issue are to be used—

“(A) for expenditures incurred after the date of the enactment of this section for any qualified project, or

“(B) for deposit in the Rural Renaissance Trust Account for repayment of rural renaissance bonds at maturity,

“(2) the bond is issued by the Rural Renaissance Corporation, is in registered form, and meets the rural renaissance bond limitation requirements under subsection (f),

“(3) except for bonds issued in accordance with subsection (f)(4), the term of each bond which is part of such issue does not exceed 30 years,

“(4) the payment of principal with respect to such bond is the obligation of the Rural Renaissance Corporation, and

“(5) the issue meets the requirements of subsection (g) (relating to arbitrage).

“(f) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

“(1) NATIONAL LIMITATION.—There is a rural renaissance bond limitation for each calendar year. Such limitation is—

“(A) for 2004—

“(i) with respect to bonds described in subsection (e)(1)(A), \$50,000,000,000, plus

“(ii) with respect to bonds described in subsection (e)(1)(B), such amount (not to exceed \$15,000,000,000) as determined necessary by the Rural Renaissance Corporation to provide funds in the Rural Renaissance Trust Account for the repayment of rural renaissance bonds at maturity, and

“(B) except as provided in paragraph (3), zero thereafter.

“(2) LIMITATION ALLOCATED TO QUALIFIED PROJECTS AMONG STATES.—

“(A) IN GENERAL.—Subject to subparagraph (B), the limitation applicable under paragraph (1)(A)(i) for any calendar year shall be allocated by the Rural Renaissance Corporation for qualified projects among the States under an allocation plan established by the Corporation and submitted to Congress for consideration.

“(B) MINIMUM ALLOCATIONS TO STATES.—In establishing the allocation plan under subparagraph (A), the Rural Renaissance Cor-

poration shall ensure that the aggregate amount allocated for qualified projects located in each State under such plan is not less than \$500,000,000.

“(3) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

“(A) the rural renaissance bond limitation amount, exceeds

“(B) the amount of bonds issued during such year by the Rural Renaissance Corporation,

the rural renaissance bond limitation amount for the following calendar year shall be increased by the amount of such excess. Any carryforward of a rural renaissance bond limitation amount may be carried only to calendar year 2005 or 2006.

“(4) ISSUANCE OF SMALL DENOMINATION BONDS.—From the rural renaissance bond limitation for each year, the Rural Renaissance Corporation shall issue a limited quantity of rural renaissance bonds in small denominations suitable for purchase as gifts by individual investors wishing to show their support for investing in rural America.

“(g) SPECIAL RULES RELATING TO ARBITRAGE.—

“(1) IN GENERAL.—Subject to paragraph (2), an issue shall be treated as meeting the requirements of this subsection if as of the date of issuance, the Rural Renaissance Corporation reasonably expects—

“(A) to spend at least 95 percent of the proceeds from the sale of the issue for 1 or more qualified projects within the 3-year period beginning on such date,

“(B) to incur a binding commitment with a third party to spend at least 10 percent of the proceeds from the sale of the issue, or to commence construction, with respect to such projects within the 6-month period beginning on such date, and

“(C) to proceed with due diligence to complete such projects and to spend the proceeds from the sale of the issue.

“(2) RULES REGARDING CONTINUING COMPLIANCE AFTER 3-YEAR DETERMINATION.—If at least 95 percent of the proceeds from the sale of the issue is not expended for 1 or more qualified projects within the 3-year period beginning on the date of issuance, but the requirements of paragraph (1) are otherwise met, an issue shall be treated as continuing to meet the requirements of this subsection if either—

“(A) the Rural Renaissance Corporation uses all unspent proceeds from the sale of the issue to redeem bonds of the issue within 90 days after the end of such 3-year period, or

“(B) the following requirements are met:

“(i) The Rural Renaissance Corporation spends at least 75 percent of the proceeds from the sale of the issue for 1 or more qualified projects within the 3-year period beginning on the date of issuance.

“(ii) The Rural Renaissance Corporation spends at least 95 percent of the proceeds from the sale of the issue for 1 or more qualified projects within the 4-year period beginning on the date of issuance, and uses all unspent proceeds from the sale of the issue to redeem bonds of the issue within 90 days after the end of the 4-year period beginning on the date of issuance.

“(h) RECAPTURE OF PORTION OF CREDIT WHERE CESSATION OF COMPLIANCE.—

“(1) IN GENERAL.—If any bond which when issued purported to be a rural renaissance bond ceases to be such a qualified bond, the Rural Renaissance Corporation shall pay to the United States (at the time required by the Secretary) an amount equal to the sum of—

“(A) the aggregate of the credits allowable under this section with respect to such bond (determined without regard to subsection

(c) for taxable years ending during the calendar year in which such cessation occurs and the 2 preceding calendar years, and

“(B) interest at the underpayment rate under section 6621 on the amount determined under subparagraph (A) for each calendar year for the period beginning on the first day of such calendar year.

