

# EXAMINING DHS'S EFFORTS TO COMBAT THE OPIOID EPIDEMIC

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## HEARING BEFORE THE SUBCOMMITTEE ON BORDER SECURITY, FACILITATION, AND OPERATIONS OF THE COMMITTEE ON HOMELAND SECURITY HOUSE OF REPRESENTATIVES ONE HUNDRED SEVENTEENTH CONGRESS SECOND SESSION

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## EXAMINING DHS'S EFFORTS TO COMBAT THE OPIOID EPIDEMIC

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Wednesday, May 18, 2022

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON HOMELAND SECURITY,  
SUBCOMMITTEE ON BORDER SECURITY,  
FACILITATION, AND OPERATIONS,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 2 p.m., in room 310, Cannon House Office Building, Hon. Nanette Diaz Barragán [Chairwoman of the subcommittee] presiding.

Present: Representatives Barragán, Green, Higgins, Guest, and Clyde.

Chairwoman BARRAGÁN. The Committee on Border Security, Facilitation, and Operations will come to order. Without objection, the Chair is authorized to declare a recess at any time.

Thank you for joining today's hearing to examine the Department of Homeland Security's efforts to combat the opioid epidemic. The past few years have weighed heavily on the American people. A once-in-a-lifetime virus and the resulting economic slowdown exacerbated the existing public health crises, including our Nation's struggle with drug addiction and overdose deaths. In fact, data from the Center for Disease Control and Prevention suggests that drug overdoses have increased sharply since the pandemic began. They believe more than 107,000 overdose deaths occurred in 2021, breaking all previous yearly records.

The opioid crisis in the United States claims more lives each year than firearms, suicide, homicide, or motor vehicle crashes. Tackling the drug crisis is one of our most pressing National security, law enforcement, and public health challenges. We must do more to protect American lives.

I am grateful to see this administration tackling the challenge head-on. Last month President Biden released a new National Drug Control Strategy focused on the actions needed to reduce overdoses and save lives. Those actions include disrupting and dismantling drug trafficking operations in which our witnesses here today play a key role.

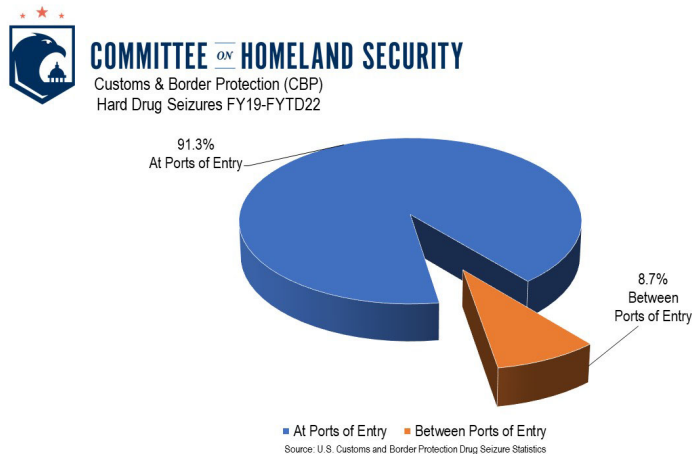
As we are all aware, the rise in the misuse of fentanyl and other synthetic opioids has its origins in the U.S. Food and Drug Administration's approval of the prescription opioid painkiller OxyContin in 1995 when it was falsely marketed as a nonaddictive pain-management medication. With the increased prescription, opioid dependence and addiction became an increased demand for synthetic opioids which transnational criminal organizations have exploited.

Almost all of the synthetic opioids harming Americans are manufactured outside of the United States. The smuggling of these drugs into our country is an issue the Biden administration and Democrats are focused on tackling. In the past, Chinese fentanyl was frequently shipped directly to the United States in small, high-purity quantities. It was also shipped to Mexico and then smuggled across the border. However, as China took steps to police fentanyl and related drugs, production and distribution has increasingly shifted to Mexico. It has never been more important to enhance cooperation with Mexican authorities and disrupt the movement of hard drugs like heroin and fentanyl across the border. This is exactly what the Biden administration is doing.

This administration also understands the overwhelming majority of hard drugs, more than 90 percent, are smuggled through legal ports of entry by documented travelers, not in between them.

If you look up on the screen you will see a pie chart that uses CBT data to illustrate this. That big blue section of the pie chart shows 91.3 percent coming in through ports of entry. Rather than waste resources building a wall or tearing families apart, the Biden administration has directed resources to ports of entry to interdict opioid shipments where they are arriving. They have also focused attention on disrupting and dismantling the transnational criminal organizations that smuggle these drugs into our communities.

[The information follows:]



Chairwoman BARRAGÁN. Despite the talking points I expect we will hear today from some of my colleagues, I would like to be clear that migrants seeking asylum are not responsible for the vast majority of drugs arriving in our communities. According to CBP data, there is no correlation between the volume of hard drugs being seized at the border and the number of migrants encountered.

For example, we saw seizures of fentanyl and heroin reach current levels in June 2020. At the time migration was still unnaturally suppressed at the border closures throughout Central America. High levels of opioids and other illicit drugs are seized at points of entry during times of both high and relatively low migration.

The Department of Homeland Security is in a unique position to respond to this crisis, both with its investigative arm and through our personnel and technologies stationed at the border, including the nonintrusive inspection systems and radiation technology to scan travelers, vehicles, and cargo entering the United States for narcotics. This technology is critical and I support the Department's goal of achieving a 100 percent scan rate. However, much more work needs to be done. Currently less than 2 percent of private vehicles and 15 percent of commercial vehicles are screened for narcotics at the Southwest Border.

Today I look forward to hearing more about CBP's use of technology and K-9 units to detect opioids at our ports of entry. I also look forward to hearing more about HSI's efforts to investigate transnational criminal organizations and their drug supply chains to intercept drug shipments heading to the United States.

Combating illicit drugs is no easy task and enforcement alone will not solve the challenge. Tackling the opioid epidemic in our country requires a whole-of-society approach that goes beyond the scope of border enforcement. Nonetheless, the Department of Homeland Security has an important role in this fight. We must identify and resolve vulnerabilities, especially as traffickers continue to adapt their methods.

Today's hearing will provide us with an opportunity to learn more about the Department's efforts and challenges in combatting the opioid epidemic. I look forward to a frank conversation on the current situation and our witnesses' recommendations on how Congress can take action to further protect our communities.

[The statement of Chairwoman Barragán follows:]

STATEMENT OF CHAIRWOMAN NANETTE BARRAGÁN

MAY 18, 2022

The past few years have weighed heavily on the American people. A once-in-a-lifetime virus and the resulting economic slowdown exacerbated existing public health crises, including our Nation's struggle with drug addiction and overdose deaths. In fact, data from the Centers for Disease Control and Prevention suggests that drug overdoses have increased sharply since the pandemic began. They believe more than 107,000 overdose deaths occurred in 2021, breaking all previous yearly records.

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As we are all aware, the rise in the misuse of fentanyl and other synthetic opioids has its origins in the U.S. Food and Drug Administration's approval of the prescription opioid painkiller OxyContin in 1995, when it was falsely marketed as a non-addictive pain-management medication. With the increased prescription opioid dependence and addiction came an increased demand for synthetic opioids, which transnational criminal organizations have exploited.

Almost all of the synthetic opioids harming Americans are manufactured outside of the United States.

The smuggling of these drugs into our country is an issue the Biden administration and Democrats are focused on tackling. In the past, Chinese fentanyl was frequently shipped directly to the United States in small, high purity quantities. It was also shipped to Mexico and then smuggled across the border. However, as China

took steps to police fentanyl and related drugs, production and distribution has increasingly shifted to Mexico. It has never been more important to enhance cooperation with Mexican authorities and disrupt the movement of hard drugs like heroin and fentanyl across the border—this is exactly what the Biden administration is doing.

This administration also understands that the overwhelming majority of hard drugs are smuggled through legal ports of entry by documented travelers—not in between them. Rather than waste resources building a wall or tearing families apart, the Biden administration has directed resources to ports of entry to interdict opioid shipments where they are arriving. They have also focused attention on disrupting and dismantling the transnational criminal organizations that smuggle these drugs into our communities.

Despite the talking points I expect we will hear today from some of my colleagues, I'd like to be clear that migrants seeking asylum are not responsible for the vast majority of drugs arriving in our communities. According to CBP data, there is no correlation between the volume of hard drugs being seized at the border and the number of migrants encountered. For example, we saw seizures of fentanyl and heroin reach current levels in June 2020. At the time, migration was still unnaturally suppressed by border closures throughout Central America. High levels of opioids and other illicit drugs are seized at ports of entry during times of both high, and relatively low, migration.

The Department of Homeland Security is in a unique position to respond to this crisis, both with its investigative arm and through our personnel and technologies stationed at the border, including the Non-Intrusive Inspection systems and radiation technology to scan travelers, vehicles, and cargo entering the United States for narcotics. This technology is critical, and I support the Department's goal of achieving a 100 percent scan rate. However, much more work needs to be done—currently less than 2 percent of private vehicles and 15 percent of commercial vehicles are screened for narcotics at the Southwest Border.

Today I look forward to hearing more about CBP's use of technology and canine units to detect opioids at our ports of entry. I also look forward to learning more about HST's efforts to investigate transnational criminal organizations and their drug supply chains to intercept drug shipments heading to the U.S. Combatting illicit drugs is no easy task. And enforcement alone will not solve the challenge.

Tackling the opioid epidemic in our country requires a whole-of-society approach that goes beyond the scope of border enforcement. Nonetheless, the Department of Homeland Security has an important role in this fight. We must identify and resolve vulnerabilities, especially as traffickers continue to adapt their methods.

Today's hearing will provide us with an opportunity to learn more about the Department's efforts and challenges in combatting the opioid epidemic. I look forward to a frank conversation on the current situation and our witnesses' recommendations for how Congress can take action to further protect our communities.

Chairwoman BARRAGÁN. With that, the Chair now recognizes the Ranking Member of the subcommittee, Mr. Higgins of Louisiana, for an opening statement.

Mr. HIGGINS. Thank you, Madam Chair, and I appreciate the law enforcement professionals that are here with us today.

I would like to communicate clearly to Americans that are joining us today through this televised hearing, address the elders of the communities across America, and clarify a few things so you can grasp what we are dealing with in the country right now.

The United States is currently undergoing a horrific drug epidemic crisis. Fentanyl, the synthetic opioid, is 80 to 100 times stronger than morphine. According to the DEA, our own Drug Enforcement Administration, just 2 milligrams of fentanyl can kill a person by ingestion, inhalation, or even absorption through the skin. Fentanyl is now the leading cause of death of Americans 18 to 45 years old.

The Customs and Border Patrol have seized enough fentanyl just last year to kill 2.4 billion people. That is over 7 times the population of the United States of America. I hope America is paying attention to what I am sharing here today.



It should come as no shock, a reasonable assessment of what is happening in our Southern Border. Every American would look at that, record numbers of illegal crossings driven by cartels that make their monies from trafficking drugs and human beings. It is a reasonable and pretty easy connection to make to understanding that illegal crossings at the border, that is out of control by any measure, is directly related to the opioid crisis that we are suffering as a Nation right now and the deaths that we are experiencing, 107,000 Americans died from opioid overdose last year. We have never seen numbers like this before.

No matter where you are in law enforcement this is touching your community. If you are an elder of your community, you know, youngsters from your area that you love and care for, they have suffered loss and deaths. These kids are taking pills that are pressed by dealers with equipment they are buying on-line or building themselves and make pill presses out of raw materials that they are getting from somewhere. It might be a clue where they are getting it from if you look at our Southern Border. This is just reality.

My colleagues like to use percentages across the aisle and graphs like this, they are entertaining, but no more. Because they talk about percentages of seizures. Obviously our ports of entry, the large ships or trucks, professional law enforcement intercepts large shipments and quantities of drugs based upon investigative work and data from confidential informants. They don't stumble across a large shipment of drugs on the highway, in the belly of a ship, or hidden in the cargo of truck. You don't stumble across that stuff. You are watching for that vessel, you are watching for that vehicle, you intercept it when it comes into your jurisdictional authority, and if your confidential informant was right, you have a big drug seizure. You law enforcement guys know that what I am saying is true.

So, of course, you intercept a large volume and quantity of drugs in the hold of a ship as compared to on a backpack carried across the border. My colleagues like to say that migrants seeking asylum are not impacting this drug crisis. That is intellectually unsound and even disingenuous because the young men that are crossing our border, I think we are pushing a million with last year and this year, official numbers about 400,000 last year, unknown this year, they are called got-aways because they got away.

They are not seeking asylum. Seeking asylum requires interaction with law enforcement professionals at the border to begin your process of asylum. You don't do that with a backpack of drugs.

I am asking America to be genuine about this conversation.

On my side of the aisle we want to have this conversation so that we can give the law enforcement professionals the assets and the assistance they need to do their job and restore American sovereignty at our Southern Border and save America from death by overdose that we are experiencing right now.

But we cannot allow ourselves to be pulled into this false narrative of that don't pay no attention to the man behind the curtain, nothing here to see, move along. We had 2.4 million illegal crossings last year, 500,000 got-aways, these are stout young men and a lot of them are carrying backpacks with drugs in them. It does

not take a lot of fentanyl to produce thousands and thousands and thousands of pills that are pressed to look like Xanax and Lortab and OxyContin, and they are sold on the streets for \$5, \$10, \$15, \$25 a pop, at parties where your teenagers are going. They are buying these pills and they are dying.

So I encourage all of my colleagues on both sides of the aisle to engage honestly about what is happening in America today. I very much look forward to hearing from our law enforcement professionals today.

Madam Chair, I yield.

Chairwoman BARRAGÁN. I want to thank the Ranking Member. Members are reminded that the subcommittee will operate according to the guidelines laid out by the Chairman and the Ranking Member in their February 3, 2021, colloquy.

Without objection, Members not on the subcommittee shall be permitted to sit and question the witnesses. Additional statements may be submitted for the record.

