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OVERSIGHT OF FEDERAL EFFORTS TO COMBAT THE
SPREAD OF ILLICIT FENTANYL

TUESDAY, JULY 16, 2019

House of Representatives

Subcommittee on Oversight and Investigations

Committee on Energy and Commerce

Washington, D.C.

The subcommittee met, pursuant to call, at 10:04 a.m., in Room 2123 Rayburn House Office Building, Hon. Diana DeGette [chairwoman of the subcommittee] presiding.

Members present: Representatives DeGette, Schakowsky, Kennedy, Ruiz, Kuster, Sarbanes, Tonko, Peters, Pallone (ex officio), Guthrie, McKinley, Griffith, Brooks, Mullin, Duncan, and Walden (ex officio).

Staff present: Mohammad Aslami, Counsel; Joe Banez, Professional Staff Member; Kevin Barstow, Chief Oversight

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Counsel; Jeff Carroll, Staff Director; Manmeet Dhindsa, Counsel; Tiffany Guarascio, Deputy Staff Director; Chris Knauer, Oversight Staff Director; Jourdan Lewis, Policy Analyst; Kevin McAloon, Professional Staff Member; Benjamin Tabor, Staff Assistant; Jennifer Barblan, Minority Chief Counsel, O&I; Mike Bloomquist, Minority Staff Director; Adam Buckalew, Minority Director of Coalitions and Deputy Chief Counsel, Health; Jordan Davis, Minority Senior Advisor; Brittany Havens, Minority Professional Staff, O&I; Peter Kielty, Minority General Counsel; Brannon Rains, Minority Legislative Clerk; and Alan Slobodin, Minority Chief Investigative Counsel, O&I.

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1 Ms. DeGette. The Subcommittee on Oversight and
2 Investigations will now come to order.

3 Today, the Subcommittee on Oversight and Investigations is
4 holding a hearing entitled "Oversight of Federal Efforts to Combat
5 the Spread of Illicit Fentanyl."

6 The purpose of today's hearing is to examine the increasing
7 threat posed by fentanyl and the federal government's
8 coordination and response.

9 The chair now recognizes herself for purposes of an opening
10 statement.

11 Today, we are once again here to discuss the opioid crisis,
12 an epidemic that this country has been battling for years.
13 Previously, this committee has taken numerous actions to
14 investigate the origins and elements of the crisis and help bring
15 relief to those who are suffering.

16 Today's hearing will examine the growing threat of synthetic
17 opioids, which experts have called the third wave of the opioid
18 epidemic.

19 Our communities have already been ravaged by prescription
20 opioids and then heroin. Now, unfortunately, we are seeing
21 significant increases in overdose deaths involving synthetic
22 opioids like fentanyl, including in my home state of Colorado.

23 Fentanyl is extremely dangerous. It is 50 times more
24 powerful than heroin, 100 times more powerful than morphine, and

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25 it is responsible for a number of growing overdose deaths in
26 America.

27 Fentanyl is also cheap and it's easy to produce, giving a
28 high return for those who seek to profit from the destruction
29 that it causes. Fentanyl can be used on its own or can be mixed
30 with other drugs.

31 Alarmingly, even amateur chemists can produce this highly
32 dangerous drug with minimal resources and experience.
33 It is often made overseas, likely in China, then shipped either
34 directly to users in the United States or through intermediaries
35 in other countries like Mexico.

36 It can be bought anonymously on the dark web, and because
37 it is so potent, small but deadly quantities of the drug can be
38 shipped in packages via the U.S. mail or in private consignment
39 carriers.

40 Today, we have before us six agencies who play important
41 roles in fighting the proliferation of fentanyl. Each is
42 responsible for a piece of this effort, from guarding the border,
43 to taking down drug trafficking organizations, to protecting the
44 legitimate drug supply.

45 These agencies will provide us with their assessment of how
46 we got here, where the fentanyl threat stands right now, and how
47 it has changed in recent months.

48 And I want to thank each one of our witnesses for coming

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49 today.

50 The purpose is to examine the state of fentanyl, but also
51 our government's response to it. The threat is serious and
52 evolving, and our response must be equally committed and
53 adaptable.

54 These agencies have experience enforcing our nation's drug
55 laws, gathering intelligence against traffickers, and arresting
56 powerful criminals, and we are thankful for their efforts.

57 But fentanyl represents a unique problem, so these agencies
58 need to develop new ways of attacking it. Because we have seen
59 the opioid crisis evolve and take different forms, we also need
60 to anticipate how fentanyl trends are likely to continue to
61 change.

62 I am interested to hear all of our witnesses' perspectives
63 on this and how we can get ahead of the evolving threat so we
64 are not caught flat-footed like we have been before,
65 unfortunately.

66 I am struck by the diverse missions of this panel. It is
67 not every day that we have a hearing with the U.S. Postal Service
68 and the DEA on the same panel.

69 Every one of these witnesses represents just a piece of the
70 puzzle, which means that we cannot succeed unless everybody comes
71 together. The crisis is going to require a massive coordinated
72 effort to overcome.

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73 We, frankly, need a national strategy on fentanyl response,
74 and I don't just mean a white paper document or a task force report.

75 I mean we need a coherent practical plan for how we are going
76 to beat this problem. For example, the Office of National Drug
77 Control Policy is supposed to formulate a strategy, bring all
78 of the agencies together, and see to it that the strategy is
79 implemented effectively.

80 Are you coordinating the efforts of these agencies, and if
81 so, how? Your mission is now more important than ever, so we
82 will be looking to you for leadership and vision.

83 DEA, you are on the front lines and often develop important
84 leads for targeting drugs. Is that information being regularly
85 shared with CBP so that it can adequately target fentanyl
86 shipments when they come into the U.S.?

87 FDA, suddenly, you are in the middle of this fight because
88 fentanyl is increasingly being mixed with other drugs, including
89 counterfeit prescription drugs.

90 How are you coordinating with law enforcement to protect
91 the drug supply?

92 These are just a few of the questions we will explore today.

93 If we are going to solve this problem, we need better cooperation
94 across agencies and we need to think differently than we have
95 on past drug epidemics.

96 Finally, this hearing is just one piece of oversight. This

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97 subcommittee will stay on this issue and ensure progress is being
98 made so as so frequently happens, unfortunately, we are not back
99 next year talking about the same problems.

100 Again, I thank the witnesses for their service on this
101 critical issue and for coming here today, all in one panel.

102 And now, the chair will recognize the ranking member of the
103 subcommittee, Mr. Guthrie, for five minutes for an opening
104 statement.

105 Mr. Guthrie. Thank you, Chair DeGette, for holding this
106 important hearing.

107 The Energy and Commerce Committee has been steadfast in its
108 efforts to help combat the opioid crisis with both investigations
109 and legislation.

110 Whether it was the committee's investigations into opioid
111 distributors, patient brokering, or major opioid manufacturers,
112 we have continued to ask questions and demand answers for the
113 American people.

114 When it comes to legislation, this committee led the way
115 on passage of the 21st Century CURES Act, the Comprehensive
116 Addiction and Recovery Act, and the SUPPORT Act for patients in
117 communities.

118 I was proud to work with these three landmark bills which
119 are advancing treatment and recovery initiatives, improving
120 prevention, protecting communities, and bolstering our efforts

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121 to fight deadly illicit synthetic drugs like fentanyl.

122 Fentanyl is a synthetic opioid that is 80 to 100 times
123 stronger than morphine and 50 times more potent than heroin.
124 For many years, pharmaceutical fentanyl has been utilized as a
125 powerful pain medicine to treat severe pain such as advanced
126 cancer pain commonly used in the form of a patch on the skin or
127 a lollipop.

128 But pharmaceutical fentanyl is not why we are here today.
129 We are here today because of concerns over illicit or illegally
130 manufactured fentanyl. The fentanyl crisis is particularly
131 dangerous because of its high potency, and the small amount
132 required to potentially cause an overdose.

133 It has become a powerful additive to drugs such as heroin,
134 cocaine, or counterfeit pills with or without the user's
135 knowledge.

136 According to the CDC, in 2017 there were more than 28,000
137 deaths involving synthetic opioids in the United States, which
138 is more deaths than from any other type of opioid.

139 Further, overdose death rates from synthetic opioids
140 increased all across all demographics, county urbanization
141 levels, and numerous states.

142 A little bit of fentanyl goes a long way, which makes it
143 harder for law enforcement to track where and how fentanyl is
144 being purchased. Fentanyl can be purchased on the internet both

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145 in open source and on the dark web, and can be purchased pseudo
146 anonymously using bitcoin or crypto currency.

147 In addition to being smuggled across our borders, fentanyl
148 can be mailed in small quantities through the Postal Service or
149 express consignment carriers and, therefore, has a higher
150 likelihood of coming into the United States undetected.

151 These circumstances require a much different approach to
152 intelligence, interdiction, and law enforcement compared to
153 methods that may be better suited for what might be considered
154 a more common drug smuggling operation.

155 The threat is real and it has been growing over the past
156 few years. According to Customs and Border Protection data, in
157 fiscal year 2015, 70 pounds of fentanyl were seized in the United
158 States.

159 In comparison, for fiscal year 2018, more than 2,000 pounds
160 of fentanyl was seized. Further, for fiscal year 2019 to date,
161 there have been 17,003 pounds of fentanyl seized, which is enough
162 fentanyl for more than 600 million lethal doses of fentanyl, and
163 we still have four more months of data to count before we know
164 the total for this year.

165 I want to acknowledge some of the efforts and accomplishments
166 of this administration, including but not limited to HHS
167 establishing an interdepartmental substance use disorder
168 coordinating committee, China pledging to add fentanyl to its

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169 list of controlled substances, increasing shipment tracking
170 responsibilities and coordination among multiple entities, and
171 disruption efforts which has taken down an entire online black
172 market.

173 While we are already seeing new tools and resources provided
174 and utilized as a result of this committee and the
175 administration's work, the threat still exists and our work is
176 not done.

177 I want to thank all the witnesses for being here today.
178 I look forward to hearing from all of you about successes we have
179 had in combating our nation's fentanyl threat but also how the
180 threat has changed, what challenges remain, and what more we in
181 Congress can do to be partners in this fight.

182 I yield back.

183 Ms. DeGette. The chair now recognizes the chairman of the
184 full committee, Mr. Pallone, for five minutes for purposes of
185 an opening statement.

186 The Chairman. Thank you, Madam Chair.

187 This committee has held many hearings on the opioid crisis
188 over the last several years, and with each hearing it seems the
189 challenge to combat the crisis grows even more daunting.

190 While opioid prescribing rates appears to have gone down,
191 overdose deaths continue to climb. Communities all around the
192 country are still suffering from this epidemic, now largely at

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193 the hands of heroin, increasingly fentanyl.

194 Fentanyl is a deadly synthetic drug that is 50 times more
195 powerful than heroin. Because it's relatively easy to make and
196 so potent, it is tragically leading to large increases in overdose
197 deaths.

198 We have all heard the terrible numbers that tell the story.

199 In 2017, there were over 47,000 opioid overdose deaths.

200 Twenty-eight thousand of those deaths involve synthetic opioids
201 such as fentanyl.

202 My home state of New Jersey, for example, has seen a ten-fold
203 increase in deaths involving fentanyl in the last several years,
204 and fentanyl represents the third wave, as the chairwoman said,
205 in the opioid crisis.

206 After the country was inundated with prescription opioids,
207 prescribing rates when down. But many of those who were already
208 addicted then turned to heroin, and now the trend is shifting
209 towards synthetic opioids like fentanyl, which pose a unique
210 threat.

211 These drugs are manufactured overseas in countries like
212 China, oftentimes in clandestine labs. These drugs are then
213 shipped into the U.S. often in small quantities that are difficult
214 to detect.

215 And to make matters worse, we are now seeing fentanyl
216 increasingly mixed into other drugs like cocaine,

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217 methamphetamine, and even counterfeit prescription drugs like
218 Oxycodone.

219 This means that many unsuspecting people are dying at the
220 hands of fentanyl when they didn't even realize they were taking
221 it, and this drug represents an unprecedented threat to the U.S.
222 and we have to do everything we can to stop this flow into our
223 communities.

224 Today, we are hearing from the key law enforcement and
225 regulatory agencies on the front line of this battle. Each agency
226 plays a critical part and has decades of experience in this fight.

227 The problem, however, is that fentanyl is unlike any drug
228 crisis we have faced before. All of these factors point to one
229 conclusion. We have to think differently about how to counter
230 the spread of fentanyl. The old approaches simply will not
231 suffice.

232 Finally, we have repeatedly heard from experts that we cannot
233 arrest our way out of the opioid crisis and fentanyl is no
234 different. Evidence-based treatment is the best hope for those
235 suffering from addiction and we must support programs that provide
236 that help.

237 So today's hearing focuses on how to stop the flow in fentanyl
238 but this is by no means the end of the conversation. I am
239 committed to providing Americans suffering from opioid use
240 disorder access to the quality treatment they need and this

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241 committee will continue to shine a spotlight on this crisis to
242 help identify solutions including in the treatment and public
243 health arenas.

244 I have about two minutes left and I'd like to yield that
245 now to the gentlewoman from New Hampshire, Ms. Kuster.

246 Ms. Kuster. Thank you, Chairman Pallone.

247 We have seen the opioid crisis evolve and take many different
248 forms, as you described. But no community in this country has
249 been spared. New England and New Hampshire, in particular, have
250 been devastated by this crisis.

251 In my home state, while we have seen the rate of prescription
252 opioid and heroin overdose deaths decline, the rate of fentanyl
253 -- involved overdoses has not subsided.

254 With the help of a coordinated approach at the local level,
255 the hub and spoke model ensures that every Granite Stater has
256 nearby access to treatment and recovery services.

257 But this does not solve the supply problem. We know all
258 too well that newer, stronger, and deadlier analogs of fentanyl
259 continue to proliferate and challenge our ability to prevent
260 needless premature deaths.

261 I look forward to the hearing. I look forward to your
262 testimony and I thank the gentlewoman chairing this subcommittee
263 and the chair of the committee for their attention to this crisis.

264 Thank you. I yield back.

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265 The Chairman. Thank you. I have about a minute. I don't
266 know if anybody else wants the time. If not, I will yield back,
267 Madam Chair.

268 Ms. DeGette. The gentleman yields back.

269 The chair now recognizes the ranking member of the full
270 committee, Mr. Walden, for five minutes for purposes of an opening
271 statement.

272 Mr. Walden. Good morning, Madam Chair, and thank you for
273 holding this really, really important hearing on getting illicit
274 fentanyl off our streets.

275 As you've heard, fentanyl is so deadly a piece of it the
276 size of a few grains of salt can kill you. It reportedly led
277 to 49 deaths in Oregon in 2017. So ridding our communities of
278 fentanyl is a key piece of combating the opioid crisis in Oregon
279 and across the country.

280 Illicit fentanyl is a tremendously and difficult and dynamic
281 problem. It is hard to detect and is highly potent and lucrative
282 enough to be sent in small envelopes or packages, and while the
283 heroin market was monopolized by large criminal groups, this
284 fentanyl wave -- it is harder to police.

285 It is coming almost entirely from the black market on the
286 dark web and clandestine labs in China and Mexico with many
287 mid-level and small operators in addition to drug smuggling
288 operations like the cartels.

