

Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 380, Patricia L. Lee, of South Carolina, to be a Member of the Defense Nuclear Facilities Safety Board for a term expiring October 18, 2027.

Charles E. Schumer, Jack Reed, Alex Padilla, Debbie Stabenow, Catherine Cortez Masto, Mark Kelly, Margaret Wood Hassan, Tammy Baldwin, Robert P. Casey, Jr., Richard Blumenthal, Jeanne Shaheen, Chris Van Hollen, Richard J. Durbin, Sheldon Whitehouse, John W. Hickenlooper, Peter Welch, Mark R. Warner, Christopher A. Coons.

LEGISLATIVE SESSION

Mr. SCHUMER. Mr. President, I move to proceed to legislative session. The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. SCHUMER. I move to proceed to executive session to consider Calendar No. 536.

The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The senior assistant executive clerk read the nomination of Robin Michelle Meriweather, of Virginia, to be a Judge of the United States Court of Federal Claims for a term of fifteen years.

CLOTURE MOTION

Mr. SCHUMER. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The senior assistant executive clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 536, Robin Michelle Meriweather, of Virginia, to be a Judge of the United States Court of Federal Claims for a term of fifteen years.

Charles E. Schumer, Richard J. Durbin, Peter Welch, Laphonza R. Butler, Richard Blumenthal, Alex Padilla, Tim Kaine, Christopher A. Coons, Robert P. Casey, Jr., Margaret Wood Hassan, Sheldon Whitehouse, Gary C. Peters, Catherine Cortez Masto, Jeanne Shaheen, Tammy Duckworth, Tina Smith, Chris Van Hollen.

LEGISLATIVE SESSION

Mr. SCHUMER. Mr. President, I move to proceed to legislative session. The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. SCHUMER. I move to proceed to executive session to consider Calendar No. 512.

The PRESIDING OFFICER. The question is on agreeing to the motion. The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the nomination.

The senior assistant executive clerk read the nomination of Charles J. Willoughby, Jr., of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

CLOTURE MOTION

Mr. SCHUMER. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The senior assistant executive clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 512, Charles J. Willoughby, Jr., of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Charles E. Schumer, Gary C. Peters, Jack Reed, Benjamin L. Cardin, Alex Padilla, Laphonza R. Butler, Christopher A. Coons, Richard Blumenthal, Tammy Duckworth, Christopher Murphy, Richard J. Durbin, Jeanne Shaheen, Margaret Wood Hassan, Mazie Hirono, Sherrod Brown, Tina Smith, Catherine Cortez Masto, Jeff Merkley.

Mr. SCHUMER. I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. KENNEDY. Mr. President, I ask unanimous consent that our rollcall vote begin immediately.

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

CLOTURE MOTION

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the nomination of Executive Calendar No. 597, Nancy L. Maldonado, of Illinois, to be United States Circuit Judge for the Seventh Circuit.

Charles E. Schumer, Richard J. Durbin, Alex Padilla, Amy Klobuchar, Jack Reed, Tina Smith, Tammy Duckworth, Richard Blumenthal, Robert P. Casey, Jr., Catherine Cortez Masto, Margaret Wood Hassan, Peter Welch, Sheldon Whitehouse, Raphael G. Warnock, Laphonza R. Butler, Brian Schatz, Benjamin L. Cardin.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the nomination of Nancy L. Maldonado, of Illinois, to be United States Circuit Judge for the Seventh Circuit, shall be brought to a close?

The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The senior assistant executive clerk called the roll.

Mr. DURBIN. I announce that the Senator from Pennsylvania (Mr. FETTERMAN), the Senator from West Virginia (Mr. MANCHIN), the Senator from Massachusetts (Mr. MARKEY), the Senator from New Jersey (Mr. MENENDEZ), the Senator from Washington (Mrs. MURRAY), the Senator from Vermont (Mr. SANDERS), the Senator from Arizona (Ms. SINEMA), and the Senator from Georgia (Mr. WARNOCK) are necessarily absent.

