

a more sustainable payment relationship between the state and federal government.

Finally, last week, after repeated delays, this Administration released its notice of proposed rulemaking—in a form much weaker than it originally intended when I first started working with HCFA on this problem last spring. The proposed regulation is inadequate. Instead of stopping a burgeoning Medicaid spending scandal, the proposed regulation looks the other way and tolerates the abuse of the program.

The proposed regulation permits facilities to be reimbursed for providing services at a rate one and a half times that Medicare would have paid for a given service. Then states are free to pocket the difference between the payment level and the often much lower Medicaid payment rates through intergovernmental transfers. Not only does the regulation allow those who are exploiting the program to continue to do so, it also invites all others to come in and help themselves. The regulation permits the scam to continue while only modestly attempting to contain its magnitude.

Simply containing wasteful spending is not sufficient. The American taxpayer who pays the bills should not stand for it, nor should the beneficiaries who depend on the program. In fact, the Center on Budget and Policy Priorities, whose advocacy on social policy issues is well-known, agrees that the scam must be shut down or the long-term health of the program will be jeopardized.

Not only does the proposed regulation fail to protect the financial integrity of the Medicaid program, it also has a very low probability of ever being implemented. There is virtually no chance this Administration will be able to finalize the proposed regulation before it leaves office in January. Until the regulation is finalized, nothing changes. No abuser state has to modify its behavior one bit, and more and more states will be under pressure to take advantage of the windfall their neighbor states are enjoying. If anything, the White House action may spur greater abuse in the Medicaid program.

The Congressional Budget Office estimates that truly solving the problem will save taxpayers \$127 billion over the next decade. The stakes are high and we owe it to the 40 million Medicaid beneficiaries to protect the program so it remains strong and viable for the years to come.

Accordingly, today I am introducing legislation that does what HCFA should have done but failed to do. My bill does not sanction abuse—it stops it. It closes the loophole, and treats non-state governmental facilities the same way state facilities are already treated. For those states with upper payment limits approved by HCFA already in place, it gives them two years to fully transition into compliance with the law. But no longer will

schemes to exploit federal funding be tolerated. Even if HCFA is willing to look the other way, I am not. We must think about the long-term interests of the program and act now to stop the abuse. We should save the safety net for those that depend on it and save \$127 billion over the next decade for the American taxpayer at the same time.

#### CORRECTING THE ENROLLMENT OF H.R. 3244

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 149, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:  
A concurrent resolution (S. Con. Res. 149) to correct the enrollment of H.R. 3244.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. WARNER. Mr. President, I ask unanimous consent that the resolution be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Con. Res. 149) was agreed to, as follows:

S. CON. RES. 149

*Resolved by the Senate (the House of Representatives concurring).* That the Clerk of the House of Representatives, in the enrollment of the bill (H.R. 3244) to combat trafficking of persons, especially into the sex trade, slavery, and slavery-like conditions, in the United States and countries around the world through prevention, through prosecution and enforcement against traffickers, and through protection and assistance to victims of trafficking, shall make the following correction.

(1) In section 2002(a)(2)(A)(ii), strike “June 7, 1999,” and insert “December 13, 1999.”.

#### SOUTHEAST FEDERAL CENTER PUBLIC-PRIVATE DEVELOPMENT ACT OF 2000

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 905, H.R. 3069.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3069) to authorize the Administrator of General Services to provide for redevelopment of the Southeast Federal Center in the District of Columbia.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs with amendments, as follows:

(Omit the part in boldface brackets and insert the part printed in italic.)

H.R. 3069

*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 “Southeast Federal Center Public-Private Development Act of 2000”.

#### SEC. 2. SOUTHEAST FEDERAL CENTER DEFINED.

In this Act, the term “Southeast Federal Center” means the site in the southeast quadrant of the District of Columbia that is under the control and jurisdiction of the General Services Administration and extends from Issac Hull Avenue on the east to 1st Street on the west, and from M Street on the north to the Anacostia River on the south, excluding an area on the river at 1st Street owned by the District of Columbia and a building west of Issac Hull Avenue and south of Tingey Street under the control and jurisdiction of the Department of the Navy.

