

pass repeal or repeal and replace. Ramming tax cuts through under reconciliation—the very same partisan process that failed for healthcare—is the wrong way to do business for this country.

Again, the Democrats are open to a bipartisan discussion on tax reform, but it has to be truly bipartisan, not under reconciliation, and tax reform cannot be a cover story for delivering tax cuts to the wealthiest or result in a ballooning deficit and debt.

#### CHINA AND NORTH KOREA

Mr. President, finally, on the matter of China and North Korea, under President Trump, North Korea continues to ramp up its aggression; yet China has not taken any significant steps to bring to an end its threatening and destabilizing behavior.

President Trump has staked his administration's approach to North Korea on China doing more, but right now 90 percent of North Korea's foreign trade is with China, and 95 percent of its foreign direct investment comes from China.

Even as the U.N. Security Council and the U.S. Congress have again sanctioned North Korea, China's trade with this rogue nation has risen more than 30 percent over the past year, according to some reports. Even after the recent ICBM tests—clear violations of international resolutions—China and Russia have worked behind the scenes to water down and weaken additional U.N. Security Council sanctions resolutions.

President Trump has talked about his “wonderful relationship” with President Xi, but this is not the behavior we should expect from a partner that is serious about the crisis on the Korean Peninsula.

The bottom line is simple. China could put pressure on North Korea right now, but they are taking a pass, as they have for over a decade.

President Trump began the year by offering a “better trade deal” to China if they put pressure on North Korea. That clearly hasn’t happened. The soft-touch approach has gotten us nowhere, as usual, with China; they only understand strength. China continues to do the bare minimum as North Korea becomes more and more bellicose.

So, today, I am urging President Trump to use his authority over the Committee on Foreign Investment in the United States, known as CFIUS, and instruct the Treasury Department to suspend the approval of mergers and acquisitions of U.S. assets by Chinese companies until China works to bridle its neighbor’s aggression.

China and its surrogates must face economic pressure if they are not going to help deter North Korea. This is an important tool in our country’s toolbox, and the President ought to use it.

I urge President Trump to take a tougher line and suspend the approval of all mergers and acquisitions in the United States by Chinese companies.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

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

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

#### NORTH KOREA

Mr. GARDNER. Mr. President, I rise today to speak about North Korea, the most urgent national security challenge for the United States and our allies in East Asia.

Secretary Mattis has said North Korea is “the most urgent and dangerous threat to peace and security.” Admiral Gortney, the previous commander of U.S. Northern Command, stated that the Korean Peninsula is at its most unstable point since 1953, when the armistice was signed.

Last year alone, North Korea conducted two nuclear tests and a staggering 24 ballistic missile launches. This year, Pyongyang already launched 18 missiles, including the two recent tests of intercontinental ballistic missiles that are reportedly capable of reaching the U.S. homeland.

President Trump has said that the United States will not allow this to happen, and I am encouraged by the President’s resolve. Patience is not an option with the U.S. homeland in the nuclear shadow of Kim Jong Un. Our North Korea policy of decades of bipartisan failure must turn to one of immediate bipartisan success, with pressure and global cooperation resulting in the peaceful denuclearization of the regime.

As Vice President PENCE stated during his recent visit to South Korea:

Since 1992, the United States and our allies have stood together for a denuclearized Korean Peninsula. We hope to achieve this objective through peaceable means. But all options are on the table.

But time is not on our side. I believe U.S. policy toward North Korea should be straightforward. The United States should deploy every economic, diplomatic, and, if necessary, military tool at our disposal to deter Pyongyang and to protect our allies.

However, the road to peacefully stopping Pyongyang undoubtedly lies through Beijing. China is the only country that holds the diplomatic and economic leverage necessary to put the real squeeze on the North Korean regime.

According to the South Korean state trade agency, China accounts for 90 percent of North Korea’s trade, including virtually all of North Korea’s exports. From 2000 to 2015, trade volume between China and North Korea has climbed more than tenfold, rising from \$488 million in 2000 to \$5.4 billion in 2015. Beijing is the reason the regime acts so boldly and with relatively few consequences.

China must now move beyond a mere articulation of concern and lay out a transparent path of focused pressure to

denuclearize North Korea. A global power that borders this regime cannot simply throw up its hands and absolve itself of responsibility.