[The statement of Chairman Thompson follows:]

STATEMENT OF CHAIRMAN BENNIE G. THOMPSON

Good afternoon and thank you to Chairwoman Barragán for holding this important hearing on the Department of Homeland Security's efforts to combat the opioid epidemic.

According to the National Institute on Drug Abuse, there were 91,799 drug-involved overdose deaths reported in America in 2020. Opioids are the main cause of drug overdose deaths, with a 6-fold increase from 2015 to 2020. In my home State of Mississippi, 440 people tragically lost their lives to drug overdoses in 2020. And deaths from overdoses have only increased during the pandemic. Opioids pose a devastating threat to communities across the country.

For its part, DHS is working with Federal, State, local, and international partners to prevent dangerous drugs from crossing our borders. We know that the overwhelming majority of hard drugs such as fentanyl, heroin, and methamphetamine enter our Nation through ports of entry, usually concealed in commercial traffic or passenger vehicles. CBP officers at ports of entry use Non-Intrusive Inspection systems to scan travelers, vehicles, cargo, and packages for contraband. While the Department's goal is a 100 percent scan rate, less than 2 percent of private vehicles and 15 percent of commercial vehicles are currently screened for narcotics at the Southwest Border. We need to keep working to increase these scan rates and improve interdiction efforts across ports of entry and in our mail facilities. We also need to thwart the transnational criminal organizations responsible for smuggling drugs into our communities. We need to stop these drugs from ever reaching our borders, in addition to seizing the drugs that do make it to our borders.

I will continue to work with the Department to ensure it has the personnel and resources it needs to tackle this epidemic head-on. However, we must also recognize that this is just one part of the solution. Law enforcement and border security, while very important, will not be enough. We must also tackle this crisis with treatment and recovery options to restore people's health and break the devastating cycles of addiction. This must be a robust whole-of-Government operation. I look forward to hearing from our witnesses today on their operations, successes, and challenges in preventing drugs from reaching our communities. I also welcome any suggestions they have on how we can further reduce the flow of narcotics into American communities.

Chairwoman BARRAGÁN. Not seeing the Chairman of the full committee, we will move on. I don't see the Ranking Member of the full committee. Now I would like to welcome our panel of witnesses.

Mr. Brian Sulc is the executive director of the Transnational Organized Crime Mission Center at DHS's Office of Intelligence & Analysis. Mr. Pete Flores is the executive assistant commissioner of CBP's Office of Field Operations. Mr. Steve Cagan is the assist-

ant director for Countering Transnational Organized Crime at ICE Homeland Security Investigations.

Without objection, the witnesses' full statements will be inserted into the record.

I will now ask each witness to summarize his statement for 5 minutes, beginning with Mr. Sulc.

**STATEMENT OF BRIAN SULC, EXECUTIVE DIRECTOR,  
TRANSNATIONAL ORGANIZED CRIME MISSION CENTER, OF-  
FICE OF INTELLIGENCE & ANALYSIS, U.S. DEPARTMENT OF  
HOMELAND SECURITY**

Mr. SULC. Chairwoman Barragán, Ranking Member Higgins, and distinguished Members of the Subcommittee on Border Security, Facilitation, and Operations, thank you for the opportunity to discuss the growing opioid epidemic from the perspective of the DHS's Office of Intelligence and Analysis. I am honored to represent the dedicated intelligence professionals at I&A who work to keep the homeland safe, secure, and resilient.

First I would like to provide contextual information of the illicit fentanyl supply chain. It is cheaper, faster, and more resilient than plant-based illicit drugs such as heroin. Mexico-based drug trafficking organizations, mainly the Sinaloa and Jalisco New Generation Cartels are leading manufacturers and smugglers of fentanyl to the United States. These cartels import precursor chemicals into Mexico, mostly from China and to a lesser extent India. Suppliers adapt to enforcement pressure or legal restrictions by adjusting, advertising, or changing chemical structures that fall outside of existing drug controls. Dual-use chemicals used in synthetic drugs also present additional precursor detection challenges as many have a legitimate use.

After obtaining precursors, fentanyl production involves three stages: Laboratory synthesis, pill-pressing operations, and staging for cross-border smuggling. Once fentanyl is synthesized, a single pill-pressing operation in Mexico can produce up to 150,000 tablets a day. Pills are then staged in stash houses along Mexico's Northern Border. Mexico-based drug traffickers primarily use personally-owned and commercial vehicles to smuggle fentanyl into the United States through land border ports of entry. CBP will later address this in more detail.

Once in the country, the DTOs or their affiliates distribute synthetic drugs to a large distribution hub such as Los Angeles, Chicago, Atlanta, and New York. Fentanyl networks are among the world's first digital native drug networks. Direct-to-consumer transactions use social media to expand upon the more traditional distribution onward to local hubs.

This e-commerce model also enables illicit actors to react rapidly to enforcement detection and reach an even broader customer base.

We see fentanyl in two predominate forms: Fake prescription pills and laced into hard drugs. Drug traffickers disguise fentanyl pills to look like prescription drugs such as the commonly known OxyContin, Percocet, Vicodin, Xanax, or stimulants like Adderall. The adulteration of fentanyl into hard drugs such as heroin and cocaine continue to be a rising concern as well. Illicit actors are likely

adulterating these drugs to increase their potency and addictive properties to grow market demand.

Since 2018 synthetic drugs such as fentanyl are the leading drivers of most drug-induced overdose deaths reported in the U.S. Provisional data from CDC's National Center for Health Statistics predicted almost 107,000 overall drug overdose deaths in the United States for 12 months ending in November 2021, and they appear to have hit the mark. Synthetic drugs attributed to 75 percent of those overdose deaths.

With this understanding of the illicit fentanyl landscape, what are we doing about it? Our primary emphasis is collaboration. As an intelligence agency I&A is working the DHS intelligence enterprise and the intelligence community to collect, research, and analyze information on transnational criminal organizations. Our assessments informed decision making and operational planning across DHS, Federal agencies, and State, local, Tribal, and territorial partners to combat transnational criminal organizations.

The I&A Transnational Organized Crime Mission Center produces intelligence for maximum utility across law enforcement and at all levels and the intelligence community. In terms of fentanyl specifically, I&A remains forward-leaning by challenging our historical understanding of drug flow.

We strive to embrace alternative analysis because fentanyl is like any other traditional drug threat. We assess transnational organized criminal activity holistically to include other associated crimes and to seek, deter, disrupt, and dismantle the networks responsible for this opioid epidemic.

Thank you again for the opportunity to appear before you today to discuss this critical threat. We remain committed to keep the homeland safe, secure, resilient by safeguarding the Nation from terrorists, criminal, and other threat actors.

[The prepared statement of Mr. Sulc follows:]

PREPARED STATEMENT OF BRIAN SULC

WEDNESDAY, MAY 18, 2022

Chairwoman Barragán, Ranking Member Higgins, and distinguished Members of the Subcommittee on Border Security Facilitation, & Operations. Thank you for the opportunity to appear before you today to discuss threats emanating from the smuggling of opioids. It is an honor to be here representing the Department of Homeland Security's (DHS) Office of Intelligence and Analysis (I&A), and the dedicated intelligence professionals that keep the Homeland safe, secure, and resilient.

#### SMUGGLING OF ILLICIT OPIOIDS

The lethal drug overdose crisis in the United States, fueled by foreign drug trafficking organizations, continues at epidemic proportions while yielding transnational criminal organizations (TCO) billions of dollars in illicit proceeds. Foreign traffickers supply U.S.-based gangs with drugs for retail-level distribution and sales, potentially contributing to heightened levels of criminal violence in some areas of the country. They are selling fentanyl to users that is mixed with other controlled substances and in the form of counterfeit prescription pills to drive addiction and increase repeat customers through dependency. Reports from the Centers for Disease Control and Prevention (CDC) and the Drug Enforcement Administration (DEA) conclude that a majority of drug overdose fatalities involve highly addictive fentanyl and other synthetic opioids.

We have learned in our fight against the opioid epidemic that fentanyl production is cheaper, faster, and more lucrative than plant-based illicit drugs such as heroin. Mexico-based drug trafficking organizations (DTOs), principally the Sinaloa Cartel and Jalisco New Generation Cartel, are leading manufacturers and smugglers of

fentanyl to the United States. These cartels import precursor chemicals into Mexico mostly from China and, to a lesser but increasing extent, from India. Suppliers quickly adapt to enforcement pressure or legal restrictions by adjusting advertising techniques or changing chemical structures that mimic the desired effect and fall outside of existing drug controls. Dual-use chemicals used in synthetic drugs also present additional precursor detection challenges as many have a legitimate use.

Mexico-based DTOs continue to expand their chemical expertise, strengthening their adaptability for making synthetic drugs and increasing their profit margin by controlling more of the supply chain. After obtaining precursors, fentanyl production involves three stages: Laboratory synthesis, pill-pressing operations, and staging for cross-border smuggling. Mexico-based DTOs prefer producing finished fentanyl in Mexico to mitigate the risks associated with transporting equipment and precursor chemicals. Once fentanyl is synthesized, a single pill-pressing operation in Mexico can produce up to 150,000 tablets a day, worth about \$90,000 in Sinaloa or up to \$2 billion in U.S. street value. Pills are then staged in stash houses along Mexico's northern border.

Mexico-based DTOs primarily use both personally owned and commercial vehicles to smuggle fentanyl into the United States through land border ports of entry. Once in the country, the DTOs or their affiliates distribute synthetic drugs via north-bound and eastbound highways to large distribution hubs such as Los Angeles, Chicago, Atlanta, and New York. Fentanyl networks are among the world's first digital-native drug networks. Direct-to-consumer transactions use social media to expand upon more traditional drug distribution on-ward to local hubs. This e-commerce model also enables illicit actors to react rapidly to enforcement detection and reach a broader customer base, including juveniles.

DTOs have disguised fentanyl pills to look like prescription opioids such as oxycodone (Oxycontin, Percocet), hydrocodone (Vicodin), benzodiazepines such as alprazolam (Xanax), or stimulants like amphetamines (Adderall). Mass production and false marketing of these counterfeit pills deceive customers and exacerbate the harm to public health. In addition to illicit prescription pills, fentanyl is also seen laced with other commonly-abused drugs such as marijuana, heroin, and cocaine. Illicit actors are likely adulterating these drugs to increase their potency and addictive properties to grow market demand.

Since 2018, synthetic drugs such as fentanyl are the leading drivers of most drug-related overdose deaths reported in the United States. Provisional data from CDC's National Center for Health Statistics predicted 106,854 overall drug overdose deaths in the United States for 12 months ending in November 2021. Synthetic opioids accounted for 70,420, or 66 percent, of the overdose deaths in the United States during the same period. Fentanyl's wide-spread availability leads to more overdoses of greater severity, as its amplified potency diminishes revival response. Law enforcement and public health professionals report the need for multiple delivery treatments of naloxone (Narcan) when responding to an overdose incident involving fentanyl.

#### I&A ACTIONS

The administration's National Drug Control Strategy focuses on two big drivers of the opioid epidemic untreated addiction—public health and domestic policies to reduce demand and save lives—and drug trafficking—on disrupting the DTOs. The catastrophic effects of fentanyl and other synthetic opioids on society are clear, but a commodity-centric approach is insufficient. All nationally-significant smugglers of fentanyl also deal in other illicit drugs and commit other forms of organized crime to enable their illicit drug supply. To combat this threat holistically, the strategy seeks to deter, disrupt, and dismantle the TCO networks responsible. As intelligence providers, I&A, the DHS intelligence enterprise, and the intelligence community all collect, research, and analyze information to produce assessments of TCOs that inform decision making and operational planning across DHS, Federal agencies, and State, local, Tribal, and territorial (SLTT) partners in support of their actions to combat TCOs.

The I&A Transnational Organized Crime Mission Center (TOCMC) produces intelligence on drug trafficking, human smuggling, irregular migration, and other issues to strengthen engagement between U.S. officials and foreign partners. Specific to drug trafficking threats, our analysis is aimed at identifying key TCO leadership figures, organizational networks, logistical supply chains, smuggling routes, and the effects of corruption that stand in the way of dismantling these organized crime groups. Analytic products from TOCMC draw upon National-level reporting from the intelligence community fused with DHS-unique data from components as well as information from our law enforcement partners across all levels of govern-

ment. Finished intelligence products related to TCOs are written for the widest possible dissemination to our Federal and SLTT partners.

Mexican TCOs supply U.S.-based criminal gangs with drugs for on-ward distribution and retail-level sales, which potentially contributes to heightened criminal violence in some areas of the country. Because these networks reach across the border and into our communities, we combine robust partnerships with our law enforcement partners and other homeland security partners with DHS and IC data and information to provide a more complete picture of the TCO threat to the homeland.

I&A seeks front-line information on gangs, other groups, or individuals inside the United States who are involved in drug trafficking on behalf of TCOs and on how TCOs establish relationships with U.S. gangs on drug activities. I&A plays a critical role in fusing information received from our law enforcement and private-sector partners with intelligence community holdings. I&A outreach to our SLTT and private-sector partners helps them recognize the value of information that they discover incidental to their normal operations for collection and dissemination in intelligence reporting channels, while ensuring that proper intelligence oversight safeguards are observed to protect privacy and civil liberties. I&A's unique and growing partnership with SLTT counterparts reflects enormous potential to strengthen our Nation's fight against TCOs and the drug crisis.

I&A also maintains a robust partnership with law enforcement stakeholders to understand both National and local impacts of TCO operations and to inform and guide our efforts to counter TCOs through integrated information sharing and operations with our State, local, Tribal, and territorial (SLTT) partners and other Federal agencies, including the Federal Bureau of Investigation, the Drug Enforcement Administration, and the Office of National Drug Control Policy's High-Intensity Drug Trafficking Area program. I&A's deployed intelligence personnel work closely with DHS components, State and major urban area fusion centers, and other law enforcement agencies to gather, analyze, and report information that is uniquely available from these partners. These insights help shape our understanding of the TCO activities in the United States. I&A also broadly facilitates the sharing of products and threat information between these partners using our Homeland Security Information Network and other dissemination methods. Furthermore, I&A is part of a DHS-wide CTOC enterprise that includes collaboration with ICE, CBP, U.S. Coast Guard, S&T, PLCY, among others. This enterprise leverages unique authorities and capabilities to the aforementioned components to create powerful synergies.