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289 This subcommittee last held an oversight hearing in illicit
290 fentanyl back in March of 2017. The need for fentanyl focused
291 action was clear then.

292 Two years later, there are numerous significant
293 accomplishments. Last year the committee worked in a bipartisan
294 way to enact the SUPPORT Act to bolster the fight against opioids
295 such as fentanyl. This law has helped provide advanced
296 electronic data of international mail shipments to help target
297 and intercept illicit fentanyl.

298 This act also provided the FDA with a new tool for deterring
299 imports of illicit fentanyl. As you'll recall, Dr. Burgess went
300 up to a mail distribution facility in New Jersey and learned a
301 lot and brought that back to us.

302 The Trump administration has spurred improved actions in
303 the fentanyl fight. Our nation is getting at least some improved
304 level of cooperation from the Chinese government on class-based
305 scheduling, which helps remove an incentive for traffickers to
306 introduce new substances in the fentanyl family for the purpose
307 of evading controls.

308 President Trump deserved credit for moving this bold
309 proposal based on the longstanding work of the White House Office
310 on National Drug Control Policy, the DEA, and the State
311 Department.

312 President Xi of China deserves some credit for agreeing to

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313 a commitment to crack down on fentanyl as a class. We'd like
314 to see more there.

315 While it's too soon to assess the impact, early indications
316 are at least encouraging. And since February of 2018, DEA has
317 imposed emergency scheduling of fentanyl-related substances but
318 we need to work with DEA and other federal agencies to find the
319 best approach to make this scheduling permanent.

320 The Stop Importation and Trafficking of Synthetic Analogs,
321 or SITSA, Act, which would have given law enforcement additional
322 tools they need to get illicit drugs such as fentanyl off our
323 streets without compromising important public health and research
324 protections, that was included in our House-passed version of
325 the SUPPORT Act but, sadly, was not included in the final package
326 that became law.

327 Mr. Katko of New York, he sponsored this legislation. It
328 would be a good place to start again and we should make it law.

329 On July of 2017, the Department of Justice announced the
330 seizure of AlphaBay. That's the largest criminal marketplace
331 on the dark web and a major source of fentanyl linked to overdose
332 deaths.

333 The AlphaBay takedown was an international operation led
334 by the U.S. Both DEA and CBP recently made the largest seizures
335 of fentanyl in U.S. history and we thank you for that. Federal
336 agents working with local police seized 50 kilos of fentanyl

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337 precursor in 2017.

338 For the first time the Justice Department announced
339 indictments of Chinese nationals for conspiracies to distribute
340 large quantities of fentanyl and fentanyl analogs.

341 May of '19, a dark net drug dealer was indicted for selling
342 fentanyl online, thanks to Homeland Security's investigations,
343 a year-long nationwide undercover action, and under agreement
344 with the U.S. Postal Service, China Post is providing advanced
345 electronic data on parcels mailed to the U.S.

346 FDA and CBP signed an agreement in April of 2019 to maximize
347 inspection detection capabilities to products such as fentanyl
348 from entering the United States.

349 So we salute these important federal workers and agencies
350 for their work. But we know big challenges remain. More work
351 is needed to get better cooperation from Mexico's law enforcement
352 authorities.

353 We need to remain vigilant with China on its fentanyl
354 commitment. Much more needs to be done to collect better data
355 on fentanyl trafficking and to improve data sharing and we want
356 to hear more on strategy to disrupt fentanyl trafficking.

357 We will be asking questions how we can strengthen our efforts
358 on what this committee can provide. The SUPPORT Act was a great
359 start but it is not enough.

360 And Madam Chair, I would remind you we posted our final

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361 oversight investigations report on the committee's website and
362 sent everybody a letter at the beginning of the year.

363 There were some important recommendations there I hope we
364 can eventually get to.

365 Before I conclude, I want to take a moment to recognize
366 Michael Gray. He is father of Amanda Beatrice Rose Gray. Amanda
367 died of an overdose of pure fentanyl in January of 2018 -- pure
368 fentanyl.

369 Michael has been a tireless advocate fighting against the
370 opioid epidemic and fentanyl. His efforts informed our work in
371 the last Congress. He was incredibly helpful in that, and let
372 us remember as the face of this crisis his daughter, and we thank
373 you for being here and we thank you for your work.

374 Madam Chair, in conclusion, the Actis Foundation -- we have
375 a letter we would like entered into the record that we previewed
376 with you.

377 Ms. DeGette. Without objection, and I would add my thanks
378 to you, Mr. Gray, for all of your tireless work.

379 [The information follows:]

380

381 *****COMMITTEE INSERT*****

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382 Mr. Walden. Thank you, Madam Chair.

383 Ms. DeGette. The gentleman yields back, and I now ask
384 unanimous consent that the members' written opening statements
385 be made part of the record.

386 Without objection, so ordered.

387 I would now like to introduce our panel of witnesses for
388 today's hearing.

389 Mr. Kemp Chester, the assistant director of the National
390 Opioids and Synthetics Coordination Group, the White House Office
391 of National Drug Control Policy. Welcome.

392 Mr. Matthew Donahue, regional director, North and Central
393 Americas Operation Division, Drug Enforcement Administration at
394 the U.S. Department of Justice.

395 Mr. Thomas Overacker, executive director, Office of Field
396 Operations, Custom and Border Protection at the U.S. Department
397 of Homeland Security.

398 Mr. Gary Barksdale, chief postal inspector at the U.S. Postal
399 Service.

400 Mr. David A. Prince, deputy assistant director,
401 transnational organized crime, Homeland Security Investigation,
402 Immigration and Customs Enforcement at the U.S. Department of
403 Homeland Security.

404 And Carol Cave, director of the Office of Enforcement and
405 Import Operations, Office of Regulatory Affairs, Food and Drug

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406 Administration at the U.S. Department of Health and Human
407 Services.

408 Thank you all for appearing in front of the subcommittee
409 today. You are aware the committee is holding an investigative
410 hearing and, when doing so, has had the practice of taking
411 testimony under oath.

412 Do any of you have any objections to testifying under oath?

413 Let the record reflect that the witnesses have responded
414 no. The chair then advises you under the rules of the House and
415 the rules of the committee you're entitled to be accompanied by
416 counsel.

417 So any of you desire to be accompanied by counsel today?

418 Let the record reflect the witnesses have responded no.
419 If you would, please rise and raise your right hand so you may
420 be sworn in.

421 [Witnesses were sworn.]

422 Ms. DeGette. You may be seated.

423 Let the record reflect the witnesses have now responded
424 affirmatively and you are now under oath and subject to the
425 penalties set forth in Title 18 Section 1001 of the U.S. Code.

426 The chair will now recognize the witnesses for five minutes
427 a summary of their written statements. In front of each of you
428 is a microphone and a series of lights. The light turns yellow
429 when you have a minute left and it turns red to indicate that

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430 your time has come to an end.

431 And so let's start with you, Mr. Chester. You are now

432 recognized for five minutes.

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433 STATEMENTS OF KEMP CHESTER, ASSISTANT DIRECTOR OF THE NATIONAL
434 OPIOIDS AND SYNTHETICS COORDINATION GROUP, WHITE HOUSE OFFICE
435 OF NATIONAL DRUG CONTROL POLICY; MATTHEW DONAHUE, REGIONAL
436 DIRECTOR NORTH AND CENTRAL AMERICAS, OPERATION DIVISION, DRUG
437 ENFORCEMENT ADMINISTRATION, U.S. DEPARTMENT OF JUSTICE; THOMAS
438 OVERACKER, EXECUTIVE DIRECTOR, OFFICE OF FIELD OPERATIONS,
439 CUSTOMS AND BORDER PROTECTION, U.S. DEPARTMENT OF HOMELAND
440 SECURITY; GARY BARKSDALE, CHIEF POSTAL INSPECTOR, U.S. POSTAL
441 SERVICE; DAVID A. PRINCE, DEPUTY ASSISTANT DIRECTOR,
442 TRANSNATIONAL ORGANIZED CRIME, HOMELAND SECURITY INVESTIGATIONS,
443 IMMIGRATION AND CUSTOMS ENFORCEMENT, U.S. DEPARTMENT OF HOMELAND
444 SECURITY; CAROL CAVE, DIRECTOR, OFFICE OF ENFORCEMENT AND IMPORT
445 OPERATIONS, OFFICE OF REGULATORY AFFAIRS, FOOD AND DRUG
446 ADMINISTRATION, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
447

448 STATEMENT OF MR. CHESTER

449 Mr. Chester. Chairwoman DeGette, Ranking Member Guthrie,
450 members of the subcommittee, thank you for inviting me to testify
451 today on this critical issue.

452 The Office of National Drug Control Policy, under the
453 leadership of Director Jim Carroll, leads the development of the
454 administration's national drug control strategy and oversees its
455 implementation.

456 The 2019 strategy is a comprehensive plan to address the

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457 president's top drug priority -- the current opioid crisis --
458 also focusing on the emergence of even newer synthetic opioids
459 and other emerging crises such as methamphetamine use and the
460 increase in cocaine availability.

461 As part of the executive office of the president, ONDCP is
462 uniquely positioned and has played an integral in coordinating
463 a comprehensive approach to drug policy development and
464 implementation.

465 It has facilitated successful interagency collaboration,
466 coordination, and problem resolution on myriad drug policy
467 issues.

468 To that end, ONDCP has led countless interagency efforts
469 directly related to the illicit opioid problem set. ONDCP
470 established the National Heroin Coordination Group, recently
471 renamed the National Opioids and Synthetics Coordination Group,
472 in the fall of 2015 to apply new thinking to the heroin and fentanyl
473 problem and develop a novel approach to addressing it.

474 We worked collaboratively with the interagency in 2016 to
475 develop and issue the Heroin Availability Reduction Plan, or HARP,
476 to guide and synchronize interagency activities against the
477 availability of heroin, fentanyl, and fentanyl analogs.

478 To this day, the HARP is the one document that brings
479 together, contextualizes, and synchronizes the federal
480 government, activities at the federal, state, local, and tribal

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481 levels as well as in the international domain.

482 Ten times every month our opioids and synthetics
483 coordination group leads video teleconferences at all levels of
484 classification and nationwide webinars where departments,
485 agencies, state, local, and tribal officials and key embassies
486 share information and synchronized efforts based upon a common
487 understanding of the strategic trends related to the opioid
488 problem set.

489 This level of direct leadership has been instrumental in
490 developing a better understanding of the crisis at all levels
491 as well as serving as the driver for collaboration and tangible
492 results both domestically and with international partners.

493 Based upon our in-depth understanding of the opioid crisis,
494 key issues such as the challenges of fentanyl detection, safe
495 fentanyl handling, and the need for innovative public health
496 approaches were brought to the forefront and are currently being
497 addressed.

498 Our partnership with the U.S. Postal Inspection Service has
499 increased interagency understanding of the international and
500 domestic mail flow into the United States, and U.S.
501 vulnerabilities in disrupting the fentanyl and synthetic opioid
502 supply chain.

503 Our collaboration with the FBI-led Joint Criminal Opioid
504 and Darknet Enforcement, or J-CODE, team, U.S. Customs and Border

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505 Protection's National Targeting Center, and our management of
506 key international relationships with Mexico, Canada, China,
507 Afghanistan, and others have brought tangible results in
508 disrupting the flow of these dangerous drugs across our borders.

509 For example, because of the interagency focus on disruptive
510 the fentanyl supply chain, in the spring of 2017 CBP began to
511 imprint odor of fentanyl on all narcotics detection K9s, and now
512 more than 450 dogs are trained addressing a critical vulnerability
513 in our detection capability.

514 As the fentanyl threat grew in 2016 and 2017, the lack of
515 good scientific information concerning the threat of fentanyl
516 exposure had a chilling effect on U.S. law enforcement and our
517 first responders.

518 ONDCP initiated an interagency working group to develop and
519 publish the fentanyl safe handling recommendations, and shortly
520 thereafter CBP released a companion roll call video in use today.

521 ONDCP is leading an interagency process with the Departments
522 of Justice and Health and Human Services to schedule fentanyl
523 analogs before the temporary action expires while providing a
524 framework to address the dynamic illicit drug market in a more
525 comprehensive manner and making all of these substances available
526 to the research community.

527 The national drug control strategy states, quote, "While
528 confronting today's drug crisis to arrest its growth and reduce

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529 its effects, we must also further develop the capability,
530 knowledge, and infrastructure to respond to the evolving nature
531 of the drug threat as we move deeper into the 21st century," closed
532 quote.

533 The men and women of ONDCP are doing just that. I would
534 like to thank this committee and your House colleagues for your
535 foresight and leadership in addressing this critical national
536 security, law enforcement, and public health challenge.

537 Thank you for the opportunity to testify today and I look
538 forward to your questions.

539 [The prepared statement of Mr. Chester follows:]

540

541 *****INSERT 1*****

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542 Ms. DeGette. Thank you, Mr. Chester.

543 Mr. Donahue, you're now recognized for five minutes.

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544 STATEMENT OF MR. DONAHUE

545

546 Mr. Donahue. Good morning, Chairman DeGette, Ranking
547 Member Guthrie, and members of the subcommittee. It is my honor
548 to appear before you today to discuss the critically important
549 issue of illicit fentanyl and fentanyl like substances that have
550 had a tremendous impact on the health and safety of our
551 communities.

552 Illicit fentanyl and other fentanyl like substances are
553 especially dangerous drugs are often far more potent and deadly
554 than other drugs like heroin and cocaine.

555 I have had the privilege of being a DEA special agent for
556 almost 30 years, having worked in South America, the Caribbean,
557 and now North and Central American region.

558 When I reflect on my time with DEA, the challenge we face
559 with the ongoing opioid crisis, along with the sophistication,
560 capacity, and global reach of Mexican poly-drug cartels is what
561 worries me and deeply concerns me the most.

562 As the regional director of North and Central America region,
563 I see firsthand everyday the extreme lawlessness and other
564 atrocities committed by Mexican cartels to maintain their
565 dominant market share to provide illegal substances to
566 individuals in the United States.

567 The ruthlessness of these cartels, combined with their

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568 callous greed, is devastating families and communities, resulting
569 in an increase of violent crime in the United States.

570 Dangerous and highly sophisticated cartels operating in both
571 Mexico and the United States have been and will continue to be
572 the most significant source of illicit narcotics trafficked into
573 and throughout the United States.

574 When it comes to illicit fentanyl, China is the primary
575 manufacturing source as well as the source of precursor chemicals
576 needed to manufacture fentanyl outside of China.

577 However, I would be remiss if I didn't say that China has
578 taken important action to stem this manufacturing by the
579 extraordinary step of controlling the entire class of
580 fentanyl-based drugs.

581 History has shown that when China and the United States have
582 jointly controlled the drug it has drastically decreased its
583 importation into the United States.

584 However, Mexican cartels now have increasingly an important
585 role in the fentanyl trafficking. We have witnessed a transition
586 from importation of precursor chemicals for the production of
587 fentanyl to the manufacturing of precursor chemicals and fentanyl
588 within Mexico itself. This is a very alarming development.

589 Fentanyl comes into the United States in three ways. It
590 is shipped directly to the United States through the U.S. mail
591 services, it is trafficked in through our northern border, and

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592 most importantly, it is trafficked over our southern border via
593 Mexican cartels by various means and methods.