#### SEC. 3. SOUTHEAST FEDERAL CENTER DEVELOPMENT AUTHORITY.

(a) IN GENERAL.—The Administrator of General Services may enter into agreements (including leases, contracts, cooperative agreements, limited partnerships, joint ventures, trusts, and limited liability company agreements) with a private entity to provide for the acquisition, construction, rehabilitation, operation, maintenance, or use of the Southeast Federal Center, including improvements thereon, or such other activities related to the Southeast Federal Center as the Administrator considers appropriate.

(b) TERMS AND CONDITIONS.—An agreement entered into under this section—

(1) shall have as its primary purpose enhancing the value of the Southeast Federal Center to the United States;

(2) shall be negotiated pursuant to such procedures as the Administrator considers necessary to ensure the integrity of the selection process and to protect the interests of the United States;

(3) may provide a lease option to the United States, to be exercised at the discretion of the Administrator, to occupy any general purpose office space in a facility covered under the agreement;

(4) shall not require, unless specifically determined otherwise by the Administrator, Federal ownership of a facility covered under the agreement after the expiration of any lease of the facility to the United States;

(5) shall describe the consideration, duties, and responsibilities for which the United States and the private entity are responsible;

(6) shall provide—

(A) that the United States will not be liable for any action, debt, or liability of any entity created by the agreement; and

(B) that such entity may not execute any instrument or document creating or evidencing any indebtedness unless such instrument or document specifically disclaims any liability of the United States under the instrument or document; and

(7) shall include such other terms and conditions as the Administrator considers appropriate.

(c) CONSIDERATION.—An agreement entered into under this section shall be for fair consideration, as determined by the Administrator. Consideration under such an agreement may be provided in whole or in part through in-kind consideration. In-kind consideration may include provision of space, goods, or services of benefit to the United States, including construction, repair, remodeling, or other physical improvements of Federal property, maintenance of Federal property, or the provision of office, storage, or other usable space.

(d) AUTHORITY TO CONVEY.—In carrying out an agreement entered into under this section, the Administrator is authorized to convey interests in real property, by lease, sale, or exchange, to a private entity.

(e) OBLIGATIONS TO MAKE PAYMENTS.—Any obligation to make payments by the Administrator for the use of space, goods, or services by the General Services Administration on property that is subject to an agreement

under this section may only be made to the extent that necessary funds have been made available, in advance, in an annual appropriations Act, to the Administrator from the Federal Buildings Fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)).

(f) NATIONAL [CAPITOL] CAPITAL PLANNING COMMISSION.—

(1) STATUTORY CONSTRUCTION.—Nothing in this section may be construed to limit or otherwise affect the authority of the National Capital Planning Commission with respect to the Southeast Federal Center.

(2) VISION PLAN.—An agreement entered into under this section shall ensure that redevelopment of the Southeast Federal Center is consistent, to the extent practicable (as determined by the Administrator, *in consultation with the National Capital Planning Commission*), with the objectives of the National Capital Planning Commission's vision plan entitled "Extending the Legacy: Planning America's Capital in the 21st Century", adopted by the Commission in November 1997.

(g) RELATIONSHIP TO OTHER LAWS.—

(1) IN GENERAL.—The authority of the Administrator under this section shall not be subject to—

(A) section 321 of the Act of June 30, 1932 (40 U.S.C. 303b);

(B) sections 202 and 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483, 484);

(C) section 7(a) of the Public Buildings Act of 1959 (40 U.S.C. 606(a)); or

(D) any other provision of law (other than Federal laws relating to environmental and historic preservation) inconsistent with this section.

(2) UNUTILIZED OR UNDERUTILIZED PROPERTY.—Any facility covered under an agreement entered into under this section may not be considered to be unutilized or underutilized for purposes of section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

#### SEC. 4. REPORTING REQUIREMENT.

(a) IN GENERAL.—Before entering into an agreement under section 3, the Administrator of General Services shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on [Environment and Public Works] *Governmental Affairs* of the Senate a report on the proposed agreement.

(b) CONTENTS.—A report transmitted under this section shall include a summary of a cost-benefit analysis of the proposed agreement and a description of the provisions of the proposed agreement.