#### CONCLUSION

Thank you again for the opportunity to appear before you today to discuss this critical threat and for your continued support of I&A. We remain committed to keeping the homeland safe, secure, and resilient by safeguarding the Nation from terrorist, criminal, and other threat actors and we will continue our efforts at home and abroad to uphold the National security and public safety of the United States.

Chairwoman BARRAGÁN. Thank you, Mr. Sulc, for your testimony. I now recognize Mr. Flores to summarize his statement for 5 minutes.

#### **STATEMENT OF PETE FLORES, EXECUTIVE ASSISTANT COMMISSIONER, OFFICE OF FIELD OPERATIONS, U.S. CUSTOMS & BORDER PROTECTION, U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. FLORES. Chairwoman Barragán, Ranking Member Higgins, and distinguished Members of the subcommittee, thank you for the opportunity to appear here today to discuss U.S. Customs & Border Protection's efforts to combat the illicit flow of drugs into the United States.

CBP held its annual valor memorial last week. This year 37 names were added to that monument, the names of 37 CBP officers and agents who gave their lives carrying out CBP's important mission. I am proud to represent the brave women—brave and dedicated men and women of CBP who work tirelessly every day in often dangerous and difficult conditions to protect our border, our homeland, and our community.

Today I would like to first highlight CBP's seizures and trends in the border environment and then discuss CBP's multi-layered enforcement approach to countering the drug threat.

As you are aware, the reach and influence of transnational criminal organizations, or TCOs, continues to expand across our borders. TCOs increasingly demonstrate the ability to manufacture sophisticated synthetic opioids and analogs that are difficult to detect and identify. They also continuously adjust operations, including shifting to drugs like synthetic opioids that can be concealed and transported in smaller quantities, to circumvent detection, interdiction by law enforcement.

In fiscal year 2021 CBP seized more than 450 tons of illegal drugs, the majority being marijuana, but also cocaine, fentanyl, and methamphetamines. Nation-wide CBP seizures of fentanyl have increased sharply. In fiscal year 2021 CBP seized more than 11,000 pounds of fentanyl, more than double the weight seized in fiscal year 2020, and about 4 times as much as in fiscal year 2019.

Most illicit drugs, including fentanyl, enter the United States through the Southwest Border ports of entry. They are brought in by privately-owned vehicles, commercial vehicles, and even pedestrians. Although much less frequent now, fentanyl and other synthetic opioids are also encountered in the international mail and express consignment carrier shipments. Most illicit fentanyl is synthesized in Mexico.

We use an aggressive strategic enforcement approach that leverages advanced information, analytics, and intelligence, sophisticated detection, and scientific laboratory capabilities, and strong partnerships to combat cross-border flow of drugs. CBP's National Targeting Center, or NTC, uses advanced data along with law enforcement and intelligence records to identify suspect, high-risk shipments, cargo, and travelers before they reach our borders. NTC also uses predictive analysis, focused on providing timely and actionable information to our partners and our front-line officers and agents. In the international mail and express consignment environments CBP obtains electronic shipping information providing valuable insight into inbound parcels.

All CBP operation environments have sophisticated detection technology, including nonintrusive inspection systems, commonly called NII, that reliably and quickly detect the presence of suspect illegal narcotics within shipments, passenger belongings, cargo containers, commercial trucks, rail cars, and privately-owned vehicles.

K-9 operations also provide invaluable detection capabilities. The CBP K-9 Training Program maintains the largest and most diverse law enforcement K-9 training program in the country. Furthermore, all office and field operations concealed human and narcotic K-9 teams have completed training to include the odor of fentanyl and fentanyl analogs.

CBP's enforcement approach not only focuses on efficient detection of suspected illicit drugs but also prioritizes swift identification of substances. In the field CBP officers use various field testing devices to rapidly screen suspected controlled substances. On-site CBP laboratories and scientists, as well as a 24/7 forensic reach-back center enables CBP officers to submit data electronically to CBP's scientists for identification.

All CBP seizure information and laboratory identification data are provided to NTC and our Federal investigative partners. It is a collaborative approach that leads to investigations, prosecutions, and dismantling of TCO networks and operations.

Our partners are critical. We work closely with our Federal partners as well as State, local, Tribal, international partners to share information, collaborate in joint enforcement operations to identify, target, and disrupt illicit and drug activity. As the threat of illicit drugs persists in our communities across the United States, CBP will continue to prioritize and dedicate resources to counter TCOs to disrupt the flow of illicit drugs across our borders.

Thank you for the opportunity to testify today. Look forward to your questions.

[The prepared statement of Mr. Flores follows:]

#### PREPARED STATEMENT OF PETE FLORES

MAY 18, 2022

#### INTRODUCTION

Chairwoman Barragán, Ranking Member Higgins, and distinguished Members of the subcommittee, thank you for the opportunity to appear today to discuss U.S. Customs and Border Protection's (CBP) efforts to combat the flow of illicit drugs, including synthetic drugs like methamphetamine and fentanyl, into communities across the United States.

The reach and influence of Transnational Criminal Organizations (TCOs) continues to expand across and beyond the Southwest Border. TCOs, such as Mexican cartels, increasingly demonstrate the ability to produce synthetic drugs and their analogues that are difficult to detect and identify. They also continually adjust their operations to circumvent detection and interdiction by law enforcement by shifting to drugs that can be transported in small quantities and improving fabrication and concealment techniques.

CBP recognizes the significant impact opioids and other illicit drugs have on our local communities. We work with our Federal, State, local, Tribal, and international partners daily to identify and disrupt TCOs and stem the flow of illegal narcotics. We dedicate significant resources and capabilities to the whole-of-Government effort to thwart the illicit drug supply chain and those networks promoting it.

CBP's efforts to combat the flow of illicit drugs are guided by the *CBP Strategy to Combat Opioids*<sup>1</sup> and implemented through a multi-faceted approach that includes collaboration and enhanced intelligence sharing with other agencies and foreign partners, advanced laboratory capabilities, specialized canines, non-intrusive inspection technology, and dedicated, highly-trained law enforcement personnel.

Our strategy and enforcement approach enables the agency to nimbly shift resources and swiftly respond to emerging threats, such as the deadly threat posed by fentanyl, fentanyl analogues, other synthetic opioids, methamphetamine, and precursor and other chemicals used in illicit drug production.

#### TRENDS AND INTERDICTIONS

CBP's Office of Field Operations (OFO) works in tandem with the U.S. Border Patrol (USBP) and Air and Marine Operations (AMO) to combat the flow of illicit narcotics across the border. CBP officers screen all foreign visitors and returning U.S. citizens and inspect conveyances and cargo that enters the United States at 328 sea, air, and land ports of entry (POEs). Between the POEs, USBP and AMO agents detect, interdict, and prevent the unlawful movement of people, illegal drugs, and other contraband toward or across our borders.

On a typical day,<sup>2</sup> CBP seizes approximately 5,000 pounds of illegal drugs that would otherwise make their way into American communities. Since October 1, 2021, CBP has seized nearly 340,000 pounds of illegal drugs Nation-wide.<sup>3</sup> Marijuana, methamphetamine, heroin, and cocaine remain top-seized drugs by weight, but

<sup>1</sup> <https://www.cbp.gov/sites/default/files/assets/documents/2019-Mar/CBP-Opioid-Strategy-508.pdf>.

<sup>2</sup> <https://www.cbp.gov/newsroom/stats/typical-day-fy2021>.

<sup>3</sup> As of March 31, 2022, <https://www.cbp.gov/newsroom/stats/drug-seizure-statistics>.



shifting trends over recent years produced significant increases in synthetic drugs like fentanyl, a synthetic opioid analgesic that is 80–100 times stronger than morphine. Fentanyl is the most frequently-seized illicit synthetic opioid, but CBP observed fentanyl and 29 of its analogues, as well as 50 unique synthetic opioids that are not from the fentanyl class.<sup>4</sup>

During the past several years, the weight of CBP seizures of fentanyl has increased sharply. In fiscal year 2021, CBP seized 11,201 pounds of fentanyl, more than twice the 4,791 pounds seized in fiscal year 2020 and approximately four times as much as fiscal year 2019 (2,804 pounds). In fiscal year 2022, since October 1, 2021, CBP has seized 5,310 pounds of fentanyl Nation-wide.<sup>5</sup> CBP estimates we interdicted 1.2 billion potential doses of fentanyl in fiscal year 2020 and 2.6 billion potential doses of fentanyl in fiscal year 2021. By the measure of potential doses, CBP fentanyl seizures were only second to methamphetamine, of which an estimated 16 billion doses in fiscal year 2020 and 17 billion doses in fiscal year 2021 were seized. For reference, Earth’s population is approximately 7.9 billion people.<sup>6</sup>

Most illicit drugs, including fentanyl, enter the United States through our Southwest Border POEs. They are brought in by privately-owned vehicles, commercial vehicles, and even pedestrians. Although less frequent, fentanyl and other synthetic opioids are also encountered in international mail facility (IMF) and express consignment carrier (ECC) environments. Fentanyl shipments largely originate, and are likely synthesized, in Mexico and are often concealed within larger shipments of other commodities. Illicit fentanyl can also be purchased from on-line sellers and then shipped via international mail packages or ECCs.

The shift in the illicit drug market toward primarily fentanyl, its analogues, and other synthetic opioids, led CBP to develop and implement the CBP Strategy to Combat Opioids.<sup>7</sup> CBP’s enforcement efforts are guided by the Strategy’s four key objectives that focus on ensuring CBP can quickly anticipate and adapt to changing tactics and techniques used by cartels, traffickers, smugglers, and their networks; enhance collaboration among key partners; produce actionable intelligence to target the illicit opioid supply chain; and protect CBP personnel from exposure to opioids.

#### COLLABORATION AND INFORMATION SHARING

Shifting trends and sophisticated TCO tactics mean that now, more than ever, efforts to counter TCO activity require coordination and cooperation across the law enforcement community. CBP works extensively with our Federal, State, local, Tribal, and international partners to address drug trafficking and other transnational threats at POEs, and in the mail and express consignment environments, along our land borders and coastal approaches.

CBP works closely with U.S. Immigration and Customs Enforcement’s Homeland Security Investigations (ICE HSI) and Department of Justice’s Drug Enforcement Administration (DOJ DEA) to facilitate all available investigative actions regarding CBP seizures. For seizures that do not meet a Federal threshold, intelligence and information derived from these seizures are provided to local, State, and regional task forces for situational awareness and further investigative actions.

Key partners, including ICE, DEA, the United States Postal Inspection Service (USPIS), the Federal Bureau of Investigation (FBI), alongside other Federal, State, local, Tribal, and international partners, regularly share information from the headquarters level down to local POEs and coordinate investigative and enforcement actions.

CBP regularly hosts briefings with Federal, State, local, and Tribal partners regarding the current state of the border, providing a cross-component, multi-agency venue for discussing trends and threats. Engagements focus on interdictions and arrests at the border and interior areas within United States. These briefings also include participants from the governments of Canada and Mexico.

CBP also participates in joint operations and multi-agency enforcement teams, composed of representatives from international and Federal law enforcement agencies. Working together with State, local, and Tribal agencies, these operations target drug and transnational criminal activity, and often contribute to investigations involving National security and organized crime.

<sup>4</sup> A complete list can be made available by CBP Laboratories and Scientific Services.

<sup>5</sup> As of March 31, 2022, <https://www.cbp.gov/newsroom/stats/drug-seizure-statistics>.

<sup>6</sup> CBP would be happy to brief the subcommittee on its illicit drug dose estimation tool and how it derived at these estimates.

<sup>7</sup> <https://www.cbp.gov/document/publications/cbp-opioid-strategy>.

## ADVANCE INFORMATION AND TARGETING

Advance electronic shipping information, actionable intelligence, and information-sharing partnerships are critical components of CBP's ability to quickly identify, target, and deter the entry of dangerous illicit drugs in all operational environments.

Authorities and mechanisms that enable CBP to obtain advance electronic shipping information is a critical element of CBP's ability to identify shipments that are potentially at a higher risk of containing contraband. Under section 343 of the Trade Act of 2002 (Pub. L. No. 107-210), as amended, and under the Security and Accountability for Every Port Act or SAFE Port Act of 2006, (Pub. L. No. 109-347), CBP has the legal authority to collect key cargo data elements provided by air, sea, and land commercial transport companies (carriers), including ECCs and importers.<sup>8</sup> This information is automatically fed into CBP's Automated Targeting System (ATS), a secure intranet-based enforcement and decision support system that compares cargo and conveyance information against intelligence and other enforcement data.

At CBP's National Targeting Center (NTC), advance data and access to law enforcement and intelligence records converge to facilitate the targeting of travelers and items of cargo that pose the highest risk to our security in all modes of inbound transportation. The NTC takes in large amounts of data and uses sophisticated targeting tools and subject-matter expertise to analyze, assess, and segment risk at every stage in cargo movement and travel life cycles. As the focal point of that strategy, the NTC leverages classified, law enforcement, commercial, and open-source information in unique, proactive ways to identify high-risk travelers and shipments at the earliest possible point prior to arrival in the United States.

CBP's analytical methodology centers on providing timely and actionable intelligence to our front-line officers and agents, decision makers, and partners. To strengthen our intelligence posture in responding to the complex border threat environment, CBP's Intelligence Enterprise (IE) was established in 2017 as a cohesive, threat-based, data-driven, and operationally focused effort to leverage the collective intelligence capabilities and expertise across CBP's operational components, including OFO, USBP, AMO, and the Office of Trade. To enhance its intelligence capacity, CBP IE established investment priorities that support a whole-of-agency approach to countering various border threats, such as the use of a common reporting platform to timely share and disseminate threat information to disparate offices. CBP's IE was also responsible for launching CBP Watch, a situational awareness facility that provides trend analysis and real-time feedback to better support agency operational front lines 24 hours a day, 7 days a week.