594 In many cases, fentanyl comes in the form of counterfeit
595 prescription pills. Oftentimes, people believe they may be
596 ordering Hydrocodone or Oxycodone on the internet but they're
597 receiving a fentanyl or a fentanyl analog, which could lead to
598 deadly consequences.

599 As a leader of DEA in Mexico, I can say confidently that
600 we have not been a spectator in this battle. DEA has the largest
601 footprint of the United States government in Mexico. We are
602 addressing this threat by focussing on efforts of identifying
603 the supply chain and disrupting it. We are working bilaterally
604 and judiciously targeting and dismantling the cartels.

605 Through our more than 300 domestic and international field
606 offices, our special operations division, which works with our
607 interagency and international partners, we are conducting
608 large-scale investigations and prosecuting those who seek to
609 profit and are responsible for the production, transportation,
610 distribution, and sale of these deadly substances.

611 Perhaps one of the most notable examples of these efforts
612 is the 2016 arrest of Sinaloa cartel leader Joaquin Guzman Loera,
613 commonly known as El Chapo, who coincidentally is being sentenced
614 tomorrow in New York City.

615 The DEA will continue to investigate the biggest and most

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616 egregious organizations that are poisoning our communities. We
617 will continue to focus on targeting drug cartels and significant
618 organizations operating in and outside the United States whose
619 only motive is to make tremendous profits on unsuspecting and
620 vulnerable populations.

621 But there is more work to be done. On February 6, 2018,
622 the DEA used its authority under the Controlled Substances Act
623 to temporarily place all nonscheduled fentanyl like substances
624 in Schedule I and it has had a significant impact.

625 Let me reiterate that point. The temporary control of all
626 nonscheduled fentanyl substances has had a significant positive
627 impact in this fight. The class control action has substantially
628 slowed the rate at which new substances are introduced to and
629 encountered on the illicit market.

630 However, this temporary action expires February 2020, which
631 is only 206 days away. Additionally, if lawful access is not
632 addressed, criminals will continue to use our own laws to evade
633 detection and exploit members of our communities as technology
634 advances and law enforcement is prevented from judicial
635 interception and collection.

636 Make no mistake -- no matter the challenge, DEA will never
637 stop aggressively pursuing the most dangerous and prolific
638 criminals trafficking in illicit drugs in our communities.

639 Thank you for the opportunity to testify before your

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640 subcommittee on this important issue and I look forward to your
641 questions.

642 [The prepared statement of Mr. Donahue follows:]

643

644 *****INSERT 2*****

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645 Ms. DeGette. Thank you so much, Mr. Donahue.

646 Mr. Overacker, you are now recognized for five minutes.

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647 STATEMENT OF MR. OVERACKER

648

649 Mr. Overacker. Chairwoman DeGette, Ranking Member Guthrie,
650 members of the subcommittee, thank you for the opportunity to
651 testify before you today.

652 I am proud to represent the men and women of the U.S. Customs
653 and Border Protection, our nation's unified border agency with
654 a vital counter narcotics mission.

655 On a typical day, CBP seizes more than 5,800 pounds of
656 narcotics that would otherwise make their way into American
657 communities. While today's hearing focusses on the opioid crisis
658 and its devastating effects, CBP is committed to stopping all
659 illicit drugs from crossing our borders.

660 For example, last month, with our partners at Homeland
661 Security investigations and the United States Coast Guard, CBP
662 seized more than 19 tons of cocaine on a container ship in
663 Philadelphia.

664 The cocaine had an estimated street value in excess of \$1.3
665 billion and was the largest cocaine seizure in the combined
666 230-year history of the U.S. Customs Service and CBP.

667 Compared to cocaine or methamphetamine, CBP seizures of
668 fentanyl are relatively low. However, these seizures have
669 increased dramatically in recent years and that is cause for
670 concern.

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671 In fiscal year 2013, CBP seized approximately two pounds
672 of fentanyl. Last year, we seized over 2,100 pounds. Through
673 June of this year, we have already seized as much as we did last
674 year. Most of the fentanyl coming into our country does so at
675 ports of entry along the Southwest border. It's brought in by
676 privately owned vehicles, commercial vehicles, even pedestrians.

677

678 Less frequent is fentanyl entering through international
679 mail packages and express consignment environments. In those
680 cases, most of the shipments originate from China.

681 However, the fentanyl in the international mail and express
682 environments is far more potent and pure than the fentanyl
683 crossing the Southwest border. Stopping fentanyl and other
684 narcotics takes a collaborative effort.

685 Through CBP's national targeting center we work with our
686 partners to identify and disrupt fentanyl smuggling at ports of
687 entry, international mail facilities, and express consignment
688 carrier facilities.

689 Our partners include Homeland Security investigations, the
690 United States Postal Inspection Service, the Drug Enforcement
691 Administration, Health and Human Services, Food and Drug
692 Administration, the Office of National Drug Control Policy, the
693 Organized Crime Drug Enforcement Task Force, and numerous other
694 domestic and international partners.

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695 Based on our encounters, CBP produces intelligence products
696 to help identify the tactics, techniques, and flow of drug
697 trafficking. This enhances targeting efforts and supports
698 investigations.

699 It also provides policymakers, agency leadership, and the
700 intelligence community with information that can lead to drug
701 interdiction.

702 Information sharing, advanced electronic data, the
703 targeting of precursors and pill presses are among the many
704 elements that inform our actionable intelligence and allow us
705 to combat narcotics trafficking in a dynamic threat environment.

706 In addition, CBP uses a variety of technologies and
707 techniques to detect and identify illicit drugs. With the
708 support of Congress, we are making significant investments and
709 improvements in these capabilities, including additional
710 narcotics detection K9 teams, enhanced field testing and new
711 nonintrusive inspection, or NII, equipment.

712 NII contributes to more than 98 percent of the number and
713 total weight of seizures. Currently, CBP scans approximately
714 2 percent of privately-owned vehicles and 16 percent of commercial
715 vehicles arriving at the Southwest border ports of entry.

716 To enhance our capabilities, CBP has developed a new model
717 port concept that prioritizes the use of drive through scanning
718 equipment to streamline the inspection process and increase

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719 scanning rates, thereby increasing the probability of
720 interdiction.

721 To protect CBP personnel, who may be exposed to dangerous
722 substances during the course of their duties, we have deployed
723 more than 1,100 two-dose boxes of counter narcotic Naloxone to
724 train personnel in the field.

725 CBP was the first federal law enforcement agency to implement
726 such a program and we have already administered nine lifesaving
727 doses to members of the public.

728 Together, CBP and its partners are focused on enhancing
729 collaboration and information sharing to reduce the amounts of
730 illicit opioids that cross our land, air, and sea borders.

731 Thank you for allowing me the opportunity to tell our story.
732 I look forward to your questions.

733 [The prepared statement of Mr. Overacker follows:]

734

735 *****INSERT 3*****

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736 Ms. DeGette. Thank you so much.

737 Mr. Barksdale, you are now recognized for five minutes.

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738 STATEMENT OF MR. BARKSDALE

739

740 Mr. Barksdale. Good morning, Chair DeGette, Ranking Member
741 Guthrie, and members of the subcommittee.

742 I appreciate this opportunity to be here today to discuss
743 efforts to combat opioids, including fentanyl.

744 My name is Gary Barksdale. I am the chief postal inspector
745 for the United States Postal Inspection Service, the law
746 enforcement arm --

747 Ms. DeGette. Mr. Barksdale, can you move the microphone
748 just a little closer? Thank you.

749 Mr. Barksdale. Winning the battle against illicit drugs
750 in the mail stream is one of our top priorities. Postal
751 inspectors work not only to remove drugs from the mail but to
752 investigate and arrest individuals and disrupt drug trafficking
753 networks across the U.S.

754 Internationally, the inspection service is working
755 aggressively to stem the flow of illegal drugs entering the
756 country.

757 Due to the opioid crisis, nearly two years ago we created
758 an internal team of cross-functional subject matter experts
759 specifically focussed on narcotics trafficking through the mail.

760

761 The Contraband Interdiction and Investigations team, or CII,

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762 uses enhanced investigative methods, deploys resources as needed,
763 and strengthens strategic partnerships to achieve significant
764 improvements in our ability to seize fentanyl and synthetic
765 opioids from the mail.

766 The inspection service works closely with other law
767 enforcement agencies to share intelligence, coordinate cases,
768 and conduct joint enforcement operations to maximize our
769 resources and impact.

770 Relationships with partners such as DEA, HSI, CBP, and FDA
771 allow us to better advance our mission to enforce the laws that
772 defend the nation's mail.

773 Inspection Service personnel are assigned full time at
774 ONDCP, the DEA's Special Operations Division, the National Fusion
775 Center, and CBP's national targeting center. Internationally,
776 the Postal Inspector is now detailed at Europol and the Hague.

777 We also work with state and local law enforcement to share
778 intelligence and conduct joint operations including several
779 Inspection Service sponsored task forces. These relationships
780 facilitate communication and data sharing that enable the
781 identification of drug trafficking organizations which would not
782 be possible without interagency cooperation.

783 The Inspection Service launched cyber and analytics unit
784 to enhance investigative techniques to better utilize data to
785 target parcels. Due to many illicit dark web vendors aligned

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786 with physical delivery networks for their products, the
787 Inspection Service is involved with investigations into vendors
788 and the take down of their illicit marketplaces.

789 The Inspection Service has also joined DHS, CBP, and ONDCP
790 as a sponsor for the opioid detection challenge, which is a global
791 prize competition for rapid nonintrusive detection tools that
792 will help find illicit opioids in international mail.

793 Postal inspectors interdict and seize thousands of illegal
794 drug shipments in the mail. From fiscal year 2016 through 2018,
795 we achieved a thousand percent increase in international
796 synthetic opioid seizures and a 750 percent increase in domestic
797 synthetic opioid seizures.

798 Thus far in fiscal year 2019 we have seized 185 synthetic
799 opioid parcels, 153 of which were in the domestic mail stream.

800 Our current stats represent a decrease in international seizures
801 while our domestic seizures are trending up.

802 This shift may suggest synthetic opioids are increasingly
803 entering the country through means other than international mail.

804 In 2018, Congress enacted the STOP Act, which requires the
805 Postal Service to receive advanced electronic data, or AED, on
806 at least 70 percent of inbound package shipments including 100
807 percent of shipments from the People's Republic of China by
808 December 2018 and 100 percent of all inbound international
809 shipments by December 2020.

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810 The volume of inbound packages with AED has improved from
811 26 percent in October of 2017 to approximately 60 percent in May
812 of 2019, while the volume of packages with AED from China has
813 increased from 32 percent to approximately 85 percent in May of
814 2019. This represents a significant improvement within a
815 relatively limited period of time.

816 The Postal Service continues to collaborate with foreign
817 postal operators and organizations that support international
818 postal operations to work towards obtained AED on 100 percent
819 of inbound packages and shipments.

820 We have significantly improved coordination with CBP and
821 developed processes to ensure we take action on requests to hold
822 packages for inspection.

823 The Postal Service currently has a 93 percent success rate
824 in the capture of CBP hold requests and they will continue to
825 focus on employing technology to improve interception capability
826 and reach 100 percent.

827 The Postal Service takes seriously its mission to protect
828 the security and sanctity of the mail and is committed to taking
829 all necessary actions to combat illicit drugs in the mail.

830 Thank you for this opportunity to testify and I look forward
831 to your questions.

832 [The prepared statement of Mr. Barksdale follows:]

833 *****INSERT 4*****

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834 Ms. DeGette. Thank you, Mr. Barksdale.

835 Mr. Prince, you're now recognized for five minutes.

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836 STATEMENT OF MR. PRINCE

837

838 Mr. Prince. Chairwoman DeGette, Ranking Member Guthrie,
839 and distinguished members of the subcommittee, thank you for the
840 opportunity to appear before you to discuss my agency's efforts
841 in attacking the national opioid crisis impacting our
842 communities.

843 Homeland Security investigations is the department's
844 primary criminal investigative agency and is focussed on
845 disrupting and dismantling transnational criminal organizations.

846 As the sole investigative agency with combined customs and
847 immigration authorities, HSI investigates and enforces more than
848 400 federal criminal statutes that protect our nation's trade,
849 travel, financial, and immigration systems.

850 Today, I would like to speak about our successful efforts
851 in combatting the flow of illicit fentanyl into the United States.

852 In fiscal year 2018, HSI initiated 1,393 opioid related criminal
853 investigations, executed 5,262 opioid related criminal arrests,
854 and seized a total of 9,928 opioid -- pounds of opioids, which
855 consisted of 2,737 pounds of fentanyl and 7,103 pounds of heroin.

856 Our 2019 fiscal year statistics are set to exceed 2018
857 statistics in these areas. HSI has collaborated with Chinese
858 authorities to address the China-sourced fentanyl threat through
859 investigative information sharing. As of May 1st, 2019, Chinese

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860 authorities passed legislation making all fentanyl illegal.

861 However, it is still -- it still remains a threat. We are
862 now urging general administration of China customs and China
863 postal services to secure its mail and express consignment
864 industry.

865 Through our transnational criminal investigative units in
866 Mexico, HSI works to disrupt Mexico-based opioid TCOs. TCIUs
867 are multi-discipline units comprised of foreign law enforcement
868 officials who ensure that shared information and operational
869 activities are collaborated upon without compromise.

870 HSI's customs authorities extend to the virtual border of
871 the open internet and the dark net. HSI's Cyber Crime Center,
872 known as C3, provides support and assistance to global cyber
873 investigations targeting illicit marketplaces where fentanyl and
874 opioid sales proliferate.

875 Today, HSI has more than 700 open cyber crime investigations
876 and more than 200 investigations specifically targeting criminal
877 dark net organizations.

878 Many of these investigations focus on illicit opioid
879 suppliers. HSI is at the forefront of cyber investigations and
880 has been successful in developing methods to track and trace
881 digital crypto currency, often used as a payment system for online
882 opioid transactions.

883 In fiscal year 2018, HSI delivered its online international

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884 opioid smuggling training course to more than 4,000 local, state,
885 federal, and international law enforcement partners.

886 This course provides law enforcement with the technical
887 knowledge and in-depth case briefings to assist criminal
888 investigations involving the dark net and crypto currency-related
889 crimes.

890 The Border Enforcement Security Task Force, known as BEST,
891 utilizes local, state, and federal agencies at land border sea
892 port, international airport, and mail facility locations to
893 target TCOs.

894 There are currently 65 BEST teams across the United States
895 and we have increased our presence at international mail
896 facilities and express consignment carrier to include JFK, LAX,
897 Memphis, and Louisville.

898 We have also established BEST teams in areas hardest hit
899 by the opioid epidemic such as Ohio and West Virginia. In fiscal
900 year 2018, BEST Memphis initiated 204 narcotic control
901 deliveries, executed 46 criminal arrests. It effected 149
902 seizures.

903 BEST Cleveland has initiated Operation Darkness Falls to
904 target top dark net vendors. Darkness Falls has led to the
905 disruption and dismantlement of large-scale opioid vendors to
906 include the largest identified fentanyl vendor with the most
907 verified transactions.

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908 The National Targeting Center Investigations -- NTCI --
909 partners with CBP and Postal Inspection Service to interdict
910 illicit opioids entering the United States.