“(2) FAILURE TO PAY.—If the Rural Renaissance Corporation fails to timely pay the amount required by paragraph (1) with respect to such bond, the tax imposed by this chapter on each holder of any such bond which is part of such issue shall be increased (for the taxable year of the holder in which such cessation occurs) by the aggregate decrease in the credits allowed under this section to such holder for taxable years beginning in such 3 calendar years which would have resulted solely from denying any credit under this section with respect to such issue for such taxable years.

“(3) SPECIAL RULES.—

“(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (2) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

“(B) NO CREDITS AGAINST TAX.—Any increase in tax under paragraph (2) shall not be treated as a tax imposed by this chapter for purposes of determining—

“(i) the amount of any credit allowable under this part, or

“(ii) the amount of the tax imposed by section 55.

“(i) RURAL RENAISSANCE TRUST ACCOUNT.—

“(1) IN GENERAL.—The following amounts shall be held in a Rural Renaissance Trust Account by the Rural Renaissance Corporation:

“(A) The proceeds from the sale of all bonds issued under this section.

“(B) The amount of any matching contributions with respect to such bonds.

“(C) The investment earnings on proceeds from the sale of such bonds.

“(D) Any earnings on any amounts described in subparagraph (A), (B), or (C).

“(2) USE OF FUNDS.—Amounts in the Rural Renaissance Trust Account may be used only to pay costs of qualified projects, redeem rural renaissance bonds, and fund the operations of the Rural Renaissance Corporation, except that amounts withdrawn from the Rural Renaissance Trust Account to pay costs of qualified projects may not exceed the aggregate proceeds from the sale of rural renaissance bonds described in subsection (e)(1)(A).

“(3) USE OF REMAINING FUNDS IN RURAL RENAISSANCE TRUST ACCOUNT.—Upon the redemption of all rural renaissance bonds issued under this section, any remaining amounts in the Rural Renaissance Trust Account shall be available to the Rural Renaissance Corporation for any qualified project.

“(j) QUALIFIED PROJECT.—For purposes of this section—

“(1) IN GENERAL.—Subject to paragraph (3), the term ‘qualified project’ means a project which—

“(A) includes 1 or more of the projects described in paragraph (2),

“(B) is located in a rural area, and

“(C) is proposed by a State and approved by the Rural Renaissance Corporation.

“(2) PROJECTS DESCRIBED.—A project described in this paragraph is—

“(A) a water or waste treatment project,

“(B) a conservation project, including any project to protect water quality or air quality (including odor abatement), any project to prevent soil erosion, and any project to protect wildlife habitat, including any

project to assist agricultural producers in complying with Federal, State, or local regulations,

“(C) an affordable housing project,

“(D) a community facility project, including hospitals, fire and police stations, and nursing and assisted-living facilities,

“(E) a value-added agriculture or renewable energy facility project for agricultural producers or farmer-owned entities, including any project to promote the production or processing of ethanol, biodiesel, animal waste, biomass, raw commodities, or wind as a fuel,

“(F) a rural venture capital project for, among others, farmer-owned entities,

“(G) a distance learning or telemedicine project,

“(H) a project to expand broadband technology, and

“(I) a rural teleworks project.

“(3) SPECIAL RULES.—For purposes of this subsection—

“(A) any project described in subparagraph (E) or (F) of paragraph (2) for a farmer-owned entity may be considered a qualified project if such entity is located in a rural area, or in the case of a farmer-owned entity the headquarters of which are located in a nonrural area, if the project is located in a rural area, and

“(B) any project for a farmer-owned entity which is a facility described in paragraph (2)(E) for agricultural producers may be considered a qualified project regardless of whether the facility is located in a rural or nonrural area.

“(3) APPROVAL GUIDELINES AND CRITERIA.—Not later than 60 days after the date of the enactment of this section, the Rural Renaissance Corporation shall consult with the appropriate committees of Congress regarding the development of guidelines and criteria for the approval by the Corporation of projects as qualified projects for inclusion in the allocation plan established under subsection (f)(2)(A) and shall submit such guidelines and criteria to such committees.

“(k) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) BOND.—The term ‘bond’ includes any obligation.

“(2) RURAL AREA.—The term ‘rural area’ means any area other than—

“(A) a city or town which has a population of greater than 50,000 inhabitants, or

“(B) the urbanized area contiguous and adjacent to such a city or town.