The administration is right to pursue a policy of “maximum pressure” toward North Korea, and we have a robust toolbox already available to ramp up the sanctions track—a track that has hardly been utilized to its fullest extent and a track made even more complete last week with additional sanctions on North Korea.

Last Congress, I led the North Korea Sanctions and Policy Enhancement Act, which passed the Senate by a vote of 96 to 0. This legislation was the first stand-alone legislation in Congress regarding North Korea to impose mandatory sanctions on the regime’s proliferation activities, human rights violations, and malicious cyber behavior.

A recent analysis from the Foundation for the Defense of Democracies says:

North Korea sanctions have more than doubled since the North Korea Sanctions and Policy Enhancement Act came into effect on February 18, 2016. Prior to that date, North Korea ranked eighth, behind Ukraine/Russia, Iran, Iraq, the Balkans, Syria, Sudan, and Zimbabwe.

Even with the 130-percent sanctions increase after the North Korea Sanctions and Policy Enhancement Act, North Korea is today still only the fifth most sanctioned country by the United States. North Korea is far from being sanctioned out.

So while Congress has clearly moved from the Obama administration inaction to some action, the Trump administration has the opportunity to use these authorities to build maximum leverage with not only Pyongyang but also with Beijing. I am encouraged by the actions the administration took last month to finally designate a Chinese financial institution, but this should be just the beginning. The administration, with congressional support, should now make clear to any entity doing business with North Korea that they will not be able to do business with the United States or have access to the U.S. financial system.

A report released last month by an independent organization known as C4ADS identified over 5,000 Chinese companies that are doing business with North Korea. These Chinese companies are responsible for \$7 billion in trade with North Korea. Moreover, the C4ADS report found that only 10 of the 5,000-plus companies control 30 percent of Chinese exports to North Korea. So of 30 percent of Chinese exports, 10 companies are responsible for that number in 2016 alone. One of those ten companies alone controlled nearly 10 percent of all imports from North Korea. Some of these companies were even found to have satellite offices in the United States.

According to recent disclosures, from 2009 to 2017, North Korea used Chinese banks to process at least \$2.2 billion in transactions through the U.S. financial

system. This must stop now. The United States should not be afraid of a diplomatic confrontation with Beijing for simply enforcing existing U.S. and international law. In fact, it should be more afraid of Congress if it does not. As for any prospect of engagement, we should continue to let Beijing know in no uncertain terms that the United States will not negotiate with Pyongyang at the expense of U.S. national security and that of our allies.

Instead of working with the United States and the international community to disarm the madman in Pyongyang, Beijing has called on the United States and South Korea to halt our military exercises in exchange for vague promises of North Korea suspending its missile and nuclear activities. That is a bad deal, and the Trump administration was right to reject it.

Moreover, before any talks in any format, the United States and our partners must demand that Pyongyang first meet the denuclearization commitments it had already agreed to in the past and subsequently chose to brazenly violate.

President Trump should continue to impress to President Xi that a denuclearized Korean Peninsula is in both nations' fundamental long-term interests. As Admiral Harry Harris rightfully noted, "we want to bring Kim Jung Un to his senses, not to his knees." But to achieve this goal, Beijing must be made to choose whether it wants to work with the United States as a responsible global leader to stop Pyongyang or bear the consequences of keeping him in power.

Two weeks ago I introduced legislation with a bipartisan group of cosponsors called the North Korean Enablers Accountability Act. This legislation takes the first steps toward imposing a total economic embargo on North Korea, including a ban on any entity that does business with North Korea or its enablers from using the U.S. financial system and imposing U.S. sanctions on all those participating in North Korean labor trafficking abuses.

My legislation specifically singles out those 10 largest Chinese importers of North Korean goods and sends a very clear message: You can either do business with this outlaw regime or do business with the world's largest economy. I urge my colleagues to support this legislation and our continued efforts to stop Pyongyang's further development of nuclear weapons and intercontinental ballistic missiles to bring peace to the peninsula and to denuclearize peacefully the North Korean regime.

In order to put real pressure, this administration must act, and it must act on the regime and its enablers wherever they are based.

I yield the floor.

