

the biggest newspaper in her home State, The Los Angeles Times, called one department's performance on her watch an "epic failure." That was the L.A. Times describing the performance of this California department head.

As head of California's labor authority, Ms. Su was responsible for tens of billions of dollars in fraudulent unemployment insurance payments—tens of billions of dollars in fraud. Why on Earth would the Biden administration think that sort of performance deserves an encore?

Well, maybe because Ms. Su has a penchant for doing the bidding of favorite liberal activists and Big Labor allies. On the job in California, Ms. Su reportedly instructed employees on how to hide illegal immigrants from Customs authorities working to enforce the law. Here in Washington, she has worked overtime to give unions access to more of the workers' paychecks and veto power over vast-evolving industries where independent contractors and gig workers thrive.

So American taxpayers have seen enough—enough—of Julie Su. When will Senate Democrats finally decide they have as well?

#### CHINA

Mr. President, on one final matter, this week, the Biden administration's climate envoy, John Kerry, was in Beijing on a mission to get Beijing to cut its carbon emissions.

As China continues to oppress its own people and threaten peaceful neighbors in the Indo-Pacific, our former colleague apparently thought he could get Chinese officials to treat leftwing climate policy as a "free-standing" issue. Well, by all accounts, the administration's envoy was unsuccessful on that front. It appears he did not meet with the Chinese foreign minister or President Xi.

Meanwhile, China's leader used his latest public remarks to reiterate that he didn't plan to curb increasing emissions—let alone start lowering them—for another 7 years.

So let me put it another way. Over the last 7 years, the U.S. economy cut its emissions by 5 percent while China increased its own by 12 percent. While the Biden administration waged war on affordable energy and decimated coal country, China made plans for hundreds—hundreds—of new coal plants. While President Biden has tried to cut defense spending after inflation, the PRC has plowed ahead with investments in domestic industry and military modernization.

Perhaps the administration's climate envoy would be interested in the carbon emissions of China's fast-growing navy or the fuel efficiency of its hypersonic missiles. The PRC appears to be all too happy to trade nonbinding international commitments for more of America's jobs, prosperity, and national security.

America's top adversary clearly recognizes what the Biden administration does not: You can't win a strategic

competition by hamstringing your own economy, and you can't expect to convince your rival to follow suit voluntarily.

According to the PRC's summary of this week's meetings, the U.S. needs to "properly handle the Taiwan issue" in exchange for any of the hollow, unenforceable promises the Biden administration hoped China would make on its carbon emissions.

Sell out a peaceful democracy in exchange for leftwing climate priorities? No one should be surprised that Beijing responded to the administration's naive demands on climate with a priority of its own. On that count, the Biden administration's envoy deserves some credit for walking away. But this is hardly the only time Democrats have gone looking in the wrong places for an edge in our competition with China.

Here is the truth: The way to keep America safe and prosperous is to invest in hard power and deter those who wish us harm. And this week, as the Senate continues our work on the NDAA, our colleagues have an opportunity to demonstrate that they understand this basic essential reality.

The ACTING PRESIDENT pro tempore. The Republican whip.

#### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2024

Mr. THUNE. Mr. President, currently, the Senate is considering one of the most important pieces of legislation that we consider each year, and that is the National Defense Authorization Act.

It is a bill that authorizes funding for our men and women in uniform and our defense needs—from planes, ships, and submarines to weapons, logistics, and communications technology.

The United States has long had a reputation for military strength, and part of that reputation has rested on the strength of our equipment, but in recent years, our technological advantage has eroded to the point where there is reason to be concerned whether we would win a war against a major power like China. While we have made some progress to reverse this trend, we have a lot more work to do to ensure our military retains our technological edge, and I am glad that this year's NDAA makes progress toward this goal.

Today, I want to talk about one critical aspect of America's defense capabilities in particular, and that is long-range strike, specifically our bombers.

Long-range strategic bombers have played a critical role for the United States in a number of conflicts, but today's bomber force is desperately in need of an update. Our bomber inventory is roughly one-third the size that it was in 1989, and it is the oldest in Air Force history. Experts warn that, in a conflict, the current U.S. bomber force would be insufficient against an adversary like China. Fortunately, this is one problem that we have made a concerted effort to address.