“(3) RURAL RENAISSANCE CORPORATION.—The term ‘Rural Renaissance Corporation’ means the Rural Renaissance Corporation established under section 379E of the Consolidated Farm and Rural Development Act.

“(4) TREATMENT OF CHANGES IN USE.—For purposes of subsection (e)(1)(A), the proceeds from the sale of an issue shall not be treated as used for a qualified project to the extent that the Rural Renaissance Corporation takes any action within its control which causes such proceeds not to be used for a qualified project. The Secretary shall specify remedial actions that may be taken (including conditions to taking such remedial actions) to prevent an action described in the preceding sentence from causing a bond to fail to be a rural renaissance bond.

“(5) PARTNERSHIP; S CORPORATION; AND OTHER PASS-THRU ENTITIES.—In the case of a partnership, trust, S corporation, or other pass-thru entity, rules similar to the rules of section 41(g) shall apply with respect to the credit allowable under subsection (a).

“(6) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any rural renaissance bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company

under procedures prescribed by the Secretary.

“(7) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

“(A) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a rural renaissance bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

“(B) CERTAIN RULES TO APPLY.—In the case of a separation described in subparagraph (A), the rules of section 1286 shall apply to the rural renaissance bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

“(8) REPORTING.—The Rural Renaissance Corporation shall submit reports similar to the reports required under section 149(e).”.

(b) AMENDMENTS TO OTHER CODE SECTIONS.—

(1) REPORTING.—Subsection (d) of section 6049 of the Internal Revenue Code of 1986 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

“(8) REPORTING OF CREDIT ON RURAL RENAISSANCE BONDS.—

“(A) IN GENERAL.—For purposes of subsection (a), the term ‘interest’ includes amounts includible in gross income under section 54(d) and such amounts shall be treated as paid on the credit allowance date (as defined in section 54(b)(4)).

“(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A), subsection (b)(4) shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i) of such subsection.

“(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.”.

(2) TREATMENT FOR ESTIMATED TAX PURPOSES.—

(A) INDIVIDUAL.—Section 6654 of such Code (relating to failure by individual to pay estimated income tax) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

“(m) SPECIAL RULE FOR HOLDERS OF RURAL RENAISSANCE BONDS.—For purposes of this section, the credit allowed by section 54 to a taxpayer by reason of holding a rural renaissance bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.”.

(B) CORPORATE.—Subsection (g) of section 6655 of such Code (relating to failure by corporation to pay estimated income tax) is amended by adding at the end the following new paragraph:

“(5) SPECIAL RULE FOR HOLDERS OF RURAL RENAISSANCE BONDS.—For purposes of this section, the credit allowed by section 54 to a taxpayer by reason of holding a rural renaissance bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.”.

(c) CLERICAL AMENDMENTS.—

(1) The table of subparts for part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Subpart H. Nonrefundable Credit for Holders of Rural Renaissance Bonds.”.

(2) Section 6401(b)(1) of such Code is amended by striking "and G" and inserting "G, and H".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

By Mr. DEWINE (for himself and Mr. KOHL):

S. 1797. A bill to implement antitrust enforcement enhancements and cooperation incentives; to the Committee on the Judiciary.

Mr. KOHL. Mr. President, I rise today, with my colleague Senator DEWINE, to introduce the "Antitrust Criminal Penalty Enhancement and Reform Act of 2003." This important bipartisan antitrust reform bill will strengthen the procedures under which antitrust settlements are reviewed by the courts, will increase criminal penalties for the most egregious antitrust violations, and will enhance the Justice Department's existing leniency program to encourage more antitrust criminal wrongdoers to come forward and thereby significantly assist the Department in detecting and preventing antitrust conspiracies.

This bill will accomplish three important goals. First, it will strengthen the review of the Justice Department's civil antitrust settlements under the Tunney Act. The Tunney Act is an important statute, passed nearly thirty years ago, that insures the public interest and consumers are protected when the Justice Department settles civil antitrust cases. The Tunney Act requires that, before entering any proposed consent judgment proposed by the Justice Department, the court must determine that the judgment is in the public interest. The statute also contains strict procedures for the public disclosure of proposed antitrust consent decrees and an opportunity for public comment.

The Tunney Act was passed in 1974 in response to concerns that some Justice Department settlements were motivated by inappropriate political pressure and were simply inadequate to restore competition or protect consumers. Congress concluded that review by the district courts to be an essential safeguard to deter the Justice Department from settling cases without regard for the public interest or the interest of affected consumers. The Tunney Act was enacted to end the then-prevalent practice of district judges "rubber stamping" antitrust consent decrees.