Investigative case data is fused with CBP targeting information to strengthen investigations targeting fentanyl smuggling and trafficking organizations and enable timely law enforcement actions. The NTC works in close coordination with several pertinent task forces including Organized Crime Drug Enforcement Task Forces, the High Intensity Drug Trafficking Areas, and the Joint Interagency Task Force-South and West, as well as DHS Joint Task Forces.

In the postal environment, recent bilateral agreements regarding Advance Electronic Data (AED) between the U.S. Postal Service (USPS) and foreign postal operators have increased CBP's ability to target high-risk shipments. Additionally, the Synthetics Trafficking and Overdose Prevention (STOP) Act requires that DHS prescribe regulations requiring the USPS to transmit advance electronic information for international mail to CBP consistent with the statute. Currently, USPS provides AED from more than 129 foreign postal services, and CBP utilizes the AED to actively target international mail shipments at 7 IMFs.

#### *Targeting Precursors*

Many of the precursor chemicals used to synthesize synthetic illicit opioids such as fentanyl and methamphetamine are non-regulated currently, and many have le-

<sup>8</sup>Under TSA regulations, international mail destined for the United States is subject to security controls. These security controls, which include screening for unauthorized explosive, incendiary, and other destructive substances or items in accordance with TSA regulations and security program requirements, are applied to international mail prior to transporting on aircraft at Last Point of Departure locations to the United States. 49 U.S.C. 44901(a) states: "The Under Secretary of Transportation for Security shall provide for the screening of all passengers and property, including United States mail, cargo, carry-on and checked baggage, and other articles, that will be carried aboard a passenger aircraft." Under 49 C.F.R. 1540.5, "Cargo means property tendered for air transportation accounted for on an air waybill. All accompanied commercial courier consignments whether or not accounted for on an air waybill, are classified as cargo. Aircraft operator security programs further define the term 'cargo.' These requirements are not dependent on advance electronic manifest data, as provided by ECC operators and other participants in the Air Cargo Advance Screening (ACAS) pilot program."

gitimate uses. CBP has sufficient authority to seize precursors if they can be identified as having illicit end-use intentions, including the production of illicit drugs. We target precursor chemicals shipped through the United States to destinations in Mexico and other countries. When these shipments are identified through inter-agency collaboration as having illicit end-use intentions, the shipments are offloaded for further inspection and enforcement actions.

In addition to targeting illicit substances directly, CBP also targets related equipment such as pill presses and tableting machines. The DEA regulates pill press/tableting machines and ICE's Diversion Coordinator works on behalf of DHS and coordinates with DEA to oversee the investigations of pill press/tablet machine imports being diverted for illicit uses. The Diversion Coordinator works closely with the NTC to identify and target individuals importing and diverting pill press/tablet machines to produce illicit fentanyl and other synthetic drugs.

#### *Pollen Analysis*

One capability CBP is using to close intelligence gaps related to the illicit opioid supply chain is palynology, more commonly referred to as pollen analysis. Pollen analysis is conducted by CBP's Laboratories and Scientific Services (LSS) scientists on illicit narcotic shipments seized at the border. Pollen testing is used to geolocate illicit opioid shipments, which may be used to identify transit routes of illicit opioids.

LSS palynologists can analyze approximately 1 kg of seized material through a process that dissolves the powder and other residues leaving pollen and spores. Through a microscopic examination, LSS palynologists identify the pollen compilation from the sample and can quickly determine a broad origin or a more regionalized location of origin.

During the last several years, the LSS pollen program has, through the analysis described above, made geolocation identifications for several fentanyl seizures that likely originated in China. These seizures contained pollen types that are only associated with specific areas in mainland China—to the exclusion of most other areas. Based on the pollen analysis results, CBP develops intelligence products and shares those products with relevant partners.

### DETECTION AND INTERDICTION

CBP, with the support of Congress, continues to make significant investments and improvements in our drug detection and interdiction technology. Our officers and agents utilize a variety of technologies and narcotic detection canines to detect the presence of illicit drugs, including illicit opioids, in all operating environments.

#### *Non-Intrusive Inspection*

CBP utilizes over 350 large-scale and 4,500 small-scale Non-Intrusive Inspection (NII) X-ray and gamma-ray imaging systems to detect the presence of illicit substances, including synthetic drugs, hidden within passenger belongings, cargo containers, commercial trucks, rail cars, privately-owned vehicles, as well as ECC and international mail parcels. In fiscal year 2021, CBP performed approximately 17.5 million NII examinations, which resulted in the interdiction of more than 220,000 pounds of narcotics. Approximately 90 percent of NII-attributable seizures resulted from scanning less than 2 percent of primary passenger vehicles and 15 percent of fixed occupant commercial vehicles crossing the Southwest Border. Beginning in fiscal year 2023, CBP expects to increase NII scans of these vehicles as much as 40 percent and greater than 70 percent respectively.

Currently, large-scale NII systems are primarily deployed in secondary inspection operations at POEs to examine targeted conveyances; however, CBP continues to focus on further closing the limited vehicle scanning capacity gap and have prioritized the need for drive-through NII operational concepts that will help streamline the vehicle inspection process and increase scanning rates, thereby increasing the probability of interdiction. With funding provided by Congress, CBP made progress toward implementing new drive-through NII systems, located in pre-primary inspection versus secondary, that would transmit the image to an officer remotely located in a command center. This work builds upon prior automation and transformation initiatives, leveraging advancements made to scanning and imagery analysis capabilities. Overall, this approach will increase security and facilitation across our Nation's borders.

#### *Canines*

Canine operations are an invaluable component of counternarcotic operations. With 17 additional teams in fiscal year 2022, the CBP Canine Training Program maintains the largest and most diverse law enforcement canine training program

in the country. CBP officers utilize specially trained canines for the interdiction of narcotics, firearms, and undeclared currency, as well as in support of specialized programs aimed at combating terrorism and countering human trafficking.

Use of canines in the detection of narcotics is a team effort. CBP's LSS produces canine training aids and provides analytical support to the CBP Canine Training Program, including controlled substance purity determinations, training aid quality analyses, and research on delivery mechanisms that maximize safe vapor delivery during training exercises. Today, all OFO Concealed Human and Narcotic Detection canine teams have completed training to include the odor of fentanyl and fentanyl analogues.

#### *Laboratory Testing*

Shifting methods of smuggling and the increasing sophistication of ready-to-use forms of synthetic drugs coming across the border means that the identification of suspect substances has become more difficult. However, when it comes to disrupting illicit supply chains and stopping the flow of illicit drugs crossing the border, timing is everything.

For suspect substances encountered at the international mail and at ECC facilities, CBP officers use various field-testing devices to rapidly screen suspected controlled substances and obtain presumptive results. CBP officers can transmit sample data to the LSS Teleforensic Center's 24/7 Narcotics Reachback for scientific interpretation and identification. When controlled substances are presumptively identified by the Reachback program, the NTC and our liaisons at the DEA are notified. CBP is working to expand the field-testing program, along with scientific assets and personnel who can provide real-time presumptive analysis of suspect substances.

Building on the success of the Reachback program, for the past 3 years, CBP has increased its ability to swiftly identify suspected drugs by positioning agency laboratory scientists on-site at IMFs, ECCs, and POEs in forward operating labs (FOLs). This effort, which started as a special operation at IMF and ECC locations, has expanded and proven to be not only a valuable part of CBP's ability to identify and seize controlled substances, but also a critical tool for partner investigative agencies such as Homeland Security Investigations to make law enforcement-controlled deliveries that could potentially lead to arrests, shutting down criminal networks.

The on-site labs provide multiple benefits, including helping CBP identify trends. For example, starting in October 2020, the FOLs began seeing an increased amount of dimethyltryptamine (DMT), a hallucinogenic drug smuggled into the United States. Another trend that the FOLs recently discovered is a particular fentanyl analogue coming across the Southwest Border increasingly in tablet form. Many of CBP's FOLs are along the Southwest Border, but also in locations such as Chicago, Miami, Detroit, Los Angeles, and Puerto Rico.

With the 24/7 Narcotics Reachback and the FOLs positioned at strategic locations where new or emerging substances enter the United States, LSS can triage quickly if a potentially new analogue of an illicit substance or designer drug is being encountered. These presumptively identified new substances are sent to the LSS INTERDICTION Science Center for comprehensive testing. These newly-encountered substances, particularly synthetic opioids or other significant chemicals of interest, get added to the user libraries of the hand-held field-testing devices used by CBP officers and agents to rapidly screen suspected substances. Since January 2022, 154 new spectra have been added to the equipment's factory library. Since the start of the designer drug wave in 2009, LSS has identified over 540 new substances.

On a monthly basis, LSS aggregates its suspected controlled analysis results and creates a report for its stakeholders to inform of trends along with new substances discovered. These stakeholders include internal CBP officers and agents, supervisors, intelligence analysts, and policy makers and external partners at Federal, State, local, and international organizations. As America's first line of defense for new and emerging drugs, CBP can provide advanced notice on seizure trends enabling partners to prepare for a potential threat to their communities.

#### PROTECTING FRONT-LINE PERSONNEL

Contact with potentially hazardous substances, especially illicit synthetic opioids, is a very real health and safety risk to law enforcement personnel and canines. At first glance, it could easily be mistaken for other drugs that appear as white powders, such as cocaine or heroin. Due to the risk of unintentional exposure and subsequent hazardous drug absorption and/or inhalation, the confirmatory testing for the presence of synthetic opioids such as fentanyl and its analogues is best executed in a laboratory by trained scientists and technicians.

In addition, CBP deployed the presumptive testing glove box to the field to aid in the safe testing and identification of opioids and other dangerous drugs. The sam-

pling glove box is designed for use in the field as the first level of protection when inspecting, probing, and conducting presumptive testing of high-risk or unknown substances.

#### CONCLUSION

As the drug epidemic devastates communities and families across the Nation, CBP continues to prioritize its resources to thwart illicit drug supply chains and networks. Together, CBP and its partners are focused on enhancing collaboration and information sharing to reduce the amounts of illicit opioids that cross our land, sea, and air borders.

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

Mr. GREEN [presiding]. Thank you for your testimony, Mr. Flores. I now recognize Mr. Cagan to summarize his statement for 5 minutes.

#### **STATEMENT OF STEVEN W. CAGAN, ASSISTANT DIRECTOR FOR COUNTERING TRANSNATIONAL ORGANIZED CRIME, HOMELAND SECURITY INVESTIGATIONS, U.S. IMMIGRATION & CUSTOMS ENFORCEMENT, U.S. DEPARTMENT OF HOMELAND SECURITY**

Mr. CAGAN. Chairwoman Barragán, Ranking Member Higgins, and distinguished Members of the House Subcommittee on Border Security, Facilitation, and Operations, thank you for the opportunity to appear before you and discuss Homeland Security Investigation's efforts to combat opioid smuggling.

As a principal investigative component of the Department of Homeland Security, HSI is responsible for investigating and dismantling transnational criminal organizations flooding the United States with drugs, fueling the overdose epidemic. To do this HSI conducts Federal criminal investigations at every critical location in the illicit supply chain: Internationally, where TCOs operate and manufacture illegal drugs; at our Nation's physical borders, where smugglers attempt to exploit America's legitimate trade, travel, and finance; in our communities, where criminal organizations earn substantial profits from selling poison to our friends, neighbors, and family members.

HSI's counter-drug efforts begin abroad. HSI has the largest investigative—international investigative presence within DHS, comprised of hundreds of special agents strategically assigned to 86 offices in 54 countries. This includes offices located in Mexico where the vast majority of fentanyl is produced, and throughout the Asia Pacific region where precursor chemicals originate. The effectiveness of our international counter-narcotics efforts is greatly enhanced by HSI's Transnational Criminal Investigative Units, or TCIUs.

TCIUs are composed of foreign, vetted law enforcement officials and prosecutors who lead some of HSI's most significant extraterritorial investigations and prosecutions targeting TCOs. HSI has established 12 TCOs around the world. Disrupting and dismantling the fentanyl and methamphetamine precursor chemical supply chain is an integral element to HSI's approach to stopping the flow of illicit drugs.

These precursors serve as oxygen the cartels need to manufacture their poison destined for America's cities and streets. To date HSI's efforts have resulted in the seizure of 633,000 kilograms of precursor chemicals destined for Mexican cartels. Many of these

enforcement efforts are led by HSI's TCIU in Mexico, where in addition to seizing precursor chemical shipments, they also lead investigations targeting the labs where the chemicals are synthesized into illegal drugs.

Mexican cartels operate on an industrial scale when procuring precursor chemicals from abroad. The interdiction of these shipments has a profound effect on the volume of drugs reaching our country. A seizure of a single kilogram of fentanyl precursor can prevent the production of almost 20 kilograms of processed fentanyl. A perfect example of HSI's efforts is a seizure in March 2021 of 750 kilograms of a fentanyl precursor on its way to Mexico. If that precursor had reached the hands of the Mexican cartel, it would have produced 7.4 billion doses of fentanyl destined for the hands of Americans.

HSI's efforts to combat synthetic drugs continue at the border where HSI is responsible for responding to all CBP interdictions to start or continue an investigation. HSI investigations remain one of the best tools for degrading TCO capabilities and stemming the flow of illicit opioids into the United States.

HSI's Border Enforcement Security Task Forces, or BEST Task Forces, represent one of the agency's premiere tools for turning simple border seizures into TCO-toppling investigations. The primary mission of the BESTs is to combat TCOs by employing a full range of State, local, Federal, Tribal, and international law enforcement resources. There are currently 82 BESTs comprising more than 2,000 law enforcement officers and personnel representing 200 agencies. In addition to the BESTs, each of HSI's 253 offices in all 50 States and multiple U.S. territories dedicate assets to combat the flow of illicit drugs.

The illicit drug supply chain fueling the overdose deaths throughout the country begins abroad and ends on Main Street. HSI, along with our partners, is dedicated to using its broad and unique authorities to stop illicit drugs at every critical location within the supply chain.

Thank you again for the opportunity to appear before you and for your continued support of HSI and the critical role it plays in attacking the illicit drug supply chain. I look forward to your questions.