Mr. THUNE. The following Senators are necessarily absent: the Senator from Wyoming (Mr. BARRASSO), the Senator from Indiana (Mr. BRAUN), the Senator from Alabama (Mrs. BRITT), the Senator from North Carolina (Mr. BUDD), the Senator from North Dakota (Mr. CRAMER), the Senator from Idaho (Mr. CRAPO), the Senator from Montana (Mr. DAINES), the Senator from Tennessee (Mr. HAGERTY), the Senator from Mississippi (Mrs. HYDE-SMITH), the Senator from Wisconsin (Mr. JOHNSON), the Senator from Kansas (Mr. MARSHALL), the Senator from Kansas (Mr. MORAN), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Nebraska (Mr. RICKETTS), the Senator from Idaho (Mr. RISCH), the Senator from Utah (Mr. ROMNEY), the Senator from Florida (Mr. RUBIO), the Senator from Florida (Mr. SCOTT), the Senator from Alaska (Mr. SULLIVAN), the Senator from North Carolina (Mr. TILLIS), the Senator from Alabama (Mr. TUBERVILLE), and the Senator from Ohio (Mr. VANCE).

Further, if present and voting: the Senator from North Carolina (Mr. BUDD) would have voted "nay" and the Senator from Kansas (Mr. MARSHALL) would have voted "nay."

The yeas and nays resulted—yeas 43, nays 27, as follows:

[Rollcall Vote No. 202 Ex.]

YEAS—43

Baldwin	Hassan	Rosen
Bennet	Heinrich	Schatz
Blumenthal	Hickenlooper	Schumer
Booker	Hirono	Shaheen
Brown	Kaine	Smith
Butler	Kelly	Stabenow
Cantwell	King	Tester
Cardin	Klobuchar	Van Hollen
Carper	Lujan	Warner
Casey	Merkley	Warren
Coons	Murphy	Welch
Cortez Masto	Ossoff	Whitehouse
Duckworth	Padilla	Wyden
Durbin	Peters	
Gillibrand	Reed	

NAYS—27

Blackburn	Cotton	Hawley
Boozman	Cruz	Hoeben
Capito	Ernst	Kennedy
Cassidy	Fischer	Lankford
Collins	Graham	Lee
Cornyn	Grassley	Lummis

McConnell	Rounds	Thune
Mullin	Schmitt	Wicker
Paul	Scott (SC)	Young

NOT VOTING—30

Barrasso	Johnson	Romney
Braun	Manchin	Rubio
Britt	Markey	Sanders
Budd	Marshall	Scott (FL)
Cramer	Menendez	Sinema
Crapo	Moran	Sullivan
Daines	Murkowski	Tillis
Fetterman	Murray	Tuberville
Hagerty	Ricketts	Vance
Hyde-Smith	Risch	Warnock

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 43, the nays are 27, and the motion is agreed to.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The majority leader.

KIDS ONLINE SAFETY ACT

Mr. SCHUMER. Madam President, now, I see my friend Senator BLUMENTHAL is on the floor, and I would ask him to engage in a colloquy on a very important issue, a top priority of mine, and a bill that I am a proud cosponsor of—the Kids Online Safety Act, or KOSA.

I yield the floor.

Mr. BLUMENTHAL. Thank you to my colleague, Leader SCHUMER. The leader has been working tirelessly to get this bill done. I have seen the work up close, and I have seen the benefit. After pushing and cajoling, we are much closer to ultimate success.

This bill, which has nearly 70 cosponsors, is a set of safeguards and accountability measures to protect kids from the clear and horrific harms created by social media and other online platforms. The bill is responsive to the countless stories that we have heard from bereaved parents and young people about the terrible consequences these platforms have had on their lives.

And just to repeat, I want to thank my colleague, Leader SCHUMER. The leader has been working tirelessly to get this bill done. I have seen the work up close, and I have seen the benefits. After pushing and cajoling, we are much closer to ultimate success.

Mr. SCHUMER. I thank my colleague.