(c) REVIEW BY CONGRESS.—A proposed agreement under section 3 may not become effective until the end of a 30-day period of continuous session of Congress following the date of the transmittal of a report on the agreement under this section. For purposes of the preceding sentence, continuity of a session of Congress is broken only by an adjournment sine die, and there shall be excluded from the computation of such 30-day period any day during which either House of Congress is not in session during an adjournment of more than 3 days to a day certain.

#### SEC. 5. USE OF PROCEEDS.

(a) IN GENERAL.—Net proceeds from an agreement entered into under section 3 shall be deposited into, administered, and expended, subject to appropriations Acts, as part of the fund established by section 210(f) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)). In this subsection, the term "net proceeds from an agreement entered into under section 3" means the proceeds from the agreement

minus the expenses incurred by the Administrator with respect to the agreement.

(b) RECOVERY OF EXPENSES.—The Administrator may retain from the proceeds of an agreement entered into under section 3 amounts necessary to recover the expenses incurred by the Administrator with respect to the agreement. Such amounts shall be deposited in the account in the Treasury from which the Administrator incurs expenses related to disposals of real property.

Mr. WARNER. Mr. President, I ask unanimous consent that the committee amendments be agreed to, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The committee amendments were agreed to.

The bill (H.R. 3069), as amended, was read the third time and passed.

#### CERTIFICATION OF MEXICO

Mr. WARNER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of S. Res. 366 and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 366) expressing the Sense of the Senate on the certification of Mexico.

There being no objection, the Senate proceeded to consider the resolution.

Mr. WARNER. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 366) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

#### S. RES. 366

Whereas Mexico will inaugurate a new government on 1 December 2000 that will be the first change of authority from one party to another;

Whereas the 2nd July election of Vincente Fox Quesada of the Alliance for Change marks an historic transition of power in open and fair elections;

Whereas Mexico and the United States share a 2,000-mile border, Mexico is the United States' second largest trading partner, and the two countries share historic and cultural ties;

Whereas drug production and trafficking are a threat to the national interests and the well-being of the citizens of both countries; and

Whereas United States-Mexican cooperation on drugs is a cornerstone for policy for both countries in developing effective programs to stop drug use, drug production, and drug trafficking: Now, therefore, be it

*Resolved*, That (a) the Senate, on behalf of the people of the United States—

(1) welcomes the constitutional transition of power in Mexico;

(2) congratulates the people of Mexico and their elected representatives for this historic change; and

(3) expresses its intent to continue to work cooperatively with Mexican authorities to promote broad and effective efforts for the health and welfare of United States and Mexican citizens endangered by international drug trafficking, use, and production.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the incoming new governments in both Mexico and the United States must develop and implement a counterdrug program that more effectively addresses the official corruption, the increase in drug traffic, and the lawlessness that has resulted from illegal drug trafficking, and that a one-year waiver of the requirement that the President certify Mexico is warranted to permit both new governments time to do so.

Mr. WARNER. Mr. President, before entering the closing statement, I yield to the distinguished Democratic assistant leader.

Mr. REID. Mr. President, I was off the floor. I appreciate very much the patience of my friend, the Senator from Virginia. I know he wanted to vacate the premises more than an hour ago. I am confident early in the morning we will be able to enter into an agreement relating to his bill.

Mr. WARNER. That would be the DOD conference on authorization.

Mr. REID. We are getting close to that. I apologize for not being able to do that tonight.

Mr. WARNER. No apology is needed. This bill has had a unique course through the Senate. I know of no one who has tried harder on a procedural basis to see that this bill has forward momentum than our distinguished colleague from Nevada. I hereby express my profound respect and thanks to him.

Mr. REID. I already bragged earlier in the day about my colleague and Senator LEVIN, and I would like that spread across the RECORD again.

Mr. President, Senator MCCAIN is on his way. We have a unanimous consent agreement that he asked for earlier in the day. We are now able to clear it.

Mr. WARNER. Mr. President, given that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### AMENDING TITLE 49, U.S. CODE, TO REQUIRE REPORTS CONCERNING DEFECTS IN MOTOR VEHICLES

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 5164, which is at the desk.

The PRESIDING OFFICER. The clerk will state the bill by title.