911 Recently, NTCI assisted in an investigation where 171 pounds
912 of fentanyl was seized from a New Jersey-based TCO involved in
913 the importation of opioids.

914 To date, this investigation is one of the largest domestic
915 seizures of fentanyl from China. HSI seeks to identify, disrupt,
916 and dismantle criminal financial networks and leverages a
917 multitude of investigative techniques to target money service
918 businesses, all cash smuggling, and crypto currency.

919 In fiscal year 2019 thus far, HSI seized nearly \$1.9 million
920 in fentanyl-related digital currency and has over 268 open
921 investigations involving the illicit use of crypto currency.

922 I am grateful for the opportunity to appear before you to
923 share HSI's efforts to combat the opioid epidemic. We will
924 continue our commitment to maximize our full complement of
925 authorities.

926 I thank you for the support that you provide to HSI as we
927 execute our mission and I look forward to any questions you have.

928 [The prepared statement of Mr. Prince follows:]

929

930 *****INSERT 5*****

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931 Ms. DeGette. Thank you so much, Mr. Prince.

932 And Ms. Cave, you are now recognized for five minutes.

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933 STATEMENT OF MS. CAVE

934

935 Ms. Cave. Good morning, Chairwoman DeGette, Ranking Member
936 Guthrie, and members of the subcommittee.

937 Thank you for the opportunity to be here today to discuss
938 the Food and Drug Administration's role in combatting our nation's
939 ongoing crisis of opioid addiction, specifically regarding
940 fentanyl.

941 I am Carol Cave, the director of the Office of Enforcement
942 and Import Operations within FDA's Office of Regulatory Affairs.

943 FDA, along with our partner government agencies, continue
944 to work together to consider more active and creative steps to
945 make inroads against this crisis.

946 I am pleased to be here today to discuss the work we are
947 doing at our nation's borders and at the international mail
948 facilities, or IMFs.

949 FDA plays an important role related to the interdiction work
950 that takes place in IMFs and has acted to enhance our operations
951 there. In the international mail environment, Customs and Border
952 Protection is the leading interdicting authority for controlled
953 substances including fentanyl and other opioids.

954 As such, they examine before FDA and generally will act
955 against these types of shipments without forwarding for FDA for
956 review. FDA is focusing on inspecting and sometimes testing

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957 products that may be counterfeit or unapproved drug products.

958 Last year, Congress gave FDA more tools to intercept illicit
959 drugs coming through our nation's IMFs by enacting the SUPPORT
960 Act. On behalf of FDA, I would like to thank the members of this
961 committee for your work on these important authorities.

962 The SUPPORT Act, specifically Section 3022(d), gives the
963 FDA new authority to treat imported articles as drugs when they
964 meet certain requirements, even in the absence of certain evidence
965 of intended use.

966 This allows FDA to apply its existing authorities to
967 appropriately detain, refuse, and administratively destroy these
968 subject articles.

969 The implementation of this section, which began in March
970 of this year, has been an unquestioned success. For articles
971 determined to be under the 801(u) product specifically our
972 destruction rate is, roughly, 99 percent, thus eliminating
973 distribution of these products into the hands of consumers.

974 Additionally, on April 4th of 2019, FDA and CBP leaders
975 signed a letter of intent that addresses the areas of cooperation
976 outlined in Section 3014 of the SUPPORT Act, including information
977 sharing, operational coordination for better targeting of
978 high-risk parcels, and collaborative strategies. FDA and CBP
979 have actively been exploring ways to enhance collaboration and
980 increased efficiency of operations by sharing existing but

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981 limited space.

982 As FDA is able to increase the amount of space allocated
983 to its activities in the IMS, FDA can further add staff, enabling
984 the agency to expand its admissibility review of drugs shipped
985 into the U.S. international mail parcels.

986 The letter of intent also addresses FDA's and CBP's
987 commitment to establish, expand its scientific presence at the
988 IMS considered most of risk of receiving opioids and other illegal
989 or dangerous drugs entering the United States.

990 FDA and CBP are looking at ways to develop and refine
991 laboratory-based methods to identify unapproved, counterfeit,
992 and other unlawful controlled substances.

993 The division of import operations managers have met several
994 times with their counterparts at CBP and U.S. Postal Service to
995 assess how our respective systems can be utilized to share data
996 and information on actions taken by the agencies on individual
997 parcels and commodities.

998 All three agencies are considering the most appropriate and
999 efficient means of using existing data streams to share IMS
1000 specific data and investigational outcomes.

1001 We remain committed to using our regulatory authority to
1002 the fullest extent to address the opioid crisis including new
1003 authorities granted by FDA -- granted to FDA by the SUPPORT Act.

1004 Thank you for the opportunity to testify today and I look

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1005 forward to answering your questions.

1006 [The prepared statement of Ms. Cave follows:]

1007

1008 *****INSERT 6*****

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1009 Ms. DeGette. Thank you so much, Ms. Cave.

1010 It is now time for members to ask you questions and the chair
1011 will recognize herself for five minutes.

1012 Mr. Donahue, combatting fentanyl is challenging because,
1013 as we all know, it is cheap and easy to make. It has huge profits.

1014 It is hard to detect in shipments and it is deadly even in small
1015 amounts.

1016 It is also increasingly mixed into other drugs, often without
1017 the user's knowledge, and so that leads to more overdoses.

1018 Would you agree with me with that assessment of the challenge
1019 that we are facing?

1020 Mr. Donahue. Yes, Congresswoman. I appreciate the
1021 question and it's not an easy one because with all the drugs and
1022 the fentanyl and the different types of drugs coming in from other
1023 countries we are required to have their cooperation and we
1024 actually investigate these cartels specifically here with the
1025 fentanyl coming in. We are concerned with China, sometimes
1026 India, sometimes Holland where the drugs are coming in --

1027 Ms. DeGette. Right.

1028 Mr. Donahue. -- directly to United States and/or to Mexico
1029 to produce it and send it up.

1030 Ms. DeGette. But it's -- because of all the things I said
1031 it's harder to make those identifications and so working with
1032 the other countries is even more important. Wouldn't that be

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1033 fair?

1034 Mr. Donahue. Extremely important, and with our panel
1035 members here as well working collectively on attacking the people
1036 who are actually producing the drugs and shipping the drugs and
1037 actually really the key is prosecutions.

1038 Ms. DeGette. Right.

1039 Mr. Donahue. We got to do something with the seizures that
1040 we make in the United States and bring it back to the source
1041 countries and gain their cooperation to attack the source of the
1042 drugs.

1043 Ms. DeGette. To do it there.

1044 Mr. Chester, your agency has been trying to coordinate drug
1045 control efforts for a long time. What are we doing to think
1046 outside the box in addressing the fentanyl threat that's different
1047 from what we've been doing with some of the previous illicit drug
1048 control strategies?

1049 Mr. Chester. Thank you for the question, ma'am. I think
1050 we've done a couple of things. The first one is we have, through
1051 our interagency coordination and our work with the intelligence
1052 community and with partner nations, we are a generation ahead
1053 of where we were before in understanding the problem first, which
1054 I don't believe we had a good grasp on what the nature of the
1055 problem was and we didn't have an ability --

1056 Ms. DeGette. When was that? When was that?

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1057 Mr. Chester. This was really about the 2014-2015 time
1058 frame, and so what this does is with this greater understanding
1059 we can -- we can look beyond the immediate actions that we take
1060 and are better able to anticipate trafficker actions in switching
1061 to other synthetic opioids. I think that's the first thing.

1062 And then I think the second thing is we look outside of the
1063 bounds of one particular class of drugs to things like
1064 nonsynthetic opioids and things of that nature, and our
1065 understanding has allowed us to be able to be more -- much more
1066 anticipatory than we have been in the past.

1067 Ms. DeGette. Do you think that the agency cooperation has
1068 been different than it was before and if so, how?

1069 Mr. Chester. Absolutely. I think the level of information
1070 sharing -- the first one is in the mechanisms that we have put
1071 in place, and when I say ten times every single month all of the
1072 members of this -- of this panel and the agencies and departments
1073 that they represent, we have mechanisms to share cooperations
1074 at all levels of classification.

1075 The ability to coordinate and the ability not only to shape
1076 our own actions domestically but our approach with other countries
1077 as well much, much better than it has been in the past.

1078 Ms. DeGette. Mr. Overacker, I would like to ask you, do
1079 you agree that the agencies are doing a better job of sharing
1080 data and working together than in the past?

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1081 Mr. Overacker. Yes, I believe so. My experience tells me
1082 that when we can link up, you know, investigators with operators
1083 we can do a better job of basically identifying targets and
1084 supporting, you know, investigations in the field.

1085 This is something we've done at our national targeting
1086 center. It's been successful, and now with this fentanyl crisis
1087 we've really amped up our capabilities for that purpose.

1088 Ms. DeGette. What is it that you're doing differently now?
1089 Obviously, we can all agree that coordination is great. But
1090 what is it that you're doing differently?

1091 Mr. Overacker. Well, I wouldn't necessarily say it's
1092 different, just to say that I think what we've learned over the
1093 years is we have to be working on this daily.

1094 It has to -- you know, it's a collaboration and it really
1095 is something you have to work on every day and I think it's just
1096 -- the level of collaboration we have for the fentanyl crisis
1097 is more than what we've seen for other issues in the past.

1098 Ms. DeGette. And what can we do to help you do your job
1099 better? Is there something -- is there a better way to share
1100 data across the agencies? Is there something that we can do to
1101 help?

1102 Mr. Overacker. Well, you know, we certainly appreciate your
1103 support -- your continued support for CBP. As far as data
1104 sharing, we do have, you know, data sharing arrangements with

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1105 all of these agencies, and because we work collectively at our
1106 national targeting center we are able to share information in
1107 a sort of rapid real-time format.

1108 Ms. DeGette. Okay. Thank you.

1109 I yield back and recognize Mr. Guthrie for five minutes.

1110 Mr. Guthrie. Thank you very much, and I want to go down
1111 the panel with this question, and so be mindful I got to do that
1112 in five minutes and ask a couple of other questions, too. So
1113 I am going to be brief.

1114 So I just want each of you to say your agencies -- what you
1115 -- in fentanyl what is your biggest accomplishment the past two
1116 years -- your agencies.

1117 I know you have done a lot, but your biggest -- and then
1118 what your biggest challenge is.

1119 Mr. Chester. I would say that our biggest accomplishment
1120 is the publishing of the National Drug Control Strategy, which
1121 contextualized everything the departments and agencies are doing
1122 in this particular regard for all drug issues, but in this one
1123 specifically.

1124 I would say that our biggest challenge is the rapidity with
1125 which new substances appear in the United States either have
1126 crossed our borders or are detected in post-mortem toxicology
1127 testing.

1128 That is -- that is something that requires an enormous amount

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1129 of effort.

1130 Mr. Guthrie. Thank you.

1131 Mr. Donahue?

1132 Mr. Donahue. I would say one of our biggest accomplishment
1133 is actually scheduling -- emergency scheduling all analogs of
1134 the fentanyl, which has really greatly helped DEA in our
1135 investigations. One of our biggest challenges is actually
1136 obtaining the evidence required to enter to the Grand Jury in
1137 the United States to target these cartels that are producing and
1138 trafficking in fentanyl in the court of law in the United States.

1139 We recently established our Sensitive Investigative Units
1140 specifically for that reason to work with our counterparts to
1141 obtain evidence in the foreign countries to utilize back in the
1142 Grand Jury in the United States. But that's a very big
1143 accomplishment for us that we are going to use, going forward.

1144 Mr. Guthrie. Thank you.

1145 Mr. Overacker?

1146 Mr. Overacker. From a CBP perspective, I would say one is
1147 our detection capabilities. We now have a fully staffed 24/7
1148 laboratory in Springfield, Virginia, dedicated exclusively to
1149 fentanyl and we've also deployed detection equipment throughout
1150 CBP so we can identify fentanyl in a safe way.

1151 I would also say that our collaboration with the U.S. Postal
1152 Inspection Service is another big success story for us as we

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1153 increased our level of effort with them. And also just through
1154 our national targeting center the partners that we work with there
1155 and the coordination efforts, the sort of community of effort
1156 that we've established through the national targeting center is
1157 important.

1158 Mr. Guthrie. Thank you.

1159 Mr. Barksdale?

1160 Mr. Barksdale. Thank you. I would say our biggest
1161 accomplishment, as Mr. Overacker has said, is our collaboration
1162 and data sharing, our embedded inspectors at the national
1163 targeting center and DEA's SOD. I've seen a difference in the
1164 type of cases we are making.

1165 As far as challenges, I think our biggest challenge is also
1166 one of our biggest successes is although we've improved in our
1167 capability to attack the problem, internet sales is still a
1168 challenge, going forward.

1169 As good as we are taking down one site, they will quickly
1170 stand up another site or a different marketplace so that will
1171 be a challenge, going forward.

1172 Mr. Guthrie. Thank you.

1173 Mr. Prince?

1174 Mr. Prince. I would say some of our things that we can --
1175 we can definitely say we've accomplished is our development of
1176 the innovation lab, which is something we bring problem sets to

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1177 to help us expand our capability to deal with stuff like opioids
1178 and our expansion of the BEST initiative as well, particularly
1179 with our recent expansions, which we think are going to bear fruit.

1180 You know, our block chain analysis as well in the crypto
1181 currency space is something that we are very proud of. We
1182 continue to make inroads in that and it helps us develop much
1183 more robust target packages on our complex conspiracy
1184 investigations.

1185 Obviously, China is recalcitrant when it comes to a lot of
1186 these issues that we are dealing with that was part of our oral
1187 testimony, and I would say that's a challenge that we continue
1188 to deal with.

1189 Mr. Guthrie. Thank you.

1190 Ms. Cave?

1191 Ms. Cave. Good morning. I would say the number-one thing
1192 for the FDA is, clearly, the 801(u) authority that was given to
1193 us by the SUPPORT Act, which actually allows us to destroy product
1194 when it's coming in as opposed to refusing admission and
1195 exporting.

1196 So thank you very much for that. In terms of challenge,
1197 I would say it's just in the international mail facilities in
1198 terms of the volume and the sheer volume that we are dealing with
1199 and the advanced -- you know, lack of advanced data that comes
1200 in, for example, on addressing those issues.

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1201 Mr. Guthrie. A colleague of mine, a couple of them, have
1202 seen different targeting centers the thing you're talking about
1203 and just amazed at the effort that you guys are doing in working,
1204 and then second of all, and just also amazed at the volume you're
1205 dealing with. So what you just mentioned.

1206 So we are mindful of that. I hope to see something -- one
1207 of those as well.

1208 Mr. Donahue, I just have less than a minute left. But the
1209 Wilson Center Mexico Institute reported that fentanyl is entering
1210 Mexico via the Ports of Manzanilla and Lazaro Cardenas -- we say
1211 Cardenas, who's our colleague here -- but Cardenas.

1212 Do you agree with that finding and, if so, what level of
1213 cooperation is DEA getting from Mexico law enforcement
1214 authorities at these ports in taking and seizing fentanyl?

1215 And when are their -- I will go ahead and ask the second
1216 question -- you may answer them together. In an interview with
1217 the Wilson Center Mexico Institute, Mexico federal forces said
1218 that they did not believe that fentanyl was a significant part
1219 of the Mexican drug traffickers' criminal portfolios.