Like him, I have personally met with the families that have been harmed. I have seen their terrible stories, and I am committed, completely, to work with them to get KOSA across the finish line. With the hard work of Senator BLUMENTHAL and Senator BLACKBURN, KOSA has passed through the Commerce Committee unanimously and has gotten up to 70 cosponsors.

Last month, I put together a plan to get KOSA done through unanimous consent for a time agreement on the floor. I personally helped resolve issues and mitigated unintended consequences of the bill. That effort has significantly reduced the opposition, but there are still holdouts.

Mr. BLUMENTHAL. As the leader said, we have made significant progress in resolving outstanding issues. This work is hard, but I think it is, without doubt, that we are closer under his leadership.

I also thank my partner in this effort, Senator BLACKBURN, as well as the amazing parents and youth advocates who have worked so hard on this bill.

Put plainly, I am confident, based on my conversations with Leader SCHUMER, that we are going to get this bill done.

Mr. SCHUMER. I thank my colleague once again for his good work. After weeks of work, we have made real progress in removing objections to this bill. Sadly, objectors remain. I hope the progress can continue over the coming days.

If the objectors refuse to come to a resolution, we must pursue a different legislative path to get this done.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island.

CLIMATE CHANGE

Mr. WHITEHOUSE. Madam President, I am back with my trusty, battered “Time to Wake Up” chart, and the last time I spoke on the Senate floor on this subject, I reviewed some recent warnings from the Economist magazine, from the Potsdam Institute, and from the consulting firm Deloitte that climate change is poised to cause tens of trillions of dollars in damage around the world—tens of trillions of dollars. Much of it, of course, right here in the United States.

Well, not surprisingly, the insurance industry has concern about forecasts of damages in the tens of trillions. The Senate Budget Committee recently held a hearing examining insurance, property, and mortgage markets in Florida, a State that is on the leading edge of climate-related risks.

Insurance, property, and mortgage markets are intertwined. To buy property, most people need a mortgage. To get a mortgage, you need insurance.

In our hearing, Dr. Ishita Sen, a professor of finance at the Harvard Business School, told about the danger to Fannie Mae and Freddie Mac, our Federal mortgage giants. They require insurance from insurers that have a financial strength rating from a ratings agency, to assure that the mortgages they purchase are protected by reputable, financially solid insurers.

Bad insurance increases their risk of homeowner default, as homeowners are way more likely to walk away from properties if their insurance company can't pay claims or won't pay quickly.

Dr. Sen's research in Florida found several disturbing things. First, she found that larger, stronger insurers are exiting Florida and being replaced by smaller, less financially sound companies and by Citizens Property Insurance, the State-backed insurer of last resort.

Second, she found that these smaller private insurance companies were all receiving their financial ratings, required by Fannie and Freddie, from the same ratings agency, known as Demotech. If you haven't heard of it, it is because it hasn't been around long.

Third, she found that Demotech ratings appeared to systematically over-

estimate the financial strength of the rated insurers. Nineteen percent—nearly 1 in 5—of Demotech insurers in Florida became insolvent between 2009 and 2022.

Fourth, she found that mortgage lenders were loading up those mortgages insured by Demotech-rated insurers to Fannie and Freddie, compared to properties with insurers using other rating agencies.

What does that mean? It means Florida's mortgage risk is being transferred to the taxpayer and to pension funds for millions of Americans that commonly purchase mortgage-backed securities. All of this should ring a bell—a hell of a bell.

Remember the 2008 financial crisis. It, too, began in the residential real estate and mortgage markets. It too had Florida as its epicenter. It too involved ratings agencies handing out inflated ratings. It too involved mortgage-backed securities, securitized by Fannie and Freddie and sold around the world.

That 2008 financial crisis led to the great recession, in which millions of Americans lost their jobs, their homes, and much of their household wealth. Unemployment topped 10 percent. Five trillion dollars was piled on our national debt.

So when we start seeing parallels to things that went awry back then, we should wake up and take them seriously.