The PRESIDING OFFICER (Ms. COL-  
LINS). The deputy majority leader is recognized.

WORK BEFORE THE SENATE

Mr. CORNYN. Madam President, it is no secret that last week's vote on re-

pealing and replacing the provisions of ObamaCare proved a disappointment to many of us. I have found, though, in my time here in the Senate that so often we agree on the goal we want to achieve, but we disagree on the means to achieve that goal.

Some people see the private sector and competition and markets as the best place to regulate economic activity. Other people look at the government as the source of actions that do things like provide access to healthcare. The truth is, in our complicated healthcare delivery system, everybody plays a role one way or the other.

We know that government plays an outsized role already, because we have Medicare, Medicaid, veterans health programs, and the like—the Children's Health Insurance Program, which we will have to take up and reauthorize before the end of September. But there does exist a very important private marketplace for health insurance, and, frankly, many times I think the government makes it harder, not easier, for the private marketplace to offer people a variety of products that they actually like, want to buy, and can afford.

But it is evident that there is a lot of passion about this issue, and that is not going to go away. Certainly, what is not going to go away is the need that consumers across this country of ours have for lower premiums, increased access, and a marketplace that actually functions, where people can buy an insurance product they want to buy, and, of course, there is always the issue of quality of care.

Some people think that maybe Medicaid is the ultimate answer. The fact of the matter is that Medicaid plays a very important role as a safety net for low-income Americans, but most of the medical studies that have been done indicate that medical outcomes under Medicaid are no better than those for those people who don't have insurance at all, and the number of people who go to the emergency room includes many people who have Medicaid but have a hard time finding a doctor who will treat them because Medicaid pays doctors at such a low rate that only about one-third of the doctors, especially in my State of Texas, will see a new Medicaid patient. As one of our colleagues has suggested, it is kind of like telling people: Here is a bus ticket. But there is no bus. There is no way to get there. That is hardly what I would call access to quality care.

I know our work is not done. Now I and others turn to our colleagues across the aisle who fought us every step of the way in trying to achieve progress on healthcare reform and ask them what their suggestions are. Democrats need to be constructive rather than continuing to bury their heads in the sand about the fundamental problems with the Affordable Care Act.

My firm belief is that these problems are structural in nature. They are not

something that can be solved simply by throwing more money at the problem, particularly when insurance companies would love to have us do exactly that. That is the way they do business. They are profit-oriented companies. I don't begrudge them that.

It is simply not in our best interest, I believe, to just throw billions of dollars at insurance companies in a bailout without reforming the fundamental structure by which healthcare is delivered. I don't think we can turn to the taxpayers and say that it is their obligation to bail out insurance companies, particularly when they have seen their premiums already triple under ObamaCare.

We can't afford to do what the Senator from Vermont wants to do, which is enact a costly single-payer system, which would literally bankrupt our country.

With every day that passes, ObamaCare keeps getting worse, but we have no choice but to keep working to find new ways forward. That will include discussions and efforts to keep our promise and fix the mess that has been left to us to face.

There is a lot the American people expect of us. With fragile majorities in the Senate, we have seen that we are forced to work together to try to solve these problems. I think, frankly, bipartisan solutions tend to be more durable.

As we move forward to that work and turn to legislative priorities such as breaking the blockade on nominations, tax reform, getting our economy growing again, getting people back to work—because the economy is growing and they get good, well-paying jobs—and doing things such as rebuilding our infrastructure, something we know is important to our economic future, we will continue this week focusing on something that, frankly, we should have done months ago, which is seeing that more of President Trump's nominees are confirmed.

Of course, we know the approach of the Democratic leader from New York has been to obstruct, block, and slow down as many of these nominations as he can. For example, our Senate colleagues on the Democratic side have allowed only 10 percent of President Trump's confirmations to go by a voice vote, which is a customary courtesy when there is no controversy associated with the nomination. President Obama's confirmations went through with 90 percent of them by voice vote because they weren't truly controversial. What we have seen happen this year is to burn the clock and delay and obstruct and foot-drag as much as possible in order to deny the President his own team.

I realize many people were disappointed on that side of the aisle when President Trump was elected. He was elected President of the United States, and he deserves to have his team in place—particularly when they are not controversial nominees—rather