1220 In your opinion, what do you comment on that?

1221 Mr. Donahue. They are both two big ports where we see
1222 enormous amount of precursor chemicals coming in, not just for
1223 fentanyl but for methamphetamine and for production of heroin
1224 as well.

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1225 We are seeing chemicals coming in through the airports as
1226 well from China in various forms. We are working with OFAC as
1227 well to take those addresses that we are getting in China, working
1228 with our offices in China to follow up to see what laboratories
1229 they're coming from.

1230 So you see large numbers coming in through the ports. But
1231 we also see them coming in through the airports and other small
1232 airports as well in Mexico.

1233 In our assessment and active investigations and intelligence
1234 they are synthesizing fentanyl inside of Mexico and we've seen
1235 pill mills with industrial size pill presses making fentanyl pills
1236 inside of Mexico, specifically on the border, and we've had
1237 seizures in the airports of pills --

1238 Mr. Guthrie. I didn't leave you much time to answer. My
1239 time has expired. So I appreciate your answer.

1240 Ms. DeGette. Thank you so much.

1241 The chair now recognizes Ms. Schakowsky for five minutes.

1242 Ms. Schakowsky. I thank the chair and ranking member and
1243 I thank you all for coming today to testify.

1244 I am really glad that you all gather together to discuss
1245 this critical issue and I believe it will require a broad
1246 government approach to tackle the spread of illicit fentanyl
1247 across the public health, law enforcement, and international
1248 relations sector.

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1249 In particular, I am glad that in recent years both the
1250 legislative and executive branches appear to have realized the
1251 devastating failure of the previous war on drugs and have turned
1252 to a system of helping rather than locking up drug users, which
1253 has led to mass incarceration of hundreds of thousands of
1254 Americans, mostly brown and black.

1255 Recently, Secretary of Health and Human Services Alex Azar
1256 indicated that he would be fully in support, for example, of needle
1257 exchange programs as part of his agency's plan to combat HIV --
1258 the HIV epidemic. But needle exchanges are also critical
1259 responses to the opioid epidemic.

1260 In Illinois, Lindsay Hartman of Kane County runs a van every
1261 Saturday that provides clean needles, clean straws, Naloxone,
1262 and everything else a drug user needs to stay alive, and thankfully
1263 the Illinois state legislature passed a bill last month to ensure
1264 public health vans like Lindsay's can continue to run without
1265 fear of legal repercussions.

1266 One important item that's on that van is -- are test strips
1267 that can detect the presence of fentanyl in drugs. A recent study
1268 from RTI International found that, quote, "People who use
1269 illicitly made street opioids and tests them for fentanyl by using
1270 fentanyl test strips are five times more likely to engage in safer
1271 drug use behavior than when the test comes back positive," end
1272 quote.

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1273 So you can imagine I was disappointed to learn that Assistant
1274 Secretary of Mental Health and Substance Use Dr. Elinore
1275 McCance-Katz has publicly come out against the use of these test
1276 strips, and she wrote, quote, "Is it our goal simply to stop people
1277 from dying so they can continue a life of 'safe' heroin use or
1278 should our goal be different?" End quote.

1279 So Mr. Chester and Ms. Cave, and then anybody else who would
1280 like to respond, do you believe that fentanyl testing strips and
1281 other similar innovative measures are essential to -- for
1282 preventing death and shouldn't that be an objective in light of
1283 the current fentanyl epidemic?

1284 Mr. Chester. Thank you, Congresswoman. I can't speak on
1285 behalf of anyone else. I can just --

1286 Ms. Schakowsky. No, I am asking you.

1287 Mr. Chester. Yes, I understand. So the approaches as we
1288 laid out in the drug control strategy is three pillars, and two
1289 of those three pillars are public health. One of them is to
1290 prevent drug use before it starts and then the second one is to
1291 provide treatment leading to long-term recovery. Those are our
1292 main efforts, and any public health interventions, and when I
1293 mentioned in my testimony innovative public health interventions
1294 there are a wide range of things that we discuss and that we
1295 consider. We look for their efficacy in the public health space,
1296 all designed to save lives and to get people on their path to

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1297 recovery.

1298 That is our principle concern and that is the bulk of our
1299 efforts in the public health space specifically when it comes
1300 to opioids.

1301 Ms. Schakowsky. So saving lives is a goal?

1302 Mr. Chester. Absolutely. That is the single and, as it
1303 states in the strategy, the single criterion of success is to
1304 save American lives and stop Americans from losing their lives
1305 to these deadly drugs. Yes, ma'am.

1306 Ms. Schakowsky. Thank you.

1307 Ms. Cave?

1308 Ms. Cave. So to echo that, I would say I am not a scientist
1309 or a physician either, and so I would -- honestly, I would take
1310 this back to our department and have them answer as an HHS response
1311 in terms of what their opinion would be on this issue.

1312 Ms. Schakowsky. Okay. But it doesn't take a scientist,
1313 it seems to me, if test strips would actually show that fentanyl
1314 is present and prevent people -- five times more people -- lives
1315 saved because of it, that that's really a values question.

1316 Ms. Cave. Right. I would say safety, obviously, is number
1317 one.

1318 Ms. Schakowsky. Thank you. I yield back.

1319 Ms. DeGette. Thank you.

1320 The chair now recognizes Mr. McKinley for five minutes.

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1321 Mr. McKinley. Thank you, Madam Chair, and I want to thank
1322 you for holding this hearing. I got to tell you, I am really
1323 disappointed that it's taken us seven months to have another
1324 hearing on this topic. Seven months.

1325 It looks like we are going to get started again because we
1326 had a hiatus from last -- the last Congress. Think about it.

1327 During the last Congress we had H.R. 6.

1328 We had CARA, 21st Century CURES. We were having multiple
1329 hearings on this, and then it all went silent. And I thank you
1330 for bringing it back up again.

1331 I think everyone has to understand during that hiatus, during
1332 that period of time -- seven months -- 215 people died yesterday
1333 from substance abuse. Two hundred and fifteen people died today.

1334 Two hundred and fifteen people are going to die tomorrow.

1335 In my state of West Virginia, the epicenter of this problem,
1336 we have one person dying every eight hours from a drug problem.

1337 I think we need to be faster with this.

1338 So let me question, though. The theme or the concept that
1339 I am still struggling with is that why, and I've had a conversation
1340 with NIH.

1341 We've had conversations with other folks. Why are -- why
1342 are Americans turning to drugs to deal with their problems? Why
1343 is it that we have such a problem?

1344 I've got the report here that has been filed that talks about

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1345 why America is leading the globe in the use of drugs. As an
1346 example, in France about 350 people died two years ago from drug
1347 overdose out of 66 million.

1348 That's a half of a person per 100,000. In Ohio, it's 35.
1349 Nearly 40 persons per 100,000 is dying from drugs. Why is France
1350 not using drugs? What are they doing right in France?

1351 Or take England, for example. England's ratio of death
1352 overdose by drugs is four per 100,000. In West Virginia, it's
1353 52. What are we doing about -- what are we actually doing?

1354 Some of you, like Mr. Barksdale -- it's not your issue with
1355 the Postal -- but I want to understand why are Americans turning
1356 to drugs so rapidly and quickly instead of finding another way
1357 to deal with drugs.

1358 Because what we are dealing in this hearing right now is
1359 the results. We want to chase the drug after it's come here.

1360 I want to understand why our kids, adults, others, are turning
1361 to drugs in the first place when the rest of the world isn't.

1362 They're finding other ways to deal with this problem.

1363 So I would like maybe each of you to tell me why is it that
1364 you think America is using drugs at such a greater rate than
1365 anyplace else in the world.

1366 Start with you, Mr. Chester.

1367 Mr. Chester. Thank you for the question, Congressman. I
1368 am not -- I am not prepared to answer why that is. I don't know

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1369 just as you don't. I think that there are a lot of -- a lot of
1370 variables as to why individuals choose to use drugs.

1371 However, I will say that we no longer speak in terms of supply
1372 and demand. We speak in terms of availability and use, because
1373 we do know and our experience has shown that the greater
1374 availability of drugs in a community the greater chance that an
1375 individual will be able to use them for the first time and that
1376 first use leads to chronic use very, very quickly, particularly
1377 with opioids.

1378 Mr. McKinley. Reclaiming my time.

1379 Last year we had Zuckerberg in here from Facebook. We had
1380 Dorsey in here from Twitter. And both of them were saying how
1381 -- thumping their chest they don't use -- they don't sell -- they
1382 don't allow that to be sold on their platforms.

1383 But yet, we demonstrated on both occasions that you can get
1384 drugs without prescriptions with Facebook, Twitter, Google, all
1385 these other accounts, and within hours each of them pulled it
1386 back down again.

1387 And I am here to say I am told they're back up again. So
1388 regardless of -- we took them to task. They're back out there
1389 again.

1390 So we talk about availability. Are our social media
1391 platforms -- are they being used and how can we structure that?

1392 How can we in Congress do a better job to prevent Facebook,

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1393 Twitter, and others from selling drugs over the internet?

1394 Mr. Donahue?

1395 Mr. Donahue. Well, two things. I will get with our demand
1396 reduction unit in our DEA headquarters because it's an important
1397 question that you asked and I will get you our answer and our
1398 opinion that we got with DEA why people are using drugs.

1399 I know one of the things we are always pushing for is the
1400 ability to be able to judiciously intercept devices -- Facebook,
1401 other things -- that we currently can't do with a judicial order
1402 which causes a huge problem for law enforcement to infiltrate
1403 certain organizations, not having the ability to get into certain
1404 encrypted devices.

1405 Mr. McKinley. Thank you. My time has expired. I yield
1406 back.

1407 Ms. DeGette. The gentleman's time has expired.

1408 The chair recognizes the gentlelady from New Hampshire, Ms.
1409 Kuster.

1410 Ms. Kuster. Thank you, Madam Chair, and thank you again
1411 for holding this hearing.

1412 As we know, the opioid epidemic continues to impact
1413 communities across this country. This is a crisis that knows
1414 no demographic and impacts urban and rural communities like mine
1415 alike.

1416 My home state of New Hampshire has been one of the hardest

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1417 hit by the country's fentanyl crisis. This is a crisis that knows
1418 no border, no ocean deep enough, no continent broad enough to
1419 stop the flow of deadlier and deadlier fentanyl analogs.

1420 As the epidemic evolves, we must evolve our approach to
1421 combat it and if one thing having all of these agencies before
1422 us today has shown it's that there's a greater need for an even
1423 more coordinated approach across international, national, and
1424 local agencies.

1425 I want to start with you, Mr. Chester. As you have relayed,
1426 fentanyl is the biggest driver of overdose deaths, providing the
1427 best business model to drug traffickers, and being the hardest
1428 to detect.

1429 You told committee staff that enforcement has historically
1430 been focused on interdicting 20th century drug trafficking and
1431 that it has taken us awhile to develop the architecture and means
1432 to combat 21st century drug trafficking.

1433 What do you mean that fentanyl trafficking is following a
1434 21st century architecture and what challenges do we face in
1435 adapting our strategy to meet this new threat?

1436 Mr. Chester. Thank you for the question, ma'am, and I do
1437 want to be clear about one thing. We still have a 20th century
1438 drug trafficking problem in the United States and that's
1439 principally heroin, and New Hampshire is one of our state partners
1440 that we hear from every single month, and we've seen how heroin

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1441 has tapered off in New Hampshire while synthetic opioids like
1442 fentanyl and fentanyl analogs have continued -- have continued
1443 to rise.

1444 Twentieth century drug trafficking, plant-based drugs that
1445 are packaged, moved across the borders through a hierarchical
1446 drug-trafficking organization, and that ends in a face-to-face
1447 cash transaction somewhere -- that's what we refer to as 20th
1448 century drug trafficking.

1449 Twenty-first century drug trafficking is an individual who
1450 does not need to interface with a drug trafficker or a
1451 drug-trafficking organization. They can get on their own laptop.

1452
1453 They can get on the dark web. They can go to -- go to a
1454 vendor that will sell them the drugs. They can pay for it with
1455 bitcoin. It will be delivered directly to their house through
1456 the mail service or through express consignment. That's what
1457 we refer to as 21st century drug trafficking.

1458 Unfortunately, we have both of those models that we are
1459 dealing with right now and I will tell you that our law enforcement
1460 community and our State Department and our other partners have
1461 done a remarkable job in being able to take on the 21st century
1462 drug trafficking at the same time we are still dealing with the
1463 traditional model that we've dealt with for 30-plus years of drug
1464 policy.

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1465 Ms. Kuster. Thank you.

1466 Mr. Prince, fentanyl poses unique challenges compared to
1467 other drugs. Cheap to make, clandestinely produced in labs,
1468 easily transportable and, as we know, hard to detect.

1469 Traffickers are increasingly mixing the drug into other
1470 narcotics as well as counterfeit prescription drugs. I ask you
1471 what is HSI doing to tackle the fentanyl epidemic that is uniquely
1472 different from its efforts to combatting heroin, cocaine, and
1473 other narcotics?

1474 Mr. Prince. Thank you for the question, ma'am.

1475 As my colleague had illustrated the 20th century versus 21st
1476 century drug problem, I call it analog versus digital. Our analog
1477 methodologies haven't changed in 35 years.

1478 Surveillance, informant management, cultivation
1479 development, cooperating defendants, execution of search and
1480 arrest warrants, those are all our analog tools that we use that
1481 are always going to be relevant.

1482 They will be relevant a hundred years from now.

1483 As far as how we deal with the digital aspect of it, we have
1484 our innovation lab that I mentioned earlier. We have NTC and
1485 NTCI. NTCI is placed very squarely in NTC where there's
1486 information sharing.

1487 Many of the people here on the panel are part of NTCI or
1488 NTC, collaborate with us on a daily basis. We have the OCDTF

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1489 program that shepherds large-scale federal investigations in a
1490 collaborative team effort, and the two meet.

1491 At some point the digital crypto currency space and the dark
1492 net activity is going to turn into something at the corner of
1493 what I say walk and don't walk where a drug deal is done, and
1494 that's where our ability to deal with the digital space while
1495 at the same time dealing with the analog space is going to bear
1496 fruit.

1497 In my oral testimony, I mentioned just a few cases that
1498 developed into some significant opioid and fentanyl seizures.

1499 That's a collaboration of the digital space mingling with the
1500 analog space and providing arrests, seizures, and significant
1501 results.

1502 Many of those investigations are ongoing. Some of those
1503 investigations are over. But we are moving with the digital
1504 transformations of the criminal enterprises. We are keeping up
1505 with what is going on.

1506 Ms. Kuster. Thank you. I yield back.

1507 Ms. DeGette. I thank the gentlelady.

1508 The chair now recognizes the ranking member, Mr. Walden,
1509 for five minutes.

1510 Mr. Walden. Thank you, Madam Chair, and again, thanks to
1511 the panel. We have two hearings going on simultaneously. So
1512 I am kind of bouncing between all of that.

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1513 Mr. Overacker, I was down at the Southwest border touring
1514 some CBP facilities in Yuma, Arizona on Sunday, and I asked CBP
1515 whether they had seen an uptick in fentanyl coming in from Mexico
1516 in the Yuma sector.