Dr. Sen said this about the climate risk we face:

Not only do we need to harden our homes, but we need to harden our financial institutions, our banks, and our insurance companies in order to make them withstand really large climate shocks that are for sure coming their way.

Well, when she talks about “really large climate shocks that are for sure coming their way,” that means they are for sure coming our way, because just like 2008, if this goes down, everyone suffers.

At this point, we have dawdled on climate for far too long. We have let the fossil fuel industry for decades obstruct action on climate change.

Now, with financial warnings in the trillions, the Deloitte report said:

The global economy needs to execute a rapid, coordinated and sequenced energy and industrial transition.

Well, I promised in my last “Time to Wake Up” speech that I would discuss how best to execute that rapid transition. So let me turn to that.

I will begin by acknowledging that Democrats took the first serious legislative step on climate in 2022 with the Inflation Reduction Act, or the IRA. The IRA was modeled to reduce emissions by around 40 percent by 2030, compared to a 2005 baseline, which is great. But we need to reduce emissions not by 40 percent but by 50 percent by 2030, and to get to net zero emissions by 2050, if we are going to hold warming to 1.5 degrees Celsius.

Even if we do that, the climate havoc we are already seeing will get worse.

The climate havoc we are already seeing is at about 1.2 degrees Celsius.

So what more do we need to find a pathway to climate safety? And how do we do it globally, knowing that the United States only now accounts for about 12 percent of total greenhouse gas emissions?

Well, for years now, my team and I have been in constant communication with economists and other climate modelers who specialize in predicting the effects of various emissions reduction policies. Study after study, group after group, expert after expert have said the same thing: An economywide carbon price will drive the deepest emissions reductions—which makes sense.

The cost of a product's harms, under economic principles, should be reflected in the price of the product. When they are not, it is a subsidy.

And fossil fuel floats on the fattest subsidy in human history, now clocked at over \$700 billion a year in the United States alone. Put a price on that free pollution, and markets emerge to reduce emissions in the most efficient way, whether by fuel type, new technology, efficiency measures, or preventing or capturing emissions.

Here is an example of how that works. This graph from 2021, before the passage of the IRA, examines emissions trajectories in a variety of policy scenarios. The green line here, at the top, is business as usual then, which assumed no new emissions-reducing policies, and, of course, had virtually no effect.

Drop down to this orange line. It is a package of clean energy tax credits very similar to what was ultimately included in the IRA. As you can see, those tax credits result in substantial, though insufficient, emission reductions through 2030, which is here, and then they more or less flatline.

The gray line below it here is a clean electricity standard, which would have incentivized cleaner electricity generation and penalized dirtier generation in the power sector. It does slightly better than the tax credits, but it also wanes in efficacy after 2030.

Yellow line, just below it, is those tax credits, plus that clean electricity standard. It is a bit better, but it is still pretty impotent after 2030.

Then you have this light-blue line, which represents a relatively modest carbon fee starting at around \$15 per ton of emissions and remaining relatively low for the first 6 years and then ramping up in outyears to roughly \$80 per ton. This model actually exempts unleaded gasoline. Yet even with that exemption, it drives dramatically deeper emissions reductions, particularly after 2030. Indeed, by 2040, it almost doubles the emissions reductions of the other two policies combined.

And the lowest line, this dark-blue line, represents doing it all. And the anchor of that outcome is that modest carbon price, which is ultimately far more potent at driving emissions reductions than all other policies.

Here is another study. This one was done this year after the IRA was passed, and it reaches similar conclusions. This top yellow line—which doesn't come close to our targets—represents what would happen if, as our Republican friends have threatened, the IRA were to be repealed and EPA's recently finalized emissions rules for powerplants, cars, and trucks were struck down or rescinded. As you can see, emissions very slowly trend down due, largely, to continued deployment of wind and solar—which are now the cheapest forms of energy—and to different States' decarbonization policies.

This next line, which gets to our targets around 2040, represents a scenario in which the Inflation Reduction Act stays, but the EPA rules are voided or rescinded. Again, we don't hit our targets for 2030 until 2040, a very dangerous decade to miss.