[The prepared statement of Mr. Cagan follows:]

PREPARED STATEMENT OF STEVEN W. CAGEN

MAY 18, 2022

Chairwoman Barragán, Ranking Member Higgins, and distinguished Members of the House Subcommittee on Border Security, Facilitation, and Operations:

#### INTRODUCTION

Thank you for the opportunity to appear before you today to discuss U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations' (HSI's) efforts to combat the smuggling of opioids. My statement will focus on HSI's work with foreign partners to stop the synthesis of deadly drugs abroad, so they never reach the United States; its mission at the borders to turn individual seizures into cartel-toppling investigations; its focus within the United States to take deadly drugs off the streets and shut down dark-net vendors; and its efforts to deny cartels the firearms and illicit proceeds that fuel their operations.

ICE HSI is the principal Department of Homeland Security (DHS) component responsible for investigating transnational crime. In collaboration with its partners in

the United States and abroad, HSI special agents develop evidence to identify and build criminal cases against transnational criminal organizations (TCOs), terrorist networks and facilitators, and other criminal elements that threaten the homeland. HSI works with prosecutors to arrest and indict violators, execute criminal search warrants, seize criminally-derived money and assets, and take other actions designed to disrupt and dismantle criminal organizations operating throughout the world. These efforts protect the National security and public safety of the United States.

HSI's investigative mission includes dismantling narcotics-smuggling TCOs, including the Mexican cartels which perennially flood the United States with opioids and other illicit drugs and threaten the stability of Mexico. HSI conducts Federal criminal investigations at every location in the illicit drug supply chain: Internationally, where TCOs operate and manufacture illegal drugs; at our Nation's physical border and ports of entry (POEs) where smuggling cells attempt to exploit America's legitimate trade, travel, and transportation systems; and in communities throughout the United States, where criminal organizations earn substantial profits from selling poison to American citizens. In addition to combating narcotics smuggling, HSI attacks the criminal networks operating in the United States and elsewhere that source and smuggle U.S.-origin firearms and ammunition to Mexico—fueling violence and enabling cartels to flourish.

Today, Mexican cartels serve as the principal source of the illicit fentanyl and methamphetamine fueling the drug overdose epidemic in the United States. Cartels manufacture these drugs using precursor chemicals sourced from China and other foreign nations. HSI targets Mexican cartels by collecting, analyzing, and exploiting information gathered from interdictions to further on-going investigations; developing and pursuing additional investigative leads; and executing enforcement actions to disrupt criminal activity. HSI's expertise in investigating international supply chains, unique border search authority, and broad statutory authorities uniquely position the agency to target illicit shipments of fentanyl and methamphetamine precursor chemicals from China and other countries to Mexico. Depriving Mexican cartels of these precursors is equivalent to depriving them of the oxygen they need to function, no chemicals, no drugs. HSI's efforts in this area have yielded significant results, including the seizures of hundreds of thousands of kilograms of chemicals destined for Mexican TCOs.

Targeting the fentanyl and methamphetamine precursor chemical supply chain is an integral element of HSI's approach to stopping the flow of illicit drugs. Disruptions to the procurement phase of the narcotics production supply chain have an exponential impact on the drugs encountered at our border and on our streets. Seizure of a single kilogram of key fentanyl precursor chemicals can prevent the production of almost 20 kilograms of the processed fentanyl encountered at the Southwest Border and in our communities. Mexican cartels operate on an industrial scale when procuring precursor chemicals and the interdiction of these shipments has a profound effect on the number of drugs reaching our country. For instance, a March 2021 HSI seizure of 750 kilograms of a fentanyl precursor was estimated to yield approximately 14,821 kilograms of fentanyl at average purity encountered on the Southwest Border. This seizure not only prevented the production of a massive quantity of a deadly drug but also denied the TCO an estimated \$444.6 million in illicit proceeds.

These organizations, however, have expanded beyond narcotics smuggling and are now involved in the associated crimes of weapons trafficking, human trafficking, human smuggling, money laundering, and others—all of which HSI investigates. Criminal organizations in the 21st Century do not limit themselves to a single crime; likewise investigative efforts must be broad in scope to fully dismantle enterprises that often transcend borders. Rather than narrowly focusing on drug trafficking, HSI combats TCOs by using its unique and broad investigative authorities to enforce over 400 Federal laws to investigate a myriad of crimes.

#### HSI INTERNATIONAL COUNTERNARCOTICS EFFORTS

HSI's international presence is a key facet of its approach to countering transnational organized crime. HSI has the largest international investigative presence of all DHS components and comprises hundreds of HSI special agents strategically assigned to 86 offices in 54 countries. This includes more than 2 dozen personnel assigned to 8 offices located throughout Mexico, where the vast majority of the methamphetamine and fentanyl that sickens Americans is produced. This also includes offices located in China and throughout the Asia-Pacific region where the majority of precursor chemicals used to produce illicit synthetic drugs originate from or transit through.

HSI takes a forward-leaning approach to identify and mitigate threats before they reach our borders. This multi-tiered, multi-pronged strategy is one that spans international boundaries and crosses all investigative program areas. HSI special agents abroad develop and foster relationships with host government law enforcement partners to exchange information; coordinate and support investigations; and facilitate enforcement actions and prosecutions to disrupt and dismantle TCOs that operate abroad but threaten the national security, economic prosperity, and public safety of the United States. HSI and its counterparts in other countries identify and disrupt sources of illicit drugs, transportation and smuggling networks, and money-laundering operations. These efforts enable HSI and its partners to prevent dangerous narcotics and other illicit goods from reaching our borders and stop illicit south-bound flows of illegally derived currency and weapons.

#### *Transnational Criminal Investigative Unit Program*

HSI established the Transnational Criminal Investigative Unit (TCIU) Program in 2011 to act as a force multiplier in the fight against Mexican cartels and other TCOs. HSI TCIUs are composed of host-country law enforcement officials, including customs officers, immigration officers, and prosecutors who undergo a stringent vetting process. HSI TCIUs facilitate information exchange and rapid bilateral investigations involving violations within HSI's investigative authority, including narcotics smuggling; weapons trafficking and counter-proliferation; money laundering and bulk cash smuggling; human smuggling and trafficking; transnational gang activity; child exploitation; and cyber crime. TCIUs enhance the host country's ability to investigate and prosecute individuals involved in transnational criminal activity that threatens the stability and security of their region and ultimately, our homeland. More than 500 vetted and trained host-country law enforcement officers comprise the 12 TCIUs and two International Task Force units. In Mexico, the TCIU is comprised of more than 30 officers and prosecutors from their Attorney General's office. TCIU personnel work with HSI on key programmatic areas, including narcotics trafficking, and deploy to locations across Mexico in furtherance of high-profile investigations targeting Mexican cartels and other TCOs. In fiscal year 2021, the HSI Mexico TCIU made approximately 100 arrests; seized 3 million USD; 4,300 pounds of cocaine; 350 pounds of fentanyl; 717,000 pounds of drug precursor chemicals, and 58,000 pounds of other drugs.

#### *National Targeting Center—Investigations*

HSI's National Targeting Center (NTC)—Investigations was established in December 2013 in collaboration with U.S. Customs and Border Protection (CBP) to further our shared border security mission. HSI's increased manpower and concerted efforts at the NTC support the entire border security continuum, from CBP interdictions and HSI investigations, to the joint exploitation of intelligence. Working in a collaborative environment at the NTC, HSI provides support to HSI Domestic and International offices by targeting illicit precursor movements within the air and maritime commercial transportation modalities.

The combination of NTC targeting and foreign action through TCIUs is critical to stopping the flow of illicit drugs. Using these resources, HSI targets the supply chains responsible for foreign origin shipments of precursor chemicals used in the illicit production of fentanyl and methamphetamine destined for the United States. By blending interagency collaboration, industry partnerships, financial information, and computer-based tools, HSI processes and derives meaning from large volumes of data to identify precursor chemical suppliers and Mexican cartel procurers. HSI uses this information to target and seize precursor chemicals in the United States and through the TCIU in Mexico before they are converted into the synthetic drugs fueling overdose deaths. Thus far, this methodology has resulted in the seizure of approximately 633,000 kilograms of fentanyl and methamphetamine precursor chemicals.

#### HSI SOUTHWEST BORDER COUNTERNARCOTICS EFFORTS

The vast majority of the methamphetamine and fentanyl flooding American streets is smuggled across our border with Mexico. HSI is the primary Federal law enforcement agency responsible for investigating drug seizures and other criminal activity occurring at POEs. Our special agents work every day with CBP officers to identify, seize, and investigate drug smuggling organizations attempting to introduce illicit contraband into the United States.

CBP expansion of non-intrusive inspection (NII) scanning at Southwest Border POEs is poised to increase the number of CBP-origin seizures HSI special agents investigate. To keep pace, HSI needs additional staffing to support the investigation and prosecution of individuals associated with POE seizures. Recent HSI Congress-



sional appropriations tied to NII expansion represent an important, albeit limited, initial step. HSI is moving quickly to deploy these new resources to Southwest Border POEs receiving NII augmentation. Given the required NII expansion to all land border POEs, additional staffing will be essential to ensure HSI retains adequate personnel to conduct the complex investigations which degrade and remove TCO threats to the homeland.

HSI's ability to conduct complex large-scale investigations represents one of DHS's best weapons for dismantling TCOs in a manner not possible solely through border interdiction efforts. Conducting criminal investigations resulting from arrests associated with border seizures is necessary for ensuring the rule of law; however, HSI's mandate is to turn these individual seizures into multi-jurisdictional, multi-defendant, complex investigations to disrupt, dismantle, and prosecute high-level members of TCOs.

#### *Border Enforcement Security Task Forces*

The Jaime Zapata Border Enforcement Security Task Force Act was signed into law in December 2012. The Act was named in honor of Jaime Zapata, an HSI special agent who, while working to combat violent drug cartels, was killed in the line of duty in Mexico. This law amended the Homeland Security Act of 2002 to formally establish the BEST (Border Enforcement Security Task Force) program, with the primary mission of combating emerging and existing transnational organized crime by employing a threat-based/risk mitigation investigative task force model that recognizes the unique resources and capabilities of all participating law enforcement partners.

BEST units eliminate the barriers between Federal and local investigations, close the gap with international partners in multinational criminal investigations, and create an environment that minimizes the vulnerabilities in our operations that TCOs have traditionally capitalized on to exploit our Nation's borders. There are currently 82 BESTs located across the United States, Puerto Rico, and the U.S. Virgin Islands, comprising more than 2,000 law enforcement officers and personnel representing more than 200 Federal, State, local, Tribal, and international law enforcement agencies, and National Guard units. These personnel include HSI special agents, task force officers, intelligence analysts, and investigative support personnel. Since inception through mid-March 2022, BESTs have collectively initiated more than 46,000 investigations resulting in more than 56,000 criminal arrests and seizures of more than 3.75 million pounds of narcotics, 32,000 weapons, and more than \$860 million in cash/monetary instruments.

As part of HSI's response to the exploitation of international shipping to move illicit drugs, HSI increased the number of BEST units at international mail facilities (IMF), express consignment hubs, and international airports acting as IMFs. This strategy facilitates the immediate application of investigative techniques on seized parcels, which aids in establishing the evidence needed to effect enforcement actions on individuals associated with parcels containing illicit drugs. Between fiscal years 2018 and 2021, BEST units at international airports, IMFs, and express consignment hubs initiated more than 3,790 investigations resulting in more than 2,750 criminal arrests and seizures of more than 68,400 pounds of illicit drugs and drug precursors. These seizures included nearly 590 pounds of fentanyl, and over \$52 million in currency and monetary instruments. These law enforcement operations have disrupted the movement of illicit drugs and drug precursors transiting through the mail and express consignment shipments and aided in dismantling distribution networks.

#### HSI DOMESTIC COUNTERNARCOTICS EFFORTS

The illicit drug supply chain begins abroad and ends on Main Street. The drugs smuggled through Southwest Border POEs fuel overdose deaths in communities across the country. HSI investigates and thwarts this activity from the border to the heartland. Domestically, HSI covers the Nation through 253 offices located in all 50 States as well as the U.S. territories of Puerto Rico, United States Virgin Islands, and Saipan. Each office dedicates assets to combat the flow of illicit drugs with remarkable results. In fiscal year 2021, HSI narcotics enforcement efforts resulted in 12,920 arrests; the seizure of 23,632 lbs. of opioids, including 14,530 lbs. of fentanyl; 855,780 lbs. of cocaine; 234,623 lbs. of methamphetamine; and the associated seizure of over \$188 million. The impressive narcotics seizures testify not only to HSI's diligence in protecting America's borders and securing our communities, but also to the ability of TCOs to absorb substantial losses while continuing to function.

HSI counternarcotics efforts are enhanced through its network of Federal, State, local, and Tribal partnerships, which includes our participation in the High-Inten-

sity Drug Trafficking Areas (HIDTAs) Program and Organized Crime Drug Enforcement Taskforces (OCDETFs) Program. These partnerships enable our special agents to collaborate in investigations using our unique and far-reaching authorities to safeguard the homeland from ever evolving and emerging threats, such as those posed by Mexican cartels and other TCOs. For example, in April 2022, HSI special agents assigned to our Seattle office led an investigation that resulted in the arrest of four drug traffickers operating in the Portland, Oregon, Metropolitan area and the seizure of approximately 150,000 counterfeit prescriptions pills containing fentanyl and 20 pounds of suspected bulk fentanyl. This investigation—conducted in collaboration with our Federal, State, and local law enforcement partners—was the largest single fentanyl seizure in Oregon State history with an estimated street value of approximately \$4 million.

#### *Cyber-related Efforts*

TCOs and their illicit drug clients are increasingly tech-savvy. Many have adopted emerging technologies to replace hand-to-hand drug sales with anonymous cryptocurrency purchases facilitated through dark net marketplaces. These transactions may involve foreign vendors but always result in the shipment of drugs to or within our country. To keep pace with rapidly evolving criminal techniques, HSI created the Cyber Crimes Center (C3) in 1997. C3 was codified at 6 USC § 473 to provide investigative assistance, training, and equipment to support domestic and international investigations of cyber-related crimes for the Department of Homeland Security. C3 supports HSI's mission through the programmatic oversight and coordination of investigations of cyber-related criminal activity and provides a range of forensic, intelligence, and investigative support services across all HSI programmatic areas. C3 brings together highly technical assets dedicated to conducting trans-border criminal investigations of cyber-related crimes within the HSI transnational crime portfolio and authorities.