1517 The answer was no, they had not seen an uptick and, in fact,
1518 drug interdictions on the whole are down across the Yuma sector
1519 as the CBP checkpoints were shut down for months because of the
1520 humanitarian crisis on the border, and that meant CBP agents could
1521 not staff those checkpoints during the border emergency, given
1522 the huge influx of people.

1523 So my question is the data show interdictions are down, but
1524 with those checkpoints closed I am not sure we can rely on those
1525 data this year.

1526 And are there other CBP sectors being similarly impacted
1527 by this humanitarian crisis at the border and is there anything
1528 you can tell us about the way the cartels are using and profiting
1529 from the humanitarian crisis to overwhelm your agents -- our
1530 agents -- and then get the drugs in along the way?

1531 What can you tell us about that?

1532 Mr. Overacker. Thank you for the question, sir. The first
1533 thing I would say is that what we are tracking right now is overall
1534 our interdictions on the Southwest border are as much as we had
1535 last year.

1536 That includes not just what the Border Patrol does at

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1537 checkpoints. That includes our ports of entry and, roughly, 90
1538 percent of what we seize is at a port of entry as opposed to in
1539 -- between the ports by the Border Patrol.

1540 I understand the humanitarian crisis has impacted their
1541 operations. They've also impacted the operations at our ports
1542 of entry as we've redirected CBP officers to support the Border
1543 Patrol sector.

1544 Mr. Walden. So we were hearing.

1545 Mr. Overacker. As a result, we've had to close lanes at
1546 ports of entries, which has slowed the amount of traffic.

1547 But given that 90 percent of what we seize is at a port of
1548 entry, we are seizing just as much as we did last year overall
1549 as an agency.

1550 But with respect to the other Border Patrol sectors, I would
1551 gladly take that back and get you more information on what they
1552 are seeing as well.

1553 Mr. Walden. You might take another look at it because some
1554 data we were seeing over the weekend showed that it was down
1555 considerably in some categories.

1556 Mr. Overacker. Some categories.

1557 Mr. Walden. And so I just want to make sure that -- you
1558 know, we know your folks are getting overwhelmed when you go
1559 thousands of people coming in in a given night or hundreds where
1560 you had 10 or 20 or 30 in the past, and I know we've got colleagues

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1561 that want to get rid of CBP or get rid of ICE and don't respect
1562 the tough conditions and what you and your folks are doing on
1563 things like this.

1564 But we keep hearing they're being pulled aside to do the
1565 processing of the asylum claims. I mean, there's a lot of this
1566 work being done. They're not out in the field doing the
1567 interdictions.

1568 And so to what extent do you think this humanitarian crisis
1569 at the border is affecting the ability to interdict these drugs?

1570 Mr. Overacker. Well, like I say, it has impacted not only
1571 Border Patrol resources between the ports of entry. It is also
1572 impacting field operations at the ports of entry in terms of just
1573 by -- just the manpower that we have to dedicate to those
1574 traditional interceptions.

1575 Mr. Walden. Right.

1576 Mr. Overacker. But I think at the port of entry we've seen
1577 things stabilize and, of course, with the apprehension numbers
1578 declining now between the ports of entry, we think that the
1579 situation is improving.

1580 Mr. Walden. All right. Mr. Prince, do you have any comment
1581 on this from your agency's view -- DHS?

1582 Mr. Prince. Most of the agents that are responding to the
1583 border crisis are responding to human smuggling or human
1584 trafficking events. The border crisis at some point could create

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1585 a tipping point for us in the investigative space.

1586 At this time we are not seeing that. We are deploying
1587 bodies, agents, to the border. Most of the agents that are
1588 responding are already at those special agent in charge offices
1589 along the Southwest border.

1590 I will say that it has created some opportunities for us
1591 to open up new portfolios in the investigative tool space, one
1592 of those being DNA testing. The DNA testing is allowing us to
1593 actually separate children who are being used in a human
1594 trafficking scheme or a smuggling scheme.

1595 Mr. Walden. We met with some investigators who had just
1596 gotten that tool and said they can turn a DNA test in 90 minutes
1597 I think they told us.

1598 Mr. Prince. Right, and the DNA testing is actually
1599 identifying children that don't -- that aren't of these
1600 individuals that are crossing the border with them. And so we
1601 are rescuing kids in this effort.

1602 Mr. Walden. Yes. All right.

1603 Madam Chair, my time has expired. Thank you all.

1604 Ms. DeGette. I thank the gentleman.

1605 The chair now recognizes the gentleman from Maryland, Mr.
1606 Sarbanes, for five minutes.

1607 Mr. Sarbanes. Thank you, Madam Chair. Thanks to the panel
1608 for being here.

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1609 Obviously, we all know well the threat that fentanyl is
1610 posing to the health and safety of our communities. We've been
1611 hearing a lot of very strong testimony on that and the experience
1612 in our districts clearly bears that out as well, and it has to
1613 be a very coordinated role, which you're trying to project here
1614 today. I appreciate that.

1615 I did, Mr. Chester, want to focus a little bit more on the
1616 role of ONDCP because it asserts this coordinating function among
1617 all the various agencies that we need leaning in to address this
1618 crisis and this threat in terms of how our federal agencies are
1619 responding.

1620 So tell me a little bit, to try to illustrate the coordinating
1621 role, what would be happening if your agency did not exist in
1622 terms of being able to pull the resources together across these
1623 agencies.

1624 Mr. Chester. Well, the first thing, Congressman, I think
1625 there would be a lack of focus and a lack of direction in advancing
1626 the administration's drug control priorities, and that's one of
1627 the more important functions that ONDCP does is to -- is to
1628 document our priorities and lay out the lines of effort that we
1629 are going to -- that we are going to operate on. I think that's
1630 the first thing.

1631 I think the second thing is that the day-to-day activity
1632 of ensuring that when departments and the agencies are doing

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1633 things in the drug control space they're doing it for a higher
1634 purpose and they're doing it in -- to get complementary effects
1635 from other departments and agencies that are working in the same
1636 space.

1637 This happens all the time in government, right. You have
1638 got three or four departments and agencies that are redundant.
1639 They are doing the same thing.

1640 They don't -- they don't know that the other ones are
1641 operating and that they are doing that. The third thing is when
1642 it comes to the interface between what we are doing on the national
1643 security and law enforcement side of the house and what we are
1644 doing in the public health space, and we've said from the very
1645 beginning that we can be as productive on the front end of the
1646 supply chain of drugs coming in the country as we want to.

1647 But our true effectiveness has to be measured in the public
1648 health space, and you can -- you can increase seizures and increase
1649 arrests and increase removals in the transit zone and do all of
1650 that.

1651 But if Americans continue to die from these drugs then you're
1652 not being truly effective.

1653 And ONDCP, by being an organization not only in the executive
1654 office of the president but one that has national security, law
1655 enforcement, and public health responsibilities, we are the
1656 organization that can bring both of those things together in a

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1657 complementary fashion, unlike --

1658 Mr. Sarbanes. So let me -- let me follow up on that, because
1659 that last observation in terms of the health dimension of this
1660 -- the public health dimension may be a rationale for why some
1661 of the grant programs that you have previously administered are
1662 being proposed to be placed in other agencies -- the High Intensity
1663 Drug Trafficking Areas program.

1664 Maybe I think it would go to DOJ and the drug-free community
1665 support programs at HHS.

1666 So maybe you could explain why that decision is being made,
1667 and then in terms of your emphasizing the role that the -- the
1668 importance, the priority, that the administration gives to this
1669 fight and the coordinating, sort of traffic cop role that your
1670 agency can play in that.

1671 I don't, frankly, understand how the administration has come
1672 I think three years running in its proposed budget with a proposal
1673 to cut your budget by 90 percent.

1674 Now, we have restored in our appropriations -- we recognize
1675 the value that your agency plays and I think we even plussed it
1676 up over prior years because we want you to play that role.

1677 But you need to help me reconcile what you just said, which
1678 I agree with, that this should be a priority and it should reflect
1679 the administration's emphasis here on coordinating the efforts
1680 of all these agencies -- on the one hand, reconcile that with

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1681 the fact that the president's budget keeps coming with a 90 percent
1682 proposed cut; on the other hand, which doesn't send, I wouldn't
1683 think, the right message in terms of the role you want to play
1684 with respect to all of these agencies in terms of coordination.

1685 So I won't ask any more questions because I am out of time.

1686 But if you could answer that I would appreciate it.

1687 Mr. Chester. Thank you, Congressman.

1688 The discussion about those two particular grant programs
1689 has been going on for many, many years, and the Congress has
1690 decided where those programs would be originally placed at their
1691 inception and the Congress will decide where they go.

1692 I will tell you that both the HIDTA and the DFC program are
1693 critical to not only the coordination that we do across the federal
1694 government, and we'll talk about the HIDTA program for a second,
1695 but the integration of federal, state, local, and tribal together
1696 is incredibly important, and to ensure that that function is
1697 rolled into the broader efforts that ONDCP does is working very,
1698 very well.

1699 When we talk about preventing drug use before it starts.
1700 I would struggle to find a program more successful than the
1701 drug-free communities program doing just that.

1702 And so the placement of the HIDTA program and the DFCs
1703 together is a great example of what I talked about in bringing
1704 our national security, law enforcement, and our public health

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1705 programs together in one place and ONDCP is glad to have those
1706 programs.

1707 Ms. DeGette. Thank you, Mr. Chester.

1708 The chair now recognizes Mr. -- the gentleman from Virginia,
1709 Mr. Griffith, for five minutes.

1710 Mr. Griffith. Thank you very much, Madam Chair, and
1711 appreciate you calling this hearing. I know how important this
1712 subject and other drug issues are to you, and I do appreciate
1713 it.

1714 Let me quickly say in response to the previous questioning
1715 that I fully support the High Intensity Drug Trafficking Area
1716 program and it's been very helpful in my district.

1717 Mr. Chester, in May of 2017, the Drug Enforcement
1718 Administration recovered 50 kilos of NPP. Now, I am going to
1719 botch this up, but that's N-Phenethyl-4-piperidinone -- if I got
1720 close. But NPP is what we'll call it, a fentanyl precursor
1721 chemical that could yield about 19 million fentanyl tablets with
1722 a street value of more than \$570 million.

1723 The NPP was found in a storage locker in Northborough,
1724 Massachusetts. This recovery of NPP was one of the DEA's largest
1725 seizures of a fentanyl precursor chemical in U.S. history.

1726 It had been believed prior to that that fentanyl synthesis
1727 using precursor chemicals is conducted at clandestine labs in
1728 China or in Mexico. But this appears to call that into question.

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1729 Prior to May 2017, do you recall any previous fentanyl
1730 precursor seizures of this size indicating possible synthesis
1731 occurring here in the U.S.? Yes or no.

1732 Mr. Chester. I do not recall a seizure of that size prior
1733 to that event. No, sir.

1734 Mr. Griffith. And given the size of the seizure that it
1735 was a fentanyl precursor chemical and would presumably support
1736 a nearby fentanyl synthesis lab in the United States, would this
1737 case be important enough to the Office of National Drug Control
1738 Policy-ONDCP -- on fentanyl issues to be notified about it and
1739 briefed about it? Yes or no.

1740 Mr. Chester. Yes, it would be. But when I get the chance
1741 I would like to talk about its -- NPP's relationship with fentanyl
1742 synthesis. But please finish your questions.

1743 Mr. Griffith. All right. Let me get -- let me keep moving.

1744 Did the DEA report or brief you -- did they either report
1745 to you or brief you or someone else at the Office of ONDCP about
1746 this situation?

1747 Mr. Chester. I don't remember a specific briefing. But
1748 we get continual reports from the DEA on drug events.

1749 Mr. Griffith. But you don't remember getting one on this
1750 one?

1751 Mr. Chester. This one is not particularly memorable to me.
1752 No, sir.

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1753 Mr. Griffith. Even though it would have been a very large
1754 size. I mean, this is -- this is what it looks like and it's
1755 just one of the precursors, and that's a picture of what they
1756 seized. That's a fairly significant amount of precursor when
1757 you realize it could be -- back to my notes -- 19 million fentanyl
1758 tablets with a street value of \$570 million. I would have thought
1759 you might remember that if you had been informed of it. I
1760 understand you don't. That's fine.

1761 In cases like this, do you believe sharing information would
1762 be helpful to law enforcement?

1763 Mr. Chester. Yes, and I will tell you that we have many,
1764 many, many mechanisms to be able to share information and
1765 intelligence information. In this particular case as a precursor
1766 chemical we do know a couple of things.

1767 The first one is the presence of a precursor chemical in
1768 the United States does not necessarily mean that there's synthesis
1769 going on nearby because precursor chemicals are shipped from the
1770 United States to other countries.

1771 And the second thing is about two months before that
1772 particular seizure, under United States leadership the
1773 international community placed controls on the two chemicals
1774 related to fentanyl synthesis -- NPP, which was the one that was
1775 seized, and ANPP. So --

1776 Mr. Griffith. Okay. In this case -- let's see that picture

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1777 again, if we could -- on many of those boxes there are Chinese
1778 characters. It would indicate it did not come from the United
1779 States. It came in -- the precursor came in from China to the
1780 United States.

1781 Mr. Chester. Absolutely, and it could be -- although I don't
1782 know this, it could be that the individual was warehousing it
1783 for use, not turning it into someplace close by. We don't know.

1784 Mr. Griffith. Okay. And here's my problem, and Mr.
1785 Donahue, I am going to ask you a question about whether or not
1786 your agency notified them. Here's my problem.

1787 If we found that precursor, it would seem to me you would
1788 want to at least check, see who the storage locker belonged to,
1789 do an investigation, and it would seem like to me there needed
1790 to be a lot of coordination.

1791 And as far as I know, that didn't happen.

1792 Mr. Donahue, do you know if your agency briefed other
1793 agencies and Mr. Chester's agency on this particular seizure of
1794 a large amount of precursor?

1795 Mr. Donahue. I appreciate the opportunity to respond to
1796 that. The case is currently under investigation. It's coming
1797 up to trial, which is a lot of times why stuff is not put out
1798 in the open due to the protections of the people testifying.

1799 We daily notify other agencies on seizures that are made.
1800 That specific seizure was work with state and locals as well.

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1801 It's ongoing. It was built up, and it's still ongoing, and we
1802 do these daily -- these types of investigations -- at our
1803 international scale.

1804 So you mentioned the markings that are in Chinese. They
1805 go to our offices over in Beijing, which follow up on those
1806 companies, whether we can task a foreign country to do certain
1807 intel gathering for us to bring it back, to identify the source
1808 all the way back to where the seizure is made.

1809 So we do the follow up on those investigations. So sometimes
1810 they take a year, sometimes six months, sometimes two years
1811 because you're dealing with foreign countries.

1812 Mr. Griffith. We are already on two years and it doesn't
1813 look like we followed up.

1814 And, look, I think we need to just do a lot better job.
1815 Mr. Barksdale might have been liked to have known about that so
1816 he could check those addresses out.

1817 I think we do a better job if we are all working together
1818 and as President Reagan said, there's no limit to the amount of
1819 good you can do if you don't care who gets the credit.