The next line, the red line, is essentially our new business as usual. It is the IRA and the EPA rules remaining in force, and there we hit our decarbonization targets around 2037, still off by 7 years.

This light-green and light-blue line, which are very hard to distinguish, respectively increase the value of the IRA power sector clean energy tax credits by 50 percent and add a clean electricity standard. Both result in delays hitting our 2030 target until 2035.

This purplish line here adds carbon pricing, similar to the one I just discussed, with repeal of the nonpower sector tax credits in the IRA.

So even with repeal of some of the IRA clean energy tax credits, adding a modest carbon fee results in emissions reductions that are the best in class so far, hitting our 2030 targets as early as 2033.

And the dark-green line, that just adds the carbon price. It nearly hits our 2030 target very close, and it drives, by 2040, an additional billion metric tons over the emissions reductions expected from the IRA and EPA's rules.

And let me show you one more chart. This one here was from Brookings. This one here is from the Potsdam Institute.

Together with the Washington Post, Potsdam Institute looked at over 1,200—one thousand two hundred—climate policy scenarios that have been run in recent years, and they found that of 1,200 policy scenarios that experts have run, there are only 11 left—only 11 left—that allow us to hit our 1.5 degrees Celsius target. And of those 11, every one requires a price on carbon pollution.

So the upshot of all of this is that you simply cannot continue allowing polluters to pollute for free, not if you want to find a pathway to climate safety. All of those other pathways without a carbon price have been foreclosed by our dawdling and our indolence and the pressure from the fossil fuel industry to do nothing.

One other point, as you can see, almost all of them overshoot. So if you want to get back to safe climate levels, you absolutely are going to need carbon capture technology and direct air capture to be specific because you are going to have to claw back excess emissions. At this point, it is not enough just to stop.

Happily, a carbon price gives carbon capture a revenue proposition. So it will dramatically encourage that technology.

Here is the other huge advantage of a carbon price: We can export it via carbon border adjustment. The European Union has just launched its carbon border adjustment mechanism called its CBAM—carbon border adjustment mechanism, CBAM—and it is about to be joined by the UK as well, and they will assess a carbon tariff on imported goods to the EU and the UK. Less carbon-intensive goods will pay a lower carbon levy; more carbon-intensive goods will pay a higher levy.

And that levy creates a powerful global incentive for clean manufacturing wherever products are made for export to EU and UK markets.

If we joined in, if the United States of America joined in and implemented a similar policy here at home, the downward pressure on global emissions—particularly Chinese emissions, which currently represent roughly a third of global emissions—would be even more powerful. A carbon border adjustment would be a big win for cleaner American manufacturing.

On average, the Chinese economy is about three times more carbon-intensive than the U.S. economy. So if a domestically produced good paid a \$1 carbon levy, the equivalent good imported from China would pay, on average, a \$3 carbon levy, which would help to reshore to the United States steel, aluminum, and chemical production, and all the well-paid manufacturing jobs that they generate.

Now, the fossil fuel industry, of course, complains that such a policy would harm consumers, the same consumers they happily gouge, but when it comes to remedy and climate, suddenly, they are interested in consumers. Well, A, these companies already make so much profit they could absorb the tariffs for their customers, and, B, we can spend tariff revenues in ways that boost consumers; for instance, return revenues earned from polluters to consumers as dividends, as Chairman CANTWELL has proposed, for consumers to spend how they please. Indeed, I have got a bill that would do just that.

One of the big lies of the fossil fuel industry is to pretend the costs their pollution foists on the American public don't exist. In fact, Americans are already paying for the polluters' pollution and for their obstruction of climate action. We pay in higher home and auto insurance premiums, now exploding through Florida; higher grocery bills; higher home prices due to

lumber shortages; higher prices for goods tangled in climate-related supply chain snarls. Americans are already paying the climate pollution price. It is just a very dumb one that does nothing to reduce the pollution and shifts the burden of harm from polluters to everyday Americans.