C3 performs an essential role in detecting, investigating, and preventing the sale and distribution of opioids and other illicit drugs on the dark web. With increased capabilities, cyber analytics, trained cyber investigators and analysts, C3 supports HSI on-line undercover investigations targeting market site operators, vendors, and prolific buyers of opioids and other illicit drugs on the dark web. C3 also provides critical support on tracing and identifying illicit proceeds derived from criminal activity on the dark web and investigating the subsequent money-laundering activities. Additionally, C3's Computer Forensics Unit and HSI Computer Forensic Program are critical tools in combating the flow of drugs into the United States. From the efforts of our Computer Forensic Agents and Analysts in the field to seize, process, and analyze digital evidence, through the advanced technical solutions, such as decryption and accessing secure data, digital forensics play an ever-increasing role in investigating complex multinational narcotics organizations. The Computer Forensic Unit also provides forensic training and support to our State, local, Tribal, Federal, and international law enforcement partners.

A top priority for HSI is to improve collective law enforcement capabilities by providing training to partner law enforcement agencies. In response to initiatives to reduce opioid demand in the United States, C3 developed a cyber-training curriculum with a focus on dark web investigations and illicit payment networks associated with opioid smuggling and distribution. This training has been successful in improving law enforcement capabilities against on-line marketplaces and tools for illicit trafficking. Since 2017, HSI has delivered this training course in over 70 locations world-wide to more than 12,000 State, local, Federal, and international law enforcement personnel.

#### SOUTHWEST BORDER WEAPONS SMUGGLING

Part of HSI's multi-discipline approach to combating the flow of illicit drugs into the United States includes combating the flow of illicit guns and ammunition into Mexico. Cartels use corresponding southbound pathways to repatriate cash proceeds from illegal activities and secure sufficient armaments to remain a persistent threat to Mexican security forces.

Firearms smuggled from the United States into Mexico allow the cartels to continue their deadly operations against our Mexican law enforcement partners and the local populace. In 2021, the government of Mexico estimated at least 342,000 U.S.-sourced guns are illegally smuggled into Mexico every year. Mexico's National Public Security System reported 34,515 intentional homicides with 70 percent involving firearms in 2020. During this period, the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) performed traces on 19,762 firearms recovered in Mexico. ATF checks determined at least 67.7 percent were sourced from the United States with over half traced to a retail purchase.

HSI uses its customs authorities to target weapons moving south into Mexico and the procurement networks in the United States. This includes Operation Without a Trace (WaT), a unified DHS effort to fight the illegal trafficking of guns and ammunition from the United States into Mexico. WaT is a Federal partnership between HSI, CBP, ATF, and the government of Mexico, focused on the illicit purchase, transport, and distribution of firearms, firearms components, and ammunition from the United States to Mexico, and one of only three whole-of-Government efforts recognized by the White House's National Security Council to combat this threat. WaT's three-pronged approach leverages intelligence, interdiction, and investigative assets to identify, disrupt, and dismantle transnational criminal organizations trafficking firearms. During fiscal year 2021, WaT partners initiated 198 criminal investigations which resulted in 153 arrests, and seizure of 494 firearms, 2,083 magazines and more than 265,026 rounds of ammunition, all destined to TCOs in Mexico.

To highlight the importance of our partnership with the government of Mexico, last month, HSI special agents assigned to our Arizona BEST and the ATF executed a Federal search warrant resulting in the seizure of multiple firearms intended for Mexico. This enforcement action was predicated upon the seizure of approximately 2.8 million rounds of ammunition, 128 long guns, 89 grenades, 38 handguns, 19 machine guns, 6 .50 caliber rifles, and 100 plates of ballistic armor by the Mexican Ministry of Defense in March 2022. A significant portion of these firearms were found to have originated from the United States.

#### ILLICIT FINANCE—FOLLOWING THE MONEY

Profit is the primary motive for the production and sale of illicit drugs. U.S. illicit drug sales continue to net tens of billions of dollars in illicit proceeds annually. One of the most effective methods for dismantling Mexican cartels and other TCOs engaged in narcotics trafficking is to attack the criminal proceeds that are the lifeblood of their operations. Every HSI investigation has a financial element. Our special agents identify and seize the illicit proceeds of crime and target financial networks that transport, launder, and hide ill-gotten proceeds. With significant access to financial and trade data, HSI is uniquely positioned to identify TCO schemes to hide illegal drug proceeds within the stream of legitimate commerce, on vehicles, vessels, and persons departing the United States, or when crossing a digital border such as the movement of funds electronically, including in the form of virtual assets, such as cryptocurrency. HSI's financial efforts in fiscal year 2021 resulted in at least 2,198 arrests; 1,417 criminal indictments; 738 convictions; and the seizure of more than \$973 million in illicit currency and assets.

#### *National Bulk Cash Smuggling Center*

Despite the rise of alternative stores of value, such as virtual assets, bulk cash smuggling remains a key mechanism for TCO repatriation of drug proceeds. Criminal actors often avoid traditional financial institutions which must comply with Bank Secrecy Act reporting requirements, instead repatriating their illicit proceeds through conveyances such as commercial and private aircraft, passenger and commercial vehicles, maritime vessels, and via pedestrian crossings at our land borders.

Established in 2009, HSI's National Bulk Cash Smuggling Center (BCSC) is a critical component of the agency's and overall U.S. Government's efforts to combat bulk cash smuggling by Mexican cartels and other TCOs. The BCSC operates strategic programs that leverage advanced data analytics, interagency partnerships, and law enforcement technology systems to identify complex money-laundering networks and provide support for HSI financial investigations. The criminal intelligence functions of the BCSC provide operational analysis in support of HSI-led interdiction efforts including port profiles highlighting cash-flow activity at targeted POEs and corridor analyses to assist in planning the timing, location, and strategy for interdiction operations. The Center also administers a targeted, investigation-focused license plate reader program to identify larger criminal networks and a warrant-based GPS tracking program that provides valuable intelligence on the behaviors of criminal groups engaged in bulk cash smuggling. Since its inception, the BCSC has initiated or substantially contributed to over 8,810 criminal arrests and seizures of bulk cash totaling over \$2.63 billion.

TCOs are increasingly augmenting bulk currency smuggling with use of alternate value platforms in response to financial regulations and law enforcement efforts to identify money-laundering networks. A single movement of TCO proceeds may involve bulk cash, stored value cards, money orders, cryptocurrency, wire transfers, funnel accounts, and trade-based money laundering. HSI adapts to evolving criminal methodologies by leveraging new law enforcement technologies to identify money laundering activity through these emerging alternate value platforms and seize criminal assets.

While Mexican cartels and TCOs continue to employ traditional money-laundering methods, cryptocurrencies are increasingly used to facilitate domestic and cross-border crime. HSI has seen nefarious actors expend cryptocurrency in furtherance of a wide array of crimes HSI investigates. From individual actors to large-scale TCOs, cryptocurrency can be exploited by any criminal organization engaged in almost any type of illicit activity, and this is especially true as it pertains to their use to facilitate on-line distribution of fentanyl, methamphetamine, and other dangerous drugs. Both at home and abroad, cryptocurrencies are being used to purchase illicit items such as drugs on dark-net marketplaces, and to launder criminally-derived proceeds. Cryptocurrencies are attractive to TCOs because they offer a relatively fast, inexpensive, and pseudonymous system of transactions as compared to more traditional financial transactions. As such, HSI investigations related to cryptocurrency have risen from one criminal investigation in 2011, to over 230 criminal investigations in fiscal year 2021. In fiscal year 2021, HSI seized over \$97 million in cryptocurrency. This marked increase signifies growing confidence in cryptocurrency use by bad actors and requires that law enforcement become increasingly technically proficient in performing these complex investigations.

#### CONCLUSION

The United States continues to be ravaged by an ever-growing supply of illicit drugs, including synthetic drugs like fentanyl and methamphetamine, that have become the leading cause of overdose deaths in the country. HSI's authorities and dynamic approaches to counternarcotics allow us to pursue impactful investigations and disrupt, dismantle, and prosecute the TCOs most responsible for perpetrating this on-going and evolving public health crisis. While our collective efforts are executed with an unrelenting commitment to public safety, we recognize that work remains at all levels—internationally, on the border, and in our communities.

Thank you again for the opportunity to appear before you today and for your continued support of HSI and our enduring efforts to secure our borders and protect the American people from the influx of deadly narcotics like fentanyl. I look forward to your questions.

Mr. GREEN. Thank you for your testimony. I thank all the witnesses for your testimony and I remind the subcommittee that we will each have 5 minutes to question the panel. I now recognize myself for questions.

I am honored to have the opportunity to ask these questions because this is something that has been of concern, and more specifically, we are talking about persons bringing in drugs via the actual ports of entry juxtaposed to the land mass between ports of entry. The indication is that approximately 194,000 pounds of fentanyl, methamphetamines, and heroin came in between ports of entry.

Mr. Flores, is this a fairly accurate assessment?

Mr. FLORES. Congressman, thank you for the question. In regards to narcotics—

Mr. GREEN. Let me do this because I have to lay a predicate. I am going to ask you to give me as close as you can to a yes or a no.

Mr. FLORES. As far as narcotics coming in between the ports of entry, I am not sure on that exact number. What I do know, being responsible for our ports of entry, that we see a high percentage of narcotics that we intercept at our ports of entry.

Mr. GREEN. All right. Assuming that we have this high number, 194,000 pounds, I respect those who believe that most of it comes in between ports of entry. So let us examine the numbers, let us just look at the numbers.

If you assume that just this amount comes in between ports of entry, it would take 194,000 people bringing it in if each carried 1,000 pounds. Since we know that most people can't carry 1,000 pounds, let us assume that each person carries 500 pounds. It would take 388,000 people coming in between ports of entry car-

rying 500 pounds. A good number of people can't carry 500 pounds. Let us assume that 250 pounds that each person has. That would take 776,000 people. Probably 125 pounds may be about what some people can carry. It would take 1,552,000 people bringing it in between ports of entry.

It just seems to me that we can accept the premise, or I accept it, that this is coming in primarily through ports of entry.

Is there someone on the panel who agrees with this assessment, that this is coming in primarily through ports of entry?

Mr. FLORES. Congressman, thank you for the question. Again, what we see coming through the ports of entry is what we know in regards to volume and seizures, whether that is on a vessel in a containerized shipment or that is a tractor-trailer, in a vehicle, or on a pedestrian coming in through our ports of entry.

Mr. GREEN. Let me ask you this. Do you believe that we have had 1,552,000 people bringing in 125,000—125 pounds in backpacks in 1 year? That is what the statistical information indicates.

Mr. FLORES. Congressman, what I do know is that the methods used to smuggle narcotics across our borders varies in different ways, and whether that is by backpacks, whether that is by vehicles, or by use of drones—

Mr. GREEN. I believe the backpacks are used, too, no disrespect. But do you think that 1,552,000 people are bringing it in on backpacks or is most of it coming in through the ports of entry, sir?

Mr. FLORES. From my perspective being in charge of the ports of entry, what we see is the seizure of narcotics mostly at our ports of entry.

Mr. GREEN. Thank you. I thank you for that kind answer. Friends, this is the problem. Where it comes in, regardless as to where it comes in, it is still a problem. I don't in any way want to minimize the fact that we have got a problem to deal with. But I do think that it is difficult to conceive of 1,522,000 people bringing this in or carrying it between ports of entry. That number just doesn't add up for me.

Madam Chair, to be kind to my colleagues who all have questions, I will yield back my additional 13 seconds.

Chairwoman BARRAGÁN. Thank you. The gentleman yields back. I want to apologize. I am in a competing Energy and Commerce mark-up, which is why you see my running out because there is a roll call vote and Mr. Green graciously agreed to Chair in my absence.

So I want to thank the witnesses since I didn't have a chance to do that.

The Chair will now recognize other Members for questions they may wish to ask the witnesses. As previously outlined, I will recognize Members in order of seniority, alternating between the Majority and the Minority. Members are reminded to unmute themselves when recognized for questions.

The Chair now recognizes the Ranking Member of the subcommittee, Mr. Higgins.

Mr. HIGGINS. Thank you, Madam Chair. Mr. Sulc, your role with the Office of Intelligence & Analysis perhaps best equips you to answer for our purposes here. I believe every law enforcement profes-

sional present has insight on this. But I would like to ask you specifically regarding the percentages of content of fentanyl that we are seeing in final use or pill product, pressed into false prescription drugs, primarily, and sold on the streets of America, across America.

My sources tell me that over the course of the last year the amount of fentanyl that is pressed into the average pill has increased. I am advised that this is because fentanyl is so abundant. It is so abundant by now after almost 2 years, let us say a year and a half of heavy, heavy crossings at the border, the volume of fentanyl is so heavy in the garages of the drug dealers and, you know, the drug houses across the country that are processing this stuff and getting it out onto the street in final user form, I am told there is so much of it that it is increasing the percentage of fentanyl to make their product a little more powerful, a little more addictive, as you stated in your opening testimony.

To what extent are you saying that is true from the intelligence and analysis perspective?

Mr. SULC. Thank you for the question, Mr. Higgins. We have seen over the last couple of years a slight increase in purity. Not a huge increase, but it has increased.

Mr. HIGGINS. Could you clarify for America why a dealer would want to seek that sweet spot balance? Because if he pushed too much, what would happen?

Mr. SULC. It would increase deaths, overdose deaths.

Mr. HIGGINS. Increase customers dying, exactly. So dealers across the country—this is what I am trying to share with America. These dealers have so much fentanyl they are giving it away. They are pressing fentanyl into their final product that they are selling on the streets and the stuff that is coming across the border, as much as my colleagues, you know, want to point to the ports of entry, may I say that is a criminal capture and good for law enforcement. But your ports of entry are reflective, those seizures are reflective of investigations and confidential informants. These are larger shipments in vehicles and vessels, easier to identify and intercept from a law enforcement investigative perspective.