1820 And I yield back.

1821 Ms. DeGette. The gentleman yields back.

1822 The chair now recognizes the gentleman from New York, Mr.
1823 Tonko, for five minutes.

1824 Mr. Tonko. Thank you, Madam Chair.

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1825 As others have stated today, the fentanyl threat is unlike
1826 any drug problem we have seen before and it is going to take the
1827 totality of the federal government's capabilities to fight it.

1828 Each of these agencies has unique skill sets. But they each
1829 only see a piece of this picture. We need them to actually come
1830 together and pool their resources, information, and expertise.

1831 Unfortunately, it does not appear that that's happening as
1832 much as it could. For example, committee staff visited CBP's
1833 National Target Center and saw how CBP is able to use algorithms
1834 to target shipments and packages likely to contain contraband.

1835

1836 But that is only as good as the data that is fed into the
1837 system, and CBP does not receive all of the data it could from
1838 other agencies.

1839 So how do we get past this burden, Mr. Overacker? Why is
1840 this -- why are we not getting the most that we can here? What
1841 is holding back the progress that we need to realize?

1842 Mr. Overacker. Well, I would say that, first of all, we
1843 do have good levels of collaboration. We do receive data that
1844 is required by regulation and then we fuse that data with other
1845 information to try to identify high risk.

1846 Mr. Tonko. But if I might, though -- see, when we look at
1847 the National Target Center visit, they're saying it's not
1848 happening as well as it could.

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1849 What is holding that back?

1850 Mr. Overacker. Well, there is room for improvement and I
1851 would just say that this is an example within the law enforcement
1852 community of where I believe that we need to have investigators
1853 get to a comfort level where they can share their case information
1854 with CBP, knowing that as law enforcement officers, ourselves,
1855 that we can protect those cases.

1856 But we can also use that information to advance those cases
1857 by basically giving them greater feedback and greater
1858 information.

1859 So I just think it's a question of education of the
1860 investigators in the field of what our capabilities are and what
1861 value we can add to their cases.

1862 Mr. Tonko. And what additional data would CBP like to
1863 receive from other agencies involved in this fight to feed into
1864 your targeting system?

1865 Mr. Overacker. Well, like I said, I think the case-specific
1866 information, that will allow us to pinpoint target and also
1867 provide meaningful interdictions for those agents in the field.

1868 Mr. Tonko. And, Mr. Donahue, I understand DEA frequently
1869 shares data with CBP on specific cases when DEA deems it
1870 appropriate. But what is stopping DEA from providing CBP with
1871 more data on an automatic ongoing routine basis?

1872 Mr. Donahue. We work with CBP daily down in Mexico City

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1873 and various other countries. We are mandated by DOJ policy to
1874 provide all of our data into the Special Operations Division where
1875 there's over 38 foreign and domestic agencies, both state, local,
1876 and federal, that seize that data that can share it and CBP
1877 actually has officers stationed in the Special Operations
1878 Division, and we work a lot along the border with them passing
1879 information on seizures that we need them to make for our
1880 investigative purposes that we can use in a court of law in United
1881 States.

1882 So there's daily engagement.

1883 Mr. Tonko. Why then is CBP stating that they're not
1884 receiving all of the data that they need to?

1885 Mr. Donahue. You know, I don't -- they're not tied in
1886 directly to SOD but they can see all of our data there because
1887 they have representatives stationed in the Special Operations
1888 Division that coordinate with all the other agencies there to
1889 include people out in the field and in foreign offices.

1890 Mr. Tonko. Well, let me give a specific example. If DEA
1891 executes a search warrant related to fentanyl and discovers
1892 packages containing fentanyl that include names and addresses,
1893 can that information automatically be sent to CBP for it to
1894 interdict all related shipments coming in?

1895 Mr. Donahue. If they're working that investigation in
1896 conjunction with DEA, they would have it right then and there.

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1897 We provide all that to our targeting over in SOD and they would,
1898 in turn, share it with the CBP officer there when they could give
1899 value add to that investigation to help identifying the people
1900 responsible for that seizure.

1901 Mr. Tonko. Well, Mr. Chester, this is one of ONDCP's
1902 essential missions, to make sure that these agencies are working
1903 together and sharing all of the information that they can. But,
1904 clearly, there is more that can be done in terms of ongoing
1905 information sharing and for there to be this proclamation by some
1906 of the groups saying we are not doing as well as we should. What
1907 are the roadblocks here?

1908 Mr. Chester. Clearly, there are roadblocks. There is
1909 always room for improvement in the ability --

1910 Mr. Tonko. But what are the roadblocks?

1911 Mr. Chester. I think some of them may be procedural. Some
1912 of them may be technical in nature, the ability for databases
1913 to speak with -- to one another on a routine basis, and as those
1914 issues arise we absolutely are more than happy to work with the
1915 interagency to try and reduce them, as you pointed out.

1916 Mr. Tonko. But why can't we link up more of these data
1917 systems so that the agencies can help one another?

1918 Mr. Chester. Yes, sir. We would have to take a good close
1919 look at the reason why it's not happening and fix that problem.
1920 We absolutely will.

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1921 Mr. Tonko. We have a crisis on our hands. Why are we not
1922 taking that closer look?

1923 Mr. Chester. Yes, sir.

1924 Mr. Tonko. We could look at it. Why aren't we?

1925 Mr. Chester. We absolutely will look at it. This
1926 particular case that you raise we absolutely will take a look
1927 at why the information is not routinely shared and we will reduce
1928 that barrier and make sure that that happens.

1929 Mr. Tonko. Madam Chair, I yield back.

1930 Ms. DeGette. The chair now recognizes the gentlelady from
1931 Indiana, Mrs. Brooks, for five minutes.

1932 Mrs. Brooks. Thank you, Madam Chairwoman, for holding this
1933 incredibly important hearing. I am really pleased that we are
1934 focusing in large part on law enforcement issues.

1935 I am a former U.S. attorney from '01 to '07, and so worked
1936 with all of your agencies. Was there when Homeland Security was
1937 stood up, and so just want to thank you all very, very much for
1938 your work.

1939 I think what the frustration is is we are trying to determine
1940 if there are any legal barriers, legal authorities, or anything
1941 that is keeping the agencies from sharing at the level that we
1942 all think you should be sharing at.

1943 And so my question is to any of you, and your counsels who
1944 might be here, are there any legal barriers that exist in law

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1945 that are keeping you from sharing information?

1946 Discovery issues -- is there anything? Mr. Donahue,
1947 anything you know of?

1948 Mr. Donahue. I think that depends on what the seizure is,
1949 if it's actually in judicial processes -- is it actually protected
1950 information from other countries.

1951 But there is no legal, you know, policy or anything
1952 preventing us from sharing information. I could tell you what
1953 we've done in Mexico City in our offices. We have HSI agents
1954 and FBI agents sitting right in the office with DEA for that
1955 deconfliction purpose and for the immediate sharing of
1956 information.

1957 Mrs. Brooks. Okay. And do any of the other agencies know
1958 of any legal reasons why our law enforcement agencies aren't
1959 sharing or can't share anything? Or is it just operational?

1960 Mr. Overacker. I am not aware of any legal restriction --

1961 Mrs. Brooks. Okay. Okay.

1962 Mr. Overacker. -- and I think our default position always
1963 should be we have an obligation to share.

1964 Mrs. Brooks. Okay. And I assume -- is that anything
1965 different?

1966 Mr. Prince. Again, yes, I am not aware of any legal
1967 prohibitions but I think that, you know, the size of some of these
1968 agencies -- these are large enterprises that we are talking about.

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1969

1970 But a lot of these gaps are closed through deconfliction
1971 houses, case coordination such as OCDF, HIDTA. A lot of these
1972 things I am sure you're very much aware of, and I think it's not
1973 -- these aren't insurmountable issues. These are issues that
1974 we collaborate on daily --

1975 Mrs. Brooks. Right.

1976 Mr. Prince. -- with respect to the international space
1977 --

1978 Mrs. Brooks. Okay. Just wanted to make sure there were
1979 no legal impediments because actually Mr. Donahue talked about
1980 a legal impediment, which I've been very concerned about for a
1981 long time, and that's the encrypted phones, which we have not
1982 resolved, have we, Mr. Donahue?

1983 Mr. Donahue. No, we've been pending that issue for years
1984 now.

1985 Mrs. Brooks. Okay. And could you very succinctly remind
1986 us all what that is?

1987 Mr. Donahue. So it's a law that's going to enable us to
1988 judicially intercept a device that's signed by a judge on a target
1989 that we can demonstrate is violating U.S. law.

1990 Mrs. Brooks. But then the encryption is what's keeping you
1991 from getting to the information in the phone. Is that correct?

1992 Mr. Donahue. Correct. Certain companies don't cooperate

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1993 -- aren't obligated to cooperate to give us the technology to
1994 intercept the encryption.

1995 Mrs. Brooks. Okay. I want to talk about some of the
1996 technology challenges, and Mr. Prince, you talked about the dark
1997 web, and can you please share with us what -- how it is that it's
1998 more of a law enforcement challenge than, you know, other issues
1999 that we've seen and whether the issues with cryptic currency,
2000 and I just read that Facebook is now contemplating a currency.

2001 Can you please talk with us about any successes or challenges
2002 you're having on the dark web?

2003 Mr. Prince. The successes are I mentioned in my oral
2004 testimony. The challenges are, obviously, with respect to crypto
2005 currency and that when we are looking at transactions that are
2006 occurring in the dark net and the dark net is largely where
2007 nefarious activities are occurring and transactions are
2008 happening.

2009 We don't necessarily know what these purchases and sales
2010 are unless or until we arrest an individual who is engaged in
2011 this criminal activity and perhaps commandeer their account, in
2012 which case we can see their entire wallet and what those
2013 transactions translate to.

2014 If we are looking at it from the outside in what we see is
2015 transactions that are occurring we can presume that those
2016 transactions are in fact criminal in nature because we are in

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2017 the dark net space. But we don't know what they're selling, what
2018 they're buying.

2019 So those are some challenges. But we overcome those
2020 challenges through a variety of different techniques that I can't
2021 really get into here.

2022 Mrs. Brooks. Right.

2023 Mr. Prince. But, certainly, we do make an impact and we
2024 are making inroads in that space.

2025 Mrs. Brooks. And I would like to follow up on that further.
2026 But one thing that I know CBP mentioned but I would also like
2027 to ask you, Mr. Barksdale. Can we talk a little bit in my time
2028 that I have left about the Narcan availability for -- I know it's
2029 at key facilities.

2030 Obviously, when we are dealing with fentanyl all the law
2031 enforcement -- everyone who touches it it's of significant concern
2032 because it could kill.

2033 What percentage of postal and -- I am curious, and I think
2034 we'll have to do this in written form to all the agencies -- what
2035 percentage of your officers have access to Narcan?

2036 Mr. Barksdale. Well, first, as far as postal inspectors,
2037 every postal inspector has access to Narcan.

2038 Mrs. Brooks. Okay. Good.

2039 Mr. Barksdale. Those on our drug teams has access to Narcan.

2040 On the operational side, all of our key facilities does have

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2041 Narcan distributed to them, and that would include all of our
2042 process and in distribution centers and other large facilities.

2043 As far as the percentage of employees that covers, I will
2044 have to get back to you with an exact number.

2045 Mrs. Brooks. Okay. And I will be submitting for -- written
2046 questions about the availability of Narcan, the percentage of
2047 your employees that are all covered or have access to that because
2048 I think this is a serious issue for law enforcement.

2049 Thank you. I yield back.

2050 Ms. DeGette. The chair now recognizes the gentleman from
2051 Massachusetts, Mr. Kennedy, for five minutes.

2052 Mr. Kennedy. Thank you, Madame Chair. Thank you for
2053 hosting this incredibly important hearing. Thank you for the
2054 witnesses to be here today and for your service to our country.

2055 A number of complexities that -- and hot issues that been
2056 brought up over the course of the testimony today, and I appreciate
2057 your focus on that.

2058 I want to try to drill down on some of that, given that
2059 Congress has the opportunity to make some changes here and some
2060 investments here that I think are necessary, although we need
2061 to do that right.

2062 So, Mr. Overacker, you told us earlier that, quote, "Most
2063 of the illicit fentanyl entering our country by weight does so
2064 at ports of entry along the Southwest border by private vehicles,

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2065 pedestrian, and commercial vehicles," and that, quote, "Fentanyl
2066 entering from the northern border does so by international mail
2067 packages and express consignment courier," end quote.

2068 So in your opinion, sir, would a border wall at a cost of
2069 up to \$25 billion be the most effective way to stop fentanyl from
2070 arriving in our country through mail and ports of entry?

2071 Mr. Overacker. Let me just say that I think when we talk
2072 about border management you have to have a comprehensive approach.

2073 You know, most of what we encounter is at a port of entry and
2074 -- but we are working with -- working to change our concept of
2075 operations at these ports so we can increase the scanning rates,
2076 and when we increase those scanning rates I think it will have
2077 an impact on the patterns of crossing and if we deter these drugs
2078 --

2079 Mr. Kennedy. Understood.

2080 Mr. Overacker. -- deter them from coming to the ports
2081 they're going to go someplace else.

2082 Mr. Kennedy. Right. So I am going to interpret that based
2083 upon the phrasing in which you answered that question as a no,
2084 not the most effective way to spend the initial first \$25 billion.

2085 So if Congress was to appropriate \$25 billion to the CBP
2086 to combat fentanyl trafficking, would you choose to spend that
2087 money on a border wall or, as you said, increase technology focused
2088 on screening cars and pedestrians at ports of entry and packages

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2089 that are arriving through the mail?

2090 Mr. Overacker. Well, in the 2019 appropriation we received
2091 \$570 million to improve our scanning capabilities at ports of
2092 entry --

2093 Mr. Kennedy. And given what you just said, we are not there
2094 yet in terms of trying to --

2095 Mr. Overacker. No, that's going to be a multi-year
2096 investment. But that's our first priority right there.

2097 Mr. Kennedy. Appreciate that, sir.

2098 Mr. Donahue, if given \$25 billion by Congress, do you believe
2099 the most effective way to stop any arrival of illicit drugs to
2100 the United States is a border wall?

2101 Mr. Donahue. Again, collectively, with all different
2102 tools, can't say, you know, it won't help. I mean, I can't say
2103 it's the solution. But it would help. It's just another tool
2104 in our toolbox that we can actually filter certain threats to
2105 certain areas and we can focus on in personnel --

2106 Mr. Kennedy. So but the most -- if you had \$25 billion is
2107 the intervention that you would go with first a border wall?

2108 Mr. Donahue. It would just be part of our comprehensive
2109 plan on how we approach the issue.

2110 Mr. Kennedy. Sir, you touched on the importance of
2111 treatment and recovery options here in the United States as a
2112 way to reduce demand.

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2113 Do you think that a \$25 billion border wall would help us
2114 increase access to care in places like Massachusetts that would
2115 lead to reduced demand?

2116 Mr. Donahue. I mean, again, that's part of our -- we believe
2117 in the rehabilitation. We believe in the demand reduction and
2118 the enforcement, and the international focus on the sources of
2119 supply. So we --

2120 Mr. Kennedy. And so would that --

2121 Mr. Donahue. -- we'd spread that money out, look at it
2122 collectively on the entire problem.

2123 Mr. Kennedy. And so that \$25 billion could be spent on
2124 something like Medicaid, which is the largest payer of mental
2125 behavior health services in the country that accounts for more
2126 than 40 percent or nearly 40 percent of all adults with opioid
2127 addition in the country?