Unfortunately, in recent years, many courts—including specifically the U.S. Court of Appeals for the District of Columbia Circuit—have misconstrued the plain meaning of the Tunney Act and have returned to the practice of "rubber stamp" review of antitrust settlements. The controlling precedent in the D.C. Circuit is now that trial courts must enter antitrust consent decrees as long as they do not make a "mockery of the judicial power." This standard is contrary to the intent of

the Tunney Act and effectively strips the courts of the ability to engage in meaningful review of antitrust settlements.

Our bill will restore the original intent of the Tunney Act by First, providing that courts are to independently determine that antitrust settlements are in the public interest, second, setting forth a specific list of factors that a court must examine in the course of its public interest review—rather than may consider as the statute is currently written, and third, requiring the government establish that substantial evidence and reasoned analysis supports the government's belief that the consent judgment is in the public interest. These provisions will make clear that the court has the authority to conduct a meaningful review to ensure that antitrust settlements are not contrary to the public interest, or to competition.

Second, the bill will enhance criminal penalties for those who violate our antitrust laws. It will increase the maximum corporate penalty from \$10 to \$100 million, will increase the maximum individual fine from \$350,000 to \$1 million, and increase the maximum jail term for individuals who are convicted of criminal antitrust violations from three to ten years. These changes will send the proper message that criminal antitrust violations—crimes such as price fixing and bid rigging—committed by business executives in a boardroom are serious offenses that steal from American consumers just as effectively as does a street criminal with a gun. We have all learned through unfortunate experience in the last few years at some of our largest at most respected corporations the serious consequences of crime in the boardroom, with literally tens of millions of dollars being looted from shareholders. These examples of corporate malfeasance teach us that criminal sanctions for white collar crime must be serious enough to deter such misbehavior, and our bill will help ensure our antitrust penalties are strong enough to accomplish this mission.

Finally, this bill will give the Justice Department significant new tools under its antitrust leniency program. The leniency program rewards the first member of a criminal antitrust conspiracy to admit its crime to the Justice Department by granting the wrongdoer criminal amnesty. This is an important tool for law enforcement officials to detect and break up cartels that fix prices and limit supply in our economy. This new provision will give the Justice Department the ability to offer those applying for leniency the additional reward of only facing actual damages in civil suits arising out of the antitrust conspiracy, rather than the treble damage liability to which they would otherwise be subject. This statutory change will remove a significant disincentive to those who would be likely to seek criminal amnesty and should result in a substantial increase

in the number of antitrust conspiracies being detected.

Each of these three reforms are important measures will significantly enhance the enforcement of our nation's antitrust laws. I urge my colleagues to support this important measure.

#### SUBMITTED RESOLUTIONS

#### SENATE RESOLUTION 253—TO RECOGNIZE THE EVOLUTION AND IMPORTANCE OF MOTORSPORTS

Mr. CAMPBELL (for himself, Mr. KYL, and Mr. NELSON of Florida) submitted the following resolution; which was referred to the Committee on the Judiciary:

#### S. RES. 253

Whereas on March 26, 1903, an automotive race was held on a beach in Volusia County, Florida, inaugurating 100 years of motorsports;

Whereas 100 years later, motorsports are the fastest growing sports in the country;

Whereas races occur at hundreds of motorsport facilities in all 50 States;

Whereas racing fans can enjoy a wide variety of motorsports sanctioned by organizations that include Championship Auto Racing Teams (CART), Grand American Road Racing (Grand Am), Indy Racing League (IRL), International Motorsports Association (IMSA), National Association for Stock Car Automobile Racing (NASCAR), National Hot Road Association (NHRA), Sports Car Club of America (SCCA), and United States Auto Club (USAC);

Whereas the research and development of vehicles used in motorsports have directly contributed to improvements in safety and technology for the automobiles and motor vehicles used by hundreds of millions of Americans;

Whereas 13,000,000 fans will attend NASCAR races alone in 2003;

Whereas fans of all ages spend days at motorsport facilities participating in a variety of interactive theme and amusement activities surrounding races;

Whereas motorsport facilities that provide these theme and amusement activities contribute millions of dollars into local economies;

Whereas motorsports make a significant contribution to the national economy; and

Whereas tens of millions of people in the United States enjoy the excitement and speed of motorsports every week: Now, therefore, be it

*Resolved*, That the Senate recognizes the evolution of motorsports and honors those who have helped create and build this great American pastime.

Mr. CAMPBELL. Mr. President, today I am submitting a resolution that recognizes the importance of motorsports in America and their century of evolution. 100 years ago last March, Ormond-Daytona Beach in Volusia County, Florida was the venue for the very first annual "Winter Automobile Racing Meet." This race is now recognized as the genesis of organized auto racing, giving Ormond-Daytona Beach the title of "Birthplace of Speed." In the decades that have followed, motorsports have evolved from scattered impromptu events to the second most popular sport in the United States.