But our front-line enforcement at the border, those men and women, they are quite capable of detecting and pursuing and apprehending, you know, these stout young men crossing, 5, 10, 15 at a time, wearing camouflage and carpet shoes, et cetera, covering their spores. They have backpacks, they have Camelbaks with water, and they are rolling in a manner we haven't seen before. They are certainly carrying drugs in a backpack, a lot of them. It doesn't take a lot of it in order to impact the opioid crisis in America. It is making its way into the streets.

You can't measure that because you are not catching those guys. Why? Because our agents are pulled into processing. Who are they processing? The citizens from other countries that are seeking asylum. But those citizens, those little family units and individuals that are seeking, you know, a better life in America, God bless them, we wish they would come here legally and properly. However, those guys, they are seeking interaction with law enforcement, they are not avoiding it. The ones crossing it between the

ports of entry, carrying backpacks, are avoiding law enforcement. There is so much fentanyl has made it to the street.

Mr. Sulc, you are seeing a slight increase. Again, just clarify for America why a drug dealer would want to find that balance of just how powerful he can make his pills without putting too much fentanyl. Explain that to America, please.

Mr. SULC. Well, sir, in terms of the addictive properties, a seller would seek to increase the addictive properties to increase how addictive, if they are lacing heroin or cocaine, for instance, they would be seeking to make that more potent and more addictive.

In terms of the false prescription drugs like Xanax and Adderall, et cetera, that one is a little hard, at least from my standpoint, and my colleagues may have better insight, but that one is harder to determine why they would be willing to have such a high death by overdose rate simply because the way that is purchased, most of the people who purchase it don't understand that fentanyl is lacing what they think is a legal prescription drug. So they wouldn't be necessarily incentivized to continue getting it if they don't even know they are getting it. So that one is a little more difficult to understand, but in talking to our analysts, their belief is that what is happening with those prescription drugs that are being laced is that they are just looking to sell it as many ways as possible.

Chairwoman BARRAGAN. Mr. Sulc, Mr. Sulc, I have to—

Mr. HIGGINS. That makes sense, Mr. Sulc. In the interest of time, my time has expired. I thank you for your answers, it is squared away.

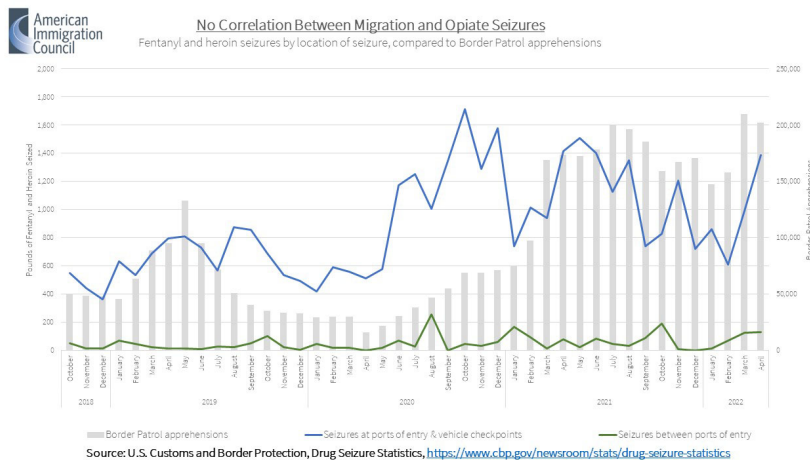
So, Madam Chair, I yield.

Chairwoman BARRAGAN. Thank you. The gentleman's time has expired. I was trying to be gracious there, but we want to make sure our Members get our questions in before votes.

I will now recognize myself for 5 minutes of questions.

I want to put up a chart, if we may, showing the correlation, or I should say the lack of correlation between migration and opioid seizures. This is a graph we are happy to make available.

[The information follows:]



Chairwoman BARRAGÁN. The data was taken straight from Customs & Border Protection data and it shows that line on the bottom that you see that is green is seizures happening between the ports of entry. That blue line that you see, which is the big one at the top, is the seizures at the ports of entry and vehicle checkpoints. So you can see the huge disparity there.

Then if you see the bars behind there, that shows encounters at the border. So if you take a look at that chart you will actually see that there is no correlation between migration and the opioid seizures. I just want to remind folks that the chart that we put up at the beginning, the pie chart, is data directly from CBP showing that 91.3 percent of seizures are through the ports of entry.

So staying on message on honesty and data, I think it is important that people see the visuals to see the truth. Gentlemen, I want to thank you for your efforts on what you do day-in and day-out to combat and do everything you can to keep drugs out of this country. That is why we are having this hearing, is to hear from you all what Congress can do.

Now the opioid epidemic is a public health crisis and I applaud CBP and the Department for seizing dangerous opioids before they reach our communities.

Mr. Flores, if I may, what additional resources or technology would help CBP detect and interdict opioids at the border?

Mr. FLORES. Chairwoman, thank you for the question. You know, our employees are our most vital resources. It is even during, despite a global pandemic, what we were able to do is really dedicate ourselves to ensure staffing levels at our ports of entry were maintained at our appropriated staffing levels there, we were able to bring on officers and ag specialists to ports of entry that we needed them.

So I would like to thank you for the Congressional support given to us despite a decline in collections during the pandemic, that we were able to maintain our staffing levels. It has put us in a better position to respond to the increasing volume of traffic that we see coming back as we get to prepandemic levels of trade and travel coming across our borders.

Infrastructure is also an important factor for us, aging ports of entry and what our capabilities and what infrastructure is for us. So, again, the bipartisan infrastructure law that we just passed, the \$3.4 billion to GSA and the money to CBP, an important aspect of how we vitalize ports of entry and really provide the needed space for efficient and effective screening inspections, targeting of illicit drugs coming across our border there.

I would say last, technology for us in regards to what we are doing, in regards to nonintrusive technology, what we can do, drive-through systems, looking at preprimary systems where we will get more efficient rates and scannings of people and things coming across our border in order to help us make a better assessment of narcotics coming in.

Chairwoman BARRAGÁN. Thank you, Mr. Flores. Mr. Cagan and Mr. Sulc, the next question is for you. What I have heard is that the majority of drugs are seized at the ports of entry, generally that is coming from documented travelers.



Do either of you expect terminating Title 42 would result in a significant increase in the amount of drugs being smuggled into our communities? Mr. Sulc.

Mr. SULC. Thank you, Chairwoman. We believe that we would continue to see the same scheme that we have seen in the past. We have seen some instances perhaps of migrants and drugs as a mixed event, but they are still rare. DTOs and human smuggling organizations are opportunistic and transactional with their operations. They are strongly motivated by profits.

So combined drugs and migrant smuggling events are not really a routine practice at all. The illicit actors facilitating these movements are likely to keep these entities separate to minimize the risk of losing the potential revenue for the much higher-value drugs such as fentanyl.

Chairwoman BARRAGÁN. Thank you. Mr. Cagan, in 20 seconds if you might be able to answer.

Mr. CAGAN. I will be quick so I don't get the gavel. At HSI we see the same thing. When we are looking at the entire transnational criminal organization and looking at the key network spots within the supply chain, we see that drugs and human smuggling are separate. They might use the same routes, but we predominately see the drugs coming in through the ports of entry, just like CBP mentioned.

Chairwoman BARRAGÁN. Great. Thank you, gentlemen. My time has expired, I will yield back.

I now will recognize Representative Guest. You are now recognized for 5 minutes.

Mr. GUEST. Thank you, Madam Chairman. Mr. Flores, first I want to thank you and the men and women of CBP for your service, for all that you do each and every day.

In April, CBP reported 234,088 immigrants encountered along our border, the largest number ever recorded. The month that this administration took office, in January of last year, that number was 78,414 immigrants. That is an increase of almost 300 percent in just 15 months. Total encounters under this administration, taking numbers since February 2021, are 2,735,000 encounters, a number greater than the population of 13 States. A number greater than the population of Vermont, Alaska, North and South Dakota, Delaware, Rhode Island, Montana, Maine, New Hampshire, Hawaii, West Virginia, Idaho, Nebraska, and New Mexico. At the current rate, next month it will eclipse three additional States including my home State of Mississippi.

We know that narcotic seizures along the Southwest Border have continued to rise. You actually address that in page 2 of your testimony. You say there in page 2 that in the fiscal year 2021 CBP seized 11,201 pounds of fentanyl, over twice the number seized in fiscal year 2020. You go on to say since October 1, 2021 CBP has seized 5,310 pounds of fentanyl. You go on to say that if you measure that by dosage units, that 2.6 billion, billion with a B, potential doses of fentanyl were seized in fiscal year 2021 and that 17 billion, with a B, doses of methamphetamine were seized in 2021. Then to put that in perspective you go on to say that the Earth's population is approximately 7.9 billion people.

Secretary Mayorkas has been here to Congress before, he sat in the very seat where you sit today, and he has testified that the border is closed, that the border is secure, and that we have operational control of the border.

So my question to you, Mr. Flores, is that in light of these figures that I have just spoken, do you believe that our border is closed? Do you believe that our border is secure?

Mr. FLORES. Congressman, thanks for the question. In regards to field operations at our ports of entry, our priorities are and continue to be our National and economic security priorities at our ports of entry along the entirety of the United States. By doing that we inspect, we facilitate, we target, we screen high-risk shipments and individuals coming into our ports of entry. We do that every day, our men and women that are operating at our ports of entry can do that and do an excellent job at that every single day as they are dealing with legitimate trade and travel, looking for those individuals that are looking to do this country harm in the communities we live in.

So we will continue to operate as we have been in ensuring our National priorities are being taken care of as well as our economic priorities.

Mr. GUEST. Mr. Flores, I don't argue with you, I don't disagree with you, I would agree. I have been to the border on numerous occasions. I have met with officers of CBP, I have met with community leaders. They all tell me the same thing without exception is they feel like that this administration has abandoned them. They have told us that this is the worst that they have ever seen the Southwest Border.

So my question to you is very simple, is a yes or no answer. I am asking your personal opinion, I am not asking the opinion of Secretary Mayorkas, I am not asking the opinion of CBP, I am asking your opinion. Do you believe that our border is secure and do you believe that our border is closed?

Mr. FLORES. Congressman, I will say ports of entry, the men and women from field operations at our ports of entry and the entirety of CBP, we are doing the best job we can do given the current environment.

Mr. GUEST. I agree with you, you need more resources, you need more manpower, and I am not arguing that. But I have got 10 seconds and I would like an answer in that 10 seconds, either yes or no. Is the border closed and is the border secure? Could you please answer that?

Mr. FLORES. From the port of entry perspective our borders have been open in regards to being able to process legitimate trade and travel coming across our ports of entry as well as enforcing, again enforcing—

Mr. GUEST. Are our borders secure?

Mr. FLORES. From a port of entry perspective we have officers, again, doing the best they can in securing this border every single day.

Chairwoman BARRAGÁN. The gentleman's time has expired. The Chair now recognizes Representative Clyde, the gentleman from Georgia.

Mr. CLYDE. Thank you. Our Nation is currently facing a myriad of crises: Record-breaking high inflation, runaway Washington spending, and an open Southern Border that is allowing an out-of-control number of illegal aliens and illegal and dangerous drugs to flow into our borders.

The CDC recently announced that more than 107,000 Americans died of drug overdoses last year. Of those deaths, nearly two-thirds of fatal overdoses were caused by fentanyl or another synthetic opioid. That is a 23 percent increase from 2020. Fentanyl, as Ranking Member Higgins has already noted, is now the leading cause of death of Americans from the ages of 18 to 45. It may be as much fentanyl poisoning as anything else. That is an incredible statistic, that is a heartbreaking statistic. That fentanyl is coming across our Southern Border.

In my home State of Georgia, between 2012 and 2019, fentanyl overdoses claimed the lives of nearly 1,250 individuals. Last year alone customs and border protection in 8 ports of entry, just 8, 8 alone, seized 588 pounds of fentanyl coming across the border. That is enough to kill over 133 million people, to kill all the residents of Georgia 12 times over.

So for each of you, Mr. Cagan, I will start with you, yes, or no, do you believe that border security is related directly to National security?

Mr. CAGAN. HSI is there to investigate south of the border.

Mr. CLYDE. Just yes or no would be fine, sir.

Mr. CAGAN. Say again, repeat the question.

Mr. CLYDE. Do you believe that border security is related directly to National security?

Mr. CAGAN. It is one of the factors of National security, sir.

Mr. CLYDE. OK. All right. Between our ports of entry do you think we have a secure border? Yes or no is fine.

Mr. CAGAN. HSI is not the one to answer the question as it pertains to—

Mr. CLYDE. So you don't know.

Mr. CAGAN [continuing]. The physical border.

Mr. CLYDE. So you don't know?

Mr. CAGAN. No, sir.

Mr. CLYDE. OK. All right. Mr. Flores, I am going to ask you the same thing. Do you believe that border security is related directly to National security?

Mr. FLORES. Congressman, thanks for the question. I do believe that they both are important and they are related, yes.

Mr. CLYDE. OK. Great. So between our ports of entry, do you believe we have a secure Southern Border?

Mr. FLORES. I believe the men and women of the U.S. Border Patrol and CBP, as a whole, collectively, we are putting—doing our best.

Mr. CLYDE. I know you are doing the best job you can, that is not my question. My question is, do we have a secure Southern Border between our ports of entry?

Mr. FLORES. From a responsible for our United States ports of entry, from the field operations perspective, from the U.S. Border Patrol perspective, probably better answered by them, but, again,

with the resources that the U.S. Border Patrol has between the ports of entry—

Mr. CLYDE. OK. All right. Then, Mr. Sulc, I am going to ask you the same question. Do you believe that border security is related directly to National security?

Mr. SULC. Sir, yes, I do.

Mr. CLYDE. OK. Thank you. Do you believe we have a secure Southern Border between our ports of entry?

Mr. SULC. I do. I believe we have vulnerabilities—

Mr. CLYDE. OK. Thank you. All right. That is fine. All right. Now, Mr. Flores, you testified that last year that 11,200 pounds of fentanyl was seized between—both at ports of entry and between ports of entry, correct?