2128 Mr. Donahue. It would help that too, and our concern is
2129 to have less drugs and less flow into the United States, have
2130 less drugs addicts and less people dependent on those programs.

2131 Mr. Kennedy. And so if I am understanding your answer that
2132 that would help -- expanding access to Medicaid would be a
2133 critically important part to ensuring that people get access to
2134 the treatment that's necessary.

2135 Mr. Donahue. The DEA doesn't run anything on -- in Medicaid.
2136 We are targeting the cartels that are responsible for bringing

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2137 the drugs into the country.

2138 Mr. Kennedy. Right. But as you said, if you're trying to
2139 reduce demand, getting people treated that are affected with
2140 addiction is probably part of that, no?

2141 Mr. Donahue. Yes, it is.

2142 Mr. Kennedy. Okay.

2143 Mr. Chester, on multiple occasions the administration has
2144 opposed -- has proposed gutting ONDCP by 95 percent. Do you
2145 believe that our response to this epidemic would be improved
2146 without a centralized agency tasked with leading that response?

2147 Mr. Chester. As the central EOP office for advancing the
2148 administration's drug control policy, ONDCP has been very
2149 effective in doing that role.

2150 Mr. Kennedy. Do you think cutting your budget by 95 percent
2151 would make you more effective or less effective?

2152 Mr. Chester. Well, clearly, cutting our budget by 95
2153 percent would make us less effective.

2154 But I will also tell you that the administration's support
2155 for ONDCP has been very strong and they've allowed us to do our
2156 jobs very, very well in this particular crisis over the last --

2157 Mr. Kennedy. Would you characterized the proposed cut by
2158 95 percent as being very strong support, sir?

2159 Mr. Chester. The proposed cut by 95 percent was the
2160 inclusion of the other two programs that were very pricey. So

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2161 it wasn't a -- it wasn't 100 people from ONDCP became five people.

2162

2163 But what I will tell you that the relationship that we have
2164 with the administration they have allowed us to be able to do
2165 our jobs at advancing the drug policy across the federal
2166 government.

2167 Mr. Kennedy. So why do you think they'd propose cutting
2168 your office by 95 percent?

2169 Mr. Chester. I think that these were all parts of budget
2170 discussions in the past but we are all very glad that ONDCP exists
2171 and continues to do its good work to this day.

2172 Mr. Kennedy. Me, too. Thank you.

2173 I yield back.

2174 Ms. DeGette. The chair now recognizes the gentleman from
2175 Oklahoma, Mr. Mullin.

2176 Mr. Mullin. Thank you, Madam Chair.

2177 My questions are going to be for Mr. Donahue and Mr.
2178 Overacker, if you could both kind of answer when you can.

2179 How much fentanyl is coming directly from China?

2180 Mr. Overacker. So the fentanyl that comes directly from
2181 China typically we see that in mail or express, and I can tell
2182 you that --

2183 Mr. Mullin. How much? I mean, give me -- like, how much
2184 have we -- have we stopped? How much do we estimate is entering

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2185 the country from China directly?

2186 Mr. Overacker. Well, the numbers have dropped
2187 precipitously this year.

2188 Mr. Mullin. Okay.

2189 Mr. Overacker. So we are talking about only pounds of
2190 fentanyl --

2191 Mr. Mullin. Pounds?

2192 Mr. Overacker. -- that we have encountered so far this
2193 year.

2194 Mr. Mullin. Mr. Donahue?

2195 Mr. Donahue. We couldn't give you the exact number coming
2196 in because we only know what we know. We can give you our seizures
2197 numbers that --

2198 Mr. Mullin. Right. That's what I am looking for. How much
2199 have you seized?

2200 Mr. Donahue. So I will get those exact seizure numbers for
2201 you.

2202 Mr. Mullin. Thank you.

2203 Mr. Donahue. One thing we are looking for in China is
2204 actually the precursor chemicals coming from China actually
2205 utilized to produce more fentanyl.

2206 Mr. Mullin. How much is coming over our southern border
2207 that we are apprehending?

2208 Mr. Overacker. On the southern border, that's where,

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2209 basically, most of what we are seeing --

2210 Mr. Mullin. Right.

2211 Mr. Overacker. -- and I think this year we are tracking
2212 at over 1,800 pounds or --

2213 Mr. Mullin. Eighteen hundred pounds.

2214 Mr. Overacker. -- close to 2,000 so far. But this is not
2215 pure fentanyl. This is fentanyl that would be either --

2216 Mr. Mullin. It's laced. Right. I get it. Right.

2217 Mr. Overacker. -- yeah, laced or cut or however you want
2218 to --

2219 Mr. Mullin. I get it. Mr. Donahue, would you agree with
2220 those numbers?

2221 Mr. Donahue. They seem accurate, and we see a lot going
2222 up through the corridor for Tijuana and Mexico.

2223 Mr. Mullin. Are we grabbing most of that at the port of
2224 entry?

2225 Mr. Overacker. Absolutely. Ninety percent of our seizures
2226 occur at a port of entry.

2227 Mr. Mullin. And if I am -- if I am not mistaken we are only
2228 inspecting, roughly, 20 percent of the -- of the vehicles. We
2229 are only able to inspect 20 percent of the vehicles coming across
2230 the port of entry. Is that correct?

2231 Mr. Overacker. Well, currently, our scanning rates for
2232 privately-owned vehicles coming across the southern border are

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2233 around 2 percent and it's, roughly, 16 percent for commercial
2234 vehicles, and that's really a function of the volume of what's
2235 crossing. We have --

2236 Mr. Mullin. Well, the point I am trying to get to is my
2237 colleague that was before me was bringing up the \$25 billion for
2238 the southern border for building the wall, and underneath the
2239 president's proposal he also designated a significant amount of
2240 money for the port of entry to scan 100 percent of the vehicles
2241 as they was driving through because right now we are only
2242 inspecting, roughly, 20 percent and we are already catching the
2243 largest amount but through the port of entry.

2244 To get back to what my colleague was referring to, would
2245 the wall work. Well, what the wall would do is draw more people
2246 to that port of entry. Is that not correct? If the wall is there,
2247 then they would have to look for a more -- a different avenue
2248 to be able to enter the country through, which would be the legal
2249 point of entries.

2250 Mr. Donahue, would you like to respond to that?

2251 Mr. Donahue. We do a lot of great work with CBP and passing
2252 information when we can drive people or operations that we do
2253 at the port of entry where we can focus on cars and trucks.

2254 Mr. Mullin. It's to funnel them there to a certain point.

2255 Mr. Donahue. Yes.

2256 Mr. Mullin. So would the wall help funnel that?

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2257 Mr. Donahue. Absolutely would.

2258 Mr. Mullin. Mr. Overacker, would you agree with that?

2259 Mr. Overacker. I would say that the port of entry is a
2260 controlled place.

2261 Mr. Mullin. Sure. Where the -- where the open border
2262 isn't, correct?

2263 Mr. Overacker. And so because it's a controlled place and
2264 we have better opportunities to interdict.

2265 Mr. Mullin. Okay. So my point that I am trying to drive
2266 home here is there's not just one thing that's going to solve
2267 this problem.

2268 But the amount that we can keep from flowing over our southern
2269 border, which is where the majority of the drugs are coming from
2270 -- if we can get a better control on that and designate dollars
2271 specifically for those and make our southern border a harder
2272 target rather than right now being an easy target because, as
2273 we all know, the easy target is an opportunity for success and
2274 a harder target most criminals aren't going to attack.

2275 If we are able to make it a hard target, would that help
2276 us with combatting the overdoses that are taking place and the
2277 addiction issues that are taking place here inside the United
2278 States?

2279 Mr. Donahue. We look at all tools because, you know, we
2280 are speaking about fentanyl today and we are concerned with the

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2281 enormous amount of methamphetamine that's being produced that's
2282 coming up --

2283 Mr. Mullin. Right.

2284 Mr. Donahue. -- the enormous amount of cocaine and the
2285 heroin as well, which are bulky to bring in that they need big
2286 trucks to do it.

2287 So we are looking at every tool possible to identify and
2288 disrupt and seize those drugs that are coming in.

2289 Mr. Mullin. With the amount of human trafficking that's
2290 going on in our southern border right now -- the overflow that's
2291 taking place -- is it distracting your mission from being able
2292 to -- being able to look directly to drug trafficking or you have
2293 to spend resources to the human trafficking side of it, too?

2294 Mr. Overacker, you want to --

2295 Mr. Overacker. Well, there's no question that the current
2296 conditions on the Southwest border have caused us to have to shift,
2297 you know, our personnel. So it does have some impact. There's
2298 no question about that.

2299 Mr. Mullin. See, what I am thinking is that the cartels
2300 are purposely flooding our southern border so that the drug routes
2301 can be easily accessed because they know that we having to put
2302 resources to the human trafficking crisis that's taking place
2303 and the humanitarian that's taking place.

2304 So the wall, to which my colleague brought up, is to help

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2305 all the above picture, not just one single issue.

2306 With that, I will yield back.

2307 Ms. DeGette. The gentleman yields back.

2308 The chair now recognizes Mr. Duncan for five minutes.

2309 Mr. Duncan. Thank you, Madam Chairwoman, and thanks for
2310 holding this hearing.

2311 I sat here a long time listening because I am concerned about
2312 the 28,000 deaths in the United States from synthetic opioids
2313 like fentanyl.

2314 And my colleague made a great point just now that cartels
2315 are going to exploit weaknesses or crises to get their product
2316 across. I think they are. I think walls do work and I think
2317 they create corridors that our law enforcement can better utilize
2318 the resources we give them within those corridors to stop the
2319 bad guys from wanting to bring these horrendous drugs into our
2320 cities and killing our fellow Americans.

2321 I've been sitting here and for -- sat here for several hours
2322 listening to all the other questions. One of the benefits or
2323 challenges being last is all the groovy questions have been asked.

2324 You all have been great to answer those questions. I want
2325 to give you a chance to tell us what more we can do in Congress.

2326 We passed the SUPPORT Act last year, the SUPPORT for Patients
2327 and Communities Act. I want to see the implementation of that.

2328 But what I would like to do is just ask Mr. Overacker first

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2329 what can we do in Congress to help keep our law enforcement
2330 officers best positioned to continue infiltrating the supply
2331 chain. What more can we do?

2332 Mr. Overacker. Thank you for that, Congressman.

2333 First of all, I would just like to say that we are very
2334 fortunate that Congress has supported us most generously over
2335 the last two budgets with respect to our detection capabilities,
2336 and so we are grateful for that, and we know we have a multi-year
2337 effort to improve our scanning capabilities on the Southwest
2338 border but also throughout CBP.

2339 We are also grateful for the continued support we've received
2340 with respect to improving our laboratory capabilities and also
2341 appropriations for improving our facilities.

2342 That's an important part, particularly what we are doing
2343 now to improve the international mail facilities where we process
2344 mail with the U.S. Postal Service.

2345 So that continued support is most helpful for us. So that's
2346 what I would say, just thank you for the support we've received
2347 so far.

2348 Mr. Duncan. Let me ask Mr. Donahue from the DEA standpoint.

2349 What can we do to help you disrupt the distribution process of
2350 opioids and what more can we do?

2351 Mr. Donahue. I think having hearings and meetings like this
2352 and keeping it to the forefront is really important, and inviting

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2353 DEA to these meetings. We bring something specific to the table.

2354

2355 We have extraordinary amount of resources in our overseas
2356 offices which is where the drugs come from -- the cocaine, the
2357 methamphetamine, the heroin, the fentanyl. It all comes from
2358 international and other countries.

2359 So bringing this to the forefront I think is really important
2360 for the DEA and letting our message get out there, and I think
2361 having the youth and other people seeing the damage of the drugs
2362 that are coming in from a foreign country, just the damage to
2363 our cultures and our communities. It's really important not to
2364 do it every six months but to do it daily.

2365 Mr. Duncan. I've got a -- my best friend from college is
2366 a doctor and we talked about fentanyl just this week, and we were
2367 talking about the smuggling efforts.

2368 And as you guys become more and more effective, my concern
2369 is the very potent fentanyl could be put into food supplies as
2370 part of the smuggling effort in containers and contaminate food
2371 supply that ultimately gets in.

2372 Not talking about drug users that are looking for that
2373 stronger high. I am talking about fentanyl get into an area where
2374 it contaminates food or liquids that ultimately end up on the
2375 digestive systems of just average Americans, and then we have
2376 a lot of other innocent deaths.

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2377 I want to ask Mr. Prince with HSI -- you know, as containers
2378 are being brought in, I know HSI is doing a great job overseas.

2379 Is that a reality that we should think about is fentanyl
2380 contaminating any other sort of food supply or liquids that are
2381 coming into this country?

2382 Mr. Prince. I think it's an abstract thought that I have
2383 that I will share but, you know, lack of imagination is something
2384 that we shouldn't have when it comes to fentanyl in the same sense
2385 that when you think about 9/11 and how that happened.

2386 So we should have an imagination about the various ways that
2387 fentanyl can be introduced into the United States as we put
2388 pressure on organizations. We should be creative. We should
2389 continue to leverage tools that we have. We should continue to
2390 create new tools and expand our aperture within the cyber space.

2391 And don't forget about our, as I mentioned earlier, our
2392 analog tool sets that allow us to also be effective.

2393 Mr. Duncan. Madam Chairwoman, before I came to this
2394 committee I was on the Homeland Security, and I was on the Border
2395 and Customs Border Patrol -- Border and Maritime Subcommittee.

2396 We went to the ports and we looked at container security,
2397 and we looked at the screen for radioactive devices. We looked
2398 at what drug smugglers have done.

2399 But fentanyl being put on containers it's going to be very
2400 difficult for these guys to detect. That's something we ought

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2401 to consider in future hearings.

2402 And with that, I yield back.

2403 Ms. DeGette. Yes, the gentleman is right. Fentanyl is
2404 really difficult to detect and that's one of the real dangers.

2405 I want to thank all of the witnesses for coming today. Your
2406 participation has been very informative and helpful.

2407 I do have a document that Ms. Schakowsky asked me to enter
2408 into the record. It's an article from the International Journal
2409 of Drug Policy and I would ask unanimous consent. So ordered.

2410 [The information follows:]

2411

2412 *****COMMITTEE INSERT*****

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2413 Ms. DeGette. I can assure all of you and everyone in the
2414 audience this committee does intend to stay on this issue. This
2415 has been a multi-year process, a bipartisan process, and we intend
2416 to continue to look quite closely at it because it is really a
2417 national crisis.

2418 And I want to thank all of our witnesses for recognizing
2419 it as such and for increasing your cooperation between your
2420 agencies.

2421 I also want to remind members that pursuant to committee
2422 rules they have 10 business days to submit additional questions
2423 for the record to be answered by witnesses who have appeared before
2424 the subcommittee.

2425 I would just ask if all of our witnesses would agree to
2426 respond promptly to any such questions if you receive any. I
2427 think you will be getting some from Mrs. Brooks, for example.

2428 And with that, the subcommittee is adjourned.

2429 [Whereupon, at 12:06 p.m., the subcommittee was adjourned.]