A carbon price would send a correct price signal into markets. It would reward innovators and innovation. It would rectify the fundamentally unfair situation of an industry passing the cost of its pollution onto ordinary Americans, and, as these various graphs all show, it would actually work at providing a pathway to global climate safety.

Opportunities are coming. Next year, a large swath of the Trump tax cuts, which were disproportionately skewed toward large corporations and the very wealthy, will expire and good riddance. This gives us an opportunity to make the Tax Code more fair, to reduce income inequality, and to use revenues from big polluters to reinstate, for instance, the Child Tax Credit, to do good things.

Taxing polluters could also help to improve the Nation's fiscal position. And another reconciliation bill is possible if voters take climate risk seriously and don't put fossil fuel flunkies in charge of their government.

In short, carbon pricing makes sense from all angles. It is the single most effective policy at reducing carbon pollution and heading off the massive, looming tens of trillion-dollar financial risks that we see coming from climate change, as Dr. Sen said, "that are for sure coming our way."

It provides a tool to help us tackle global emissions that will also spur domestic manufacturing and jobs. It raises real revenue to help Americans shoulder the burden we carry as a result of decades of fossil fuel industry pollution, denial, and obstruction, and it could even help reduce the budget deficit.

We have got no time left to waste. In the next Congress, you can be sure that I will do everything in my power to make sure that we finally embrace the winning policy that we should have implemented decades ago, back when we were first warned about the costs and dangers associated with carbon pollution.

It is well past time to make fossil fuel polluters pay for the harms they cause, and it is well past time for Congress to wake up.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

PHARMACY BENEFIT MANAGER TRANSPARENCY
ACT OF 2023

Ms. CANTWELL. Madam President, I thank my colleague from Rhode Island for his dedication and perseverance on these important issues, and I also appreciate his mentioning the dividend concept because, obviously, we want consumers to be kept whole here and to make a transformation that they too

want to make. So I thank him for his leadership.

Madam President, I come to the floor today to call attention to the high prices Americans are paying for their prescription medication and the urgent need to pass what is called the Pharmacy Benefit Manager Transparency Act in the Senate that I have cosponsored along with my colleague from Iowa Senator GRASSLEY.

At the beginning of this decade, the United States spent more on prescription drugs than any other country in the world, reaching an average of \$1,432 per person per year.

So 6 out of every 10 adults are currently taking at least one prescription drug. More than a quarter of us take four or more prescriptions. So when drug prices go up, it really does stretch the family budget, cuts into our savings, and it puts us into health challenges if we can't afford those prescriptions.

About one in four residents in my State—the State of Washington—have either rationed or stopped taking prescription drugs because of costs. Families should not have to make this choice.

One of the factors driving up the price of prescription drugs is pharmacy benefit managers and their profit-driven business model that is not transparent as to the price-setting and is causing pharmacies great harm. Pharmacy benefit managers operate behind the scenes but have a stake in just about every part of the drug distribution chain and exert extraordinary influence in the prices that Americans are paying for their medication.

PBMs decide which lifesaving medications most Americans will have access to through their insurance plans. They decide how much copay will be for prescriptions. They decide how much a pharmacy will be reimbursed for dispensing these drugs and whether the pharmacy will lose money when they fill a prescription.

PBMs don't actually handle or distribute the drugs, but they siphon off the profit at every step in the process, from the drug manufacturers and all the way up to the pharmacy counter. That is because the PBM market, these pharmacy benefit manager middlemen—think of them almost as the insurance company that is setting the price—are extremely consolidated, giving consumers no choice in which PBM they use. Just three PBMs control 80 percent of the market.

Can you imagine anybody controlling 80 percent of the market? But just three of these companies control 80 percent of the market. And, effectively, they have unchecked power on their ability to distort the market and engage in unfair and abusive practices.

So what are we trying to do, Senator GRASSLEY and myself? We are trying to stop those unfair and manipulative practices.

Not only is the PBM market consolidated, but the vertical integration of

PBMs, pharmacies, and insurers is worrisome. The three largest PBMs are each part of companies that include insurers and large pharmacies. So this gives them the opportunity to increase their profits by companies steering patients to pharmacies they own and then lowering the reimbursement rates to competing pharmacies.