Mr. FLORES. Right.

Mr. CLYDE. Now we had 400,000 got-aways we think, that people that were not caught at the Southern Border that came into the United States, possibly as many as 800,000, and many of them were carrying backpacks. So what is the average amount of a fentanyl seizure? I mean, from 11,200 pounds on an annual basis, what is the average amount that Border Protection seizes?

Mr. FLORES. Congressman, thanks for the question. Just average, you mean per seizure?

Mr. CLYDE. Per seizure, I am sorry, yes. Per seizure.

Mr. FLORES. That would vary depending on the type or the mode it was being transported or smuggled. That could be in a tractor-trailer or—

Mr. CLYDE. I get that. What is the average amount per seizure that you normally—that you could see?

Mr. FLORES. Well, we could see anywhere from a kilo to potentially 15 kilos.

Mr. CLYDE. OK, 15 kilos, about 30 pounds. Anywhere from a couple pounds to 30 pounds easily carried by an individual. All right. So do you know is it different whether it is between a port of entry or between ports of entry?

Mr. FLORES. Typically in between the ports of entry, the seizures that I am aware of have been smaller amounts. But if they are hidden in a conveyance, a commercial conveyance or some type of passenger vehicle, those tend to be larger amounts.

Mr. CLYDE. OK. Then when you look at potentially 400,000 got-aways and you are looking at maybe 2 pounds—

Chairwoman BARRAGÁN. The gentlemen's time has expired.

Mr. CLYDE [continuing]. That is potentially a tremendous amount that we are not even seeing. So I don't think there is a correlation between what you get at a port of entry and what you get between ports of entry because we don't have that information, so we can't really say that.

Chairwoman BARRAGÁN. The gentleman's time has expired.

Mr. CLYDE. Thank you, I yield.

Chairwoman BARRAGÁN. The gentleman's time has expired. The Chair will now recognize Representative Bishop from North Carolina for his 5 minutes.

Mr. BISHOP. Thank you, Madam Chairman. I am sorry, I had another committee hearing so I am late, but I hope I can ask a ques-

tion that is cogent. It may tread over grounds you all have well covered.

I take it there has been a good discussion about the drugs coming in at the ports of entry and not between the ports of entry. So at risk, I am sure, of recreating the wheel a little bit, but maybe somebody can help me understand.

A lot of what we are talking about today is fentanyl, which can kill in extraordinarily small amounts. So you don't have to have truckloads coming across in order to do immense damage. So let me just ask the question of whoever on the panel is capable of helping orient me.

Why is it if you have 6-, 700,000, 750,000 got-aways, why is there not immense risk of fentanyl entering the country via got-aways? Maybe Mr. Flores.

Mr. FLORES. Congressman, thank you for the question. In regards to fentanyl coming into the country, at our ports of entry is where we see a significant volume of fentanyl as approaches coming into our ports of entry.

Mr. BISHOP. So thank you for that. I think I got that even before I sat down and even recited, I understood we trod that ground. The question I am asking is another one, which is that implies, because you say you believe it comes in through the ports of entry, it would imply that allowing 750,000 got-aways to come across the border without interdicting them is not really a risk for illicit drug purposes because how could there be any harm? What I am asking you, am I wrong when I say my understanding is that very small amounts of fentanyl can kill hundreds of thousands of people? Why wouldn't the use of mules coming across at places other than points of entry and evading Border Patrol so they are got-aways, and you know we have got lots of got-aways, why is that not a material risk of the entry of illegal drugs?

Mr. FLORES. Congressman, thank you for the question. In regards to got-aways, those are unknown. So in regards—I will not say there is no risk because there is absolutely, but with the unknown there is risk there on what they could be introducing into the country. So it is just an unknown.

Mr. BISHOP. So I have lately been given the understanding that with respect to fentanyl, you can have like four grains out of a saltshaker and that can kill a person. Isn't that true? Whether that is precisely the right number or not, small miniscule amounts like that can cause death to a human, isn't that right?

Mr. FLORES. Yes.

Mr. BISHOP. OK. If you take like what might be in a sugar packet that you would put in your coffee, that quantity can kill many humans, correct?

Mr. FLORES. Depending on the purity of what that fentanyl makeup is, correct, and chemical composition.

Mr. BISHOP. Why isn't the introduction of fentanyl in substantial quantities into this country, why isn't that a terrorism risk? Isn't this a chemical weapon?

Mr. FLORES. Congressman, thanks for the question. In regards to why isn't it a terrorist threat, I wouldn't be the correct person to answer to that.

Mr. BISHOP. Is there someone on this panel that could speak to why that is not considered terrorism? Let me ask this question, and I will ask whoever is competent to say something about it.

You have heard of anthrax and ricin, poisons that transmitted to Congress or something that could kill tons of people. How is fentanyl less dangerous than anthrax or ricin? Does anybody know that it is less dangerous?

Well, let me just say in the 53 seconds I have got that remain, if I understand the thrust of this hearing is to suggest that the Biden administration's catastrophic relinquishment of control of the border is not jeopardizing America with a flood of drugs because drugs are interdicted at the point of entry and are not otherwise coming across. That is lunacy.

When you have huge numbers of got-aways because you have overloaded the process, there is very good prospect that you are going to see that large quantities of drugs come in, and I see no way it is different than a risk of a terrorist with another type of dangerous chemical.

Mr. Higgins, I am sorry, I did not save any time to yield to you, but I give you whatever I got.

Mr. HIGGINS. I thank the gentleman. Madam Chair, I would like to submit for the record an article, a media article, quoting Secretary Mayorkas saying regarding the border, we are going to lose, it is unsustainable.

Chairwoman BARRAGÁN. There is no objection, the article will be admitted.\* Thank you. The gentleman's time has expired.

I want to thank the witnesses, gentlemen, for your valuable testimony, and the Members for their questions. You know, I would be interested in continuing the conversation with you and your teams as to how we can prevent these drugs from reaching American communities and focus on the solutions. I want to thank you, Mr. Flores, for offering some of the things that Congress can do to be helpful. So I will reach out after this hearing to continue the conversation so we can get to solutions.

The Members of the subcommittee may have additional questions for the witnesses, and we ask that you respond expeditiously in writing. The Chair reminds Members that the committee record remains open for 10 business days.

Without objection, the subcommittee stands adjourned.

[Whereupon, at 3:05 p.m., the subcommittee was adjourned.]

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\*The information was not available at the time of publication.

## APPENDIX

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### QUESTION FROM CHAIRWOMAN NANETTE DIAZ BARRAGÁN FOR BRIAN SULC

*Question.* It's critical that we work to stop drugs from ever reaching our borders. What challenges does the Department face in working with international partners to prevent transnational organizations from manufacturing and smuggling opioids?

*Answer.* Response was not received at the time of publication.

### QUESTIONS FROM CHAIRWOMAN NANETTE DIAZ BARRAGÁN FOR PETE FLORES

*Question 1a.* The Securing America's Ports Act was enacted into law last year, requiring DHS to develop a plan to achieve 100 percent cargo scanning rate of commercial and passenger vehicles at land ports of entry by using large-scale non-intrusive inspection (NII) technology.

What progress has CBP made to reach the 100 percent scanning rate?

*Answer.* U.S. Customs and Border Protection (CBP) has made significant progress toward increasing the percentage of arriving vehicles scanned at Land Ports of Entry (LPOE) on the Southwest Border (SWB). In fiscal year 2021, CBP procured Low-Energy Portal (LEP) systems and Multi-Energy Portal (MEP) Drive-Through Non-Intrusive Inspection (NII) systems. CBP estimates the procured systems will enable CBP to scan 40 percent of Passenger Occupied Vehicles (POV) and more than 70 percent of Commercially Occupied Vehicles (COV) at SWB LPOEs. For POVs, LEP systems are planned for deployment at 27 SWB LPOEs. For COVs, MEP systems are planned for deployment at 19 SWB LPOEs.

CBP is working with multiple stakeholder groups at each LPOE to complete deployment activities in preparation for installing the systems in the coming years. CBP will continue to engage with Congress and provide updates on LEP and MEP deployment plans, scanning rate estimates, and the specific locations, as deployment activities are executed. A final deployment schedule is anticipated by the end of fiscal year 2022.

*Question 1b.* What challenges does CBP face in attaining the 100 percent scanning rate?

*Answer.* CBP does not currently have the resources to scan 100 percent of conveyances at LPOEs, nor is such a goal necessary or cost-effective. The fiscal year 2019 investment in NII provided will allow CBP to significantly increase scanning capacity by about 20-fold in the POV and COV environments on the SWB once procured systems are deployed, which demonstrates a significant increase in scanning capacity. CBP currently scans 1 to 2 percent of POVs and 12 to 15 percent of COVs.

*Question 1c.* What are the agency's plans to mitigate these challenges and what resources are needed to increase scanning?

*Answer.* CBP's layered enforcement approach encompasses risk-based screening. This approach has proven effective, and CBP will continue to utilize risk-based screening to inform which conveyances to scan during NII operations. CBP will continually assess NII technology needs and transmit validated requirements through the Department's annual budget request.

### QUESTIONS FROM HON. J. LUIS CORREA FOR PETE FLORES

*Question 1a.* In 2019, CBP conducted a pilot program at the cost of a private American company that successfully demonstrated the capabilities of passive muon tomography scanning systems designed to identify anomalies within dense cargo entering U.S. sea and land ports. After seeing the value and need for this technology, CBP publicly announced their intention to procure and deploy these systems beginning in our seaports. However, 3 years later, CBP still has not deployed a single passive muon tomography scanning system that they acknowledge addresses a known gap in their layered enforcement strategy. This delay has received a lot of attention and scrutiny from my colleagues and myself in particular, inquiring about

the rationale behind CBP's decision making throughout this procurement process. CBP's responses have not only been woefully late but are also lacking in substance and dialog.

Furthermore, it has recently come to light that a junior staffer within CBP's Office of Field Operations (OFO) has intentionally spread misinformation to Members of Congress and their staff in CBP's responses to our Congressional inquiries. Not only has this misinformation been intentionally sent to Capitol Hill to deliberately paint this American company in a bad light, but directly contradicts CBP's official position on muon tomography imaging technology. To confirm and reiterate CBP's interest in procuring this technology and the need for designated funding from Congress, you responded to the company with a letter stating CBP's official stance on the technology and its place within U.S. homeland security. To my knowledge, this junior staffer is still employed within the CBP's OFO.

Two weeks ago, after learning of the actions of this junior staffer at CBP's OFO, I sent a letter to Commissioner Chris Magnus outlining my deep concerns with the broken procurement process and the internal dysfunction at CBP. In my letter, I discussed the lack of responsiveness from CBP to our official inquiries, the intentional spreading of misinformation to those Congressional inquiries by CBP, and how this broken process has severely stifled this and future public-private partnerships.

Are you aware of the fact that someone within your own office (OFO) has been intentionally providing misinformation to Members of Congress and their staff who inquired about the delay in procurement and deployment of this technology?

Answer. No, the CBP Office of Field Operations (OFO) is not aware of any staff member within OFO intentionally providing misinformation to Members of Congress and their staff, nor would CBP permit such behavior.

*Question 1b.* If "YES," then: What plans do you have to rectify this public-private partnership and quickly procure and deploy this technology in our sea and land ports?

*Question 1c.* If "NO," then: What do you plan on doing to remedy the situation to alleviate the dysfunction internally at CBP?

Answer. OFO is not aware of any staff member within OFO providing misinformation to Members of Congress and their staff regarding the procurement of the Discovery System (Muon Tomography system manufactured by Decision's Sciences International Corporation (DSIC)).

Over the past 3 years, CBP has responded to several official letters and has held meetings regarding the results of the Discovery No-Cost Technology Demonstration conducted at Mariposa cargo facility within the Nogales Port of Entry. CBP's communications, to both Congress and DSIC, regarding the results of the No-Cost Technology Demonstration, were consistent based on the outcome of the Technology Demonstration.

*Question 2a.* Congress has repeatedly directed CBP to engage in public-private partnerships with American companies to develop, produce, test, and deploy innovative technologies like passive muon tomography scanning systems. This internal dysfunction at CBP has delayed the procurement of this innovative technology for over 2 years, further stifling the prototypical public-private partnership they are supposed to facilitate.

What is your official position on the deployment of passive muon tomography scanning systems?

Answer. CBP conducted a No-Cost Technology Demonstration (TD) of Discovery. This TD was conducted under a no-cost Product/Service Demonstration Agreement between CBP and DSIC to test the Discovery system at the Mariposa cargo facility in the Port of Nogales, Arizona. The TD took place from January 2019 through December 2019. During the TD, the Discovery system was employed for both stream of commerce and deliberate test scenarios. Under controlled conditions, the Discovery system was able to display contrast between cargo and large quantity contraband for dense, inorganic cargo. Overall, the Discovery system demonstrated unique capabilities relative to CBP's current X-ray transmission systems. While the TD did not establish that Discovery was a suitable replacement for X-ray imaging technology, the TD did find the system could potentially compliment X-Ray imaging technology in the right operational environment. CBP remains interested in further assessing the Discovery system through a follow-on TD and has identified the New York/Newark seaport as a possible location. CBP must carefully weigh the additional TD with competing operational priorities, and ensure any future procurement is done in accordance with applicable statutes, regulations, and policies.

*Question 2b.* With these types of delays, how do we expect private American companies to continue doing business with the Federal Government to increase our homeland security?



Answer. CBP, as always, will continue to utilize fair and open competition procedures to acquire the products and services that meet our agency's needs. Once a need is identified, CBP solicits interest and information from industry partners, and always welcomes and encourages industry partners to stay apprised of our publicly-posted acquisition opportunities.

QUESTION FROM CHAIRWOMAN NANETTE DIAZ BARRAGÁN FOR STEVE CAGEN

*Question.* It's critical that we work to stop drugs from ever reaching our borders. What challenges does the Department face in working with international partners to prevent transnational organizations from manufacturing and smuggling opioids?

Answer. Response was not received at the time of publication.