Congress, the Pentagon, and successive administrations have been at work developing a next-generation strategic bomber for a number of years, and we finally have it. That is the B-21 Raider. It is a sixth-generation, long-range strategic bomber, and it will take its first flight later this year.

This is something that, as I said earlier, our Nation has a vital interest in making sure it is completed and that we get that important military asset as part of our defense arsenal as we look at the threats that we face around the globe today.

The Air Force calls the Raider the future backbone of its bomber force, and Secretary of Defense Austin says it is "deterrence the American way."

The B-21 is an example of what American ingenuity can achieve. It will be able to penetrate hostile air defenses and reach targets anywhere in the world, which 90 percent of our current bomber force can't do, all while launching from the United States and deploying stealth technologies that you have to see—or should I say—not see to believe. This is a remarkable capability. Its systems will be able to evolve with a changing threat environment and incorporate new technologies within the airframe, and it will be able to work alongside the technologies of tomorrow, such as unmanned aircraft and artificial intelligence.

The specter of the B-21 has already caused a stir in China, and I am certain that it will cause our adversaries to think twice about aggression.

I am proud that when the B-21 enters service in the next few years, South Dakota's Ellsworth Air Force Base will be Main Operating Base 1—home to both the formal training unit and the first operational squadron. The men and women of Ellsworth are working hard to prepare for this important new mission, and I am working to ensure they have everything they need to successfully carry it out.

Last year, I worked to ensure that Congress provided not only for the development and initial production of the B-21 but for support facilities at Ellsworth that will be needed for the aircraft, including a radio frequency facility and a weapons generation facility.

I was also able to secure language in last year's NDAA to create a pilot program to evaluate dynamic airspace concepts. Dynamic airspace will allow airspace boundaries to evolve as military exercises progress, enabling larger volumes of airspace for realistic training for aircraft like the B-21.

I am pleased to report that this year's NDAA authorizes full funding for the next steps of the B-21 mission, including continued bomber development and procurement as well as continued investment in the required support facilities at Ellsworth.

In looking at Ellsworth today, it is hard to imagine that its future was in jeopardy not that long ago. Shortly after I came to the Senate, the Department of Defense's Base Realignment

and Closure Commission recommended Ellsworth for closure. So one of my first priorities as a U.S. Senator was just keeping Ellsworth open, and I will say the odds were not in our favor. But thanks to an all-hands effort by our congressional delegation and State and community leaders, we proved to the BRAC commission that Ellsworth was too valuable of an asset to lose. Then we got right to work in building up the base so that we would never again find ourselves in the same position.

Today, Ellsworth is home not only to the B-21 bomber—the current workhorse of long-range strike—but also the Air Force Financial Services Center; the 89th Attack Squadron, which remotely controls MQ-9 Reapers; the Powder River Training Complex, which is the largest training airspace in the continental United States; and, soon, the B-21 bomber.

Once slated for closure, Ellsworth is set to be a critical part of our Nation's defense long into the future, and I will continue to do everything I can to support both the base's mission and the men and women who make it happen.

As I have noted, the B-21 represents a substantial advance in our Nation's long-range strike capabilities, and it will help ensure that we are more prepared to meet the threats of the 21st century.

But as critical as it is, long-range strike is just one aspect of our Nation's defense, and we will have a lot of work to do to strengthen our Nation's readiness across the board. We need more B-21-type efforts to leverage the best of our technological advancements to upgrade other aspects of our Nation's defense, and we need them quickly. The war in Ukraine, as well as war games addressing the defense of Taiwan, have made clear the cost of a major conflict, and if we hope to avoid such conflicts and deter future attacks against our country or our allies, we need to make restoring our readiness a top priority.

As we move forward, I will continue to do everything I can to support not only our airmen at Ellsworth and the B-21 mission but the critical work of upgrading our Nation's military capabilities.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LUJAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

#### PHARMACY BENEFIT MANAGERS

Mr. LANKFORD. Mr. President, I want to talk to most Oklahomans about pharmaceuticals, about the cost of drugs and going to the pharmacy.

They don't think a lot about supply chain issues—though, I actually have a bill that is working on this, and this is an issue we have got to resolve.