Americans are feeling this pinch. They are seeing that they have higher drug costs, and they are seeing that PBMs are thriving. The three biggest PBMs are astoundingly profitable. Last year, Optum Rx raked in \$116 billion for its owner, United Healthcare Group, contributing about 30 percent of the company's total revenue.

PBMs have leveraged their market power and lack of transparency to benefit themselves at the expense of patients and certainly—certainly—at the expense of independent pharmacies. They are happy to try to help the pharmacies in their vertical integration but certainly not the independent pharmacies, if you will, trying to put them out of business.

PBMs enrich themselves by manipulating the market for prescription drugs at every turn. We cannot be fooled when the PBM claims to reduce the cost of drugs by negotiating rebates from the drugmakers in charge in exchange for favorable insurance coverage through an insurance company they probably own.

I have been so frustrated by this in the past. It is like our organization—take, for example, King County. Someone comes to them and says: We will negotiate for King County employees a drug benefit, and we will give you a discount. But then they pocket two-thirds of the discount themselves—the PBM. That is what is going on here.

These rebates are part of their manipulative scheme to inflate and extract the value from the prescription drug market.

In a market that is free of this kind of manipulation or competition, you would have drugmakers, and they would be setting the formulary cost. They would help drive down price by having competition.

But we know the market isn't working right when the least expensive version of a drug is the least dispensed. That is right. You can tell how a market functions or if it is a great functioning market because—why?—when prices are too high and there is supply, people put more supply in the market. But if the least expensive drug isn't being dispensed, that means somebody is trying to artificially keep those costs high.

This happens because PBMs control which drugs are included on a formulary, and they get a bigger cut through a larger rebate and higher copays when more expensive drugs are put on the list. This incentivizes drugmakers to inflate the prices of their drugs to appeal to the PBMs.

Who bears the brunt of all these inflated costs? The American consumer.

Another way PBMs manipulate the market is through abusive practices like spread pricing or clawbacks. Spread pricing is when a PBM reimburses a pharmacy one amount for filling a prescription and then charges the health plan a higher price and keeps the difference.

That is the scheme. That is the scheme of how they are making money. They basically say: Oh, this is the price. And they then charge the plan a higher amount.

This creates two problems: One, neither the pharmacy nor the plan knows what the other paid or was charged. So both parties lack the data on what a true price for the drug is. Second, this practice allows PBMs to squeeze more money out of the supply chain without anyone knowing how much.

They also claw back reimbursements from pharmacies after a claim is settled through direct and indirect remuneration fees, or what I call DIR fees, which have generic effective rates, or GER.

So, for example, an independent pharmacy in Seattle actually had to close because the PBMs said that this independent pharmacy owed \$538,000 in reimbursements in a single year from these PBMs. They just came up with a number and said this is how much you owe us. So it is not surprising that independent pharmacies can't stay open with these kinds of tactics.

In just the last 18 months, 83 pharmacies in the State of Washington have closed. These practices have contributed to the creation of pharmacy deserts. In fact, *Fortune* magazine just wrote a story about this particular problem in the State of Washington.

There are now 86 towns in my State that are more than 10 miles from the nearest pharmacy. That means that roughly 450,000 people in my State live in an area where they have to drive 10 miles just to go to a pharmacy.

And we now rank sixth among all States for poor access to pharmacies. According to the Washington State Pharmacy Association, there are no more 24-hour pharmacies left in the city of Seattle.

So I am very concerned about the number of independent and community pharmacy closures in my State. I am also concerned about how insurance company middlemen and their unfair business practices have contributed to these closures.

Some might ask why hasn't anyone discovered these schemes or done something about it. Well, that is because PBMs shield their practices and profits by claiming that their data that they have is considered proprietary information.

But we must have laws on the books that make sure that the legal, manipulative schemes can help stop these players in the marketplace who have too much of a concentrated power.

PBMs cannot continue to operate in the dark while Americans see their prescription drugs rise and rise year after

year. And that is why Senator GRASSLEY and I introduced the Pharmacy Benefit Manager Transparency Act, to shine light on these harmful practices, increase the transparency, and increase the accountability for pharmacy benefit managers.

The Pharmacy Benefit Manager Transparency Act directs the Federal Trade Commission to crack down on unfair and abusive schemes, such as the spread pricing or reimbursement clawbacks. It also mandates transparency for these PBMs and that they submit a report about these activities so that we can understand how they are basically moving other products that are not on the formulary placements. That is exactly how some of these schemes have operated.

It is important to have this help from the Federal Trade Commission. It is their job to stop these unfair practices. It is their job to hold PBMS accountable for manipulation of practices or prices and give the Agency more insight into this marketplace.

We cannot wait any longer to get this legislation passed. My bill has come out of the Commerce Committee with good bipartisan support, and it has bicameral support as well.

So we must keep the momentum going. I hope my colleagues here in the Senate will bring this Pharmacy Benefit Manager Transparency Act to the Senate floor when we return. Americans are hurting, and so are our pharmacists.

Our pharmacies themselves are places where information about our prescriptions are held to a high standard. I would hate to see Americans in such a concentrated market that all of our prescription drugs are bought online from one or two big suppliers, and that somehow is our delivery system.

I think pharmacists are a key part of our delivery system. Pharmacies are a key part of communities. And we shouldn't have big, concentrated players manipulating the prices of drugs and putting pharmacies out of business and raising these unbelievable prices on our consumers.

So I thank the President, and I hope our colleagues will consider getting this legislation in front of the Senate when we return.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

LEGISLATIVE SESSION

MORNING BUSINESS

Ms. CANTWELL. Madam President, I ask unanimous consent that the Senate proceed to legislative session and be in a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LGBTQ+ PRIDE MONTH

Mr. CARDIN. Madam President, I rise today in recognition of the 54th anniversary of Pride Month. I would first like to take a moment to acknowledge how much progress has been made in the span of just a half century.

The first Pride was born out of the Stonewall Uprising, which took place in 1969 after police conducted a violent raid at the Stonewall Inn, a New York City bar known as a place of refuge for members of the LGBTQ+ community. The raid and the ensuing riot in response nearly destroyed the Stonewall Inn and sparked a series of protests against the police's brutality that night.

In the face of such violence and discrimination, a group of gay rights organizers responded by commemorating the first anniversary of the uprising with a march to celebrate the resilience of the LGBTQ+ community. Five decades later, we continue to strive toward equality and inclusion for this community in all aspects of life. While we have many victories to celebrate, such as the 2015 Supreme Court *Obergefell* decision guaranteeing marriage equality, we still have much to do.

I am proud to represent a State that is known to be welcoming to members of the LGBTQ+ community. Last year, Maryland Governor Wes Moore issued an executive order to protect access to gender-affirming care, a huge win for transgender and nonbinary Marylanders.

This year, Maryland is hosting over a dozen local Pride parades and celebrations, from Hagerstown to Salisbury and everywhere in between. And this past weekend, we celebrated Pride in my home city of Baltimore, which has one of the longest running Pride celebrations in the nation.

However, I am dismayed by a growing movement across the country to suppress the rights of LGBTQ+ people and reverse our Nation's hard-won progress. We have a responsibility to uphold the rights and freedoms of all Americans. Therefore, we must not stand by idly as legislative attacks on this community increase across the country. Laws that aim to codify hate and discrimination are despicable. We must challenge this hate not only with our hearts, but through the proactive protection of civil rights.

In particular, we must defend transgender children, their parents, and the right to access gender-affirming care and other support services.

There have been recent efforts by some Members of Congress to use the annual appropriations bill as a vehicle to ban the use of Federal funds for gender-affirming care and DEI initiatives. I urge my colleagues to remember the commitment we have to our Nation to ensure liberty and justice for all. Attacks on personal autonomy that use the mantle of religious freedom to