About 10,000 of the active pharmaceutical ingredients come from com-

munist China. We are very exposed there. That is a very big risk. We have got to work to be able to make sure that we can get access to our pharmaceuticals without being dependent on China to do that. That is a risk that people want to solve, but it is one that they don't really talk about the most. Most of the time, we talk about the cost of a drug and its availability at their local pharmacy. Let me talk about both of those.

As ironic as it sounds, they are tied up together and not in the way that people think about most of them. Many people think that drug companies produce drugs, and then they sell it to the pharmacy, and then the pharmacy sells the drug. They think that that is the way it works. It is really not, actually. Those are two elements. There are drug companies that do research, that develop the drugs, and do all of the clinical trials and get it approved, and they are ready to go, but then there is a wholesale network back there that actually handles the distribution.

Then there is this group that almost no one has heard of called the pharmacy benefit manager. The pharmacy benefit manager actually, oftentimes, sets the real price for the drug. The drug company may produce it at one price, and the pharmacy is ready to be able to sell it at a price, but there is this group in between, the pharmacy benefits manager, that actually controls how it works.

Now, if I am at the pharmacy in Atoka, OK, the patients who are coming into that rural, beautiful community just know what they are paying at the counter; but if you go behind the counter and talk to the pharmacist there or in any other number of communities there, they will tell you they are struggling as an independent pharmacy, especially in rural areas, because there is a game happening with the pharmacy benefit manager that is to the benefit of what is called a PBM and to the detriment of the local pharmacy and of the patient. It is an issue that has got to be resolved.

About 80 percent of all of the drugs that move across the country right now are managed by three different pharmacy benefit managers. Now, I am not opposed to competition, but here is what they have actually done over the last several years: The insurer has purchased the insurance company, the pharmacy benefit manager, the group that actually does the purchasing of the drugs, then, often, the retail pharmacy as well for some of those big chain retail pharmacies. So they, literally, own the entire network there, and they can make money through the whole network.

Again, I am a free market capitalist, and I don't have an issue with people doing that, but here is what is actually happening: The leverage, then, of the big pharmacies owning all of the rest of the chain there is that if you are not in their group, you are facing some real consequences and a real squeeze be-

cause they now set the price and tell you how it works.

Let me give you a couple of examples of things that I believe we need to address and that I have been working on for years. Finally, the Finance Committee of the U.S. Senate is actually taking on this issue.

One of them is another little code thing that most people don't know exists, called DIR fees. This direct and indirect remuneration fee is how the whole process works behind the scenes at an independent pharmacy. Let me give you an illustration, and try to take this off the top shelf.

So let's say you are a company and you manufacture a product or that you are in retail and you sell a product that is out there. So you sell a product, whatever it may be—I don't care if it is a shirt or a couch, whatever it may be—and you are going to ship it out. You do the shipping, and you anticipate, once the shipping is done, you will be reimbursed for the shipping. Your job is to be able to retail sell it, ship it out, and then you get the reimbursement for that.

But what would happen in your business if you sold it, shipped it, and then after you shipped it and paid for the shipping, someone came back to you and said: "Actually, that may have cost you \$50 to ship that. I am only going to give you \$20 for the shipping because I didn't like the way you did the shipping. I didn't like who you did the shipping with. I don't like the box that you put it in. I preferred a different box. So you lose \$30 in the shipping because you didn't put it in the right kind of box?"

So here is what you do: The next month, when you are shipping, you make sure you put it in the box that whoever this is who is reimbursing you likes that certain kind of box. You put it in that box, you ship it out, and then you wait for the reimbursement. Instead, the company comes back and says: "Oh, no. We have changed our mind. Now we would like a different color of box. So, yes, you put it in the right kind of box, but we would like it in a different color box, so we are going to reimburse you \$10, even though it cost you \$50." This may sound absurd, but welcome to the world of the DIR fees for pharmacies.

Here is what happens: They purchase the drug and get the drug, and they are ready to sell it. They sell it to the consumer. The consumer at the counter pays them for it. They have got their money from the consumer. It goes out the door. Then a month or a quarter or sometimes even a year later, the pharmacy benefit manager sends a notification to the pharmacy and says: "Oh, we didn't like the way that you did that." It wasn't a quality thing. It was just how they did it.

Sometimes they will say: "Well, you really should have prescribed two drugs to this person, and you just did one." Now, the pharmacist doesn't choose what drugs are going out to the patient