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OFFICE OF NATIONAL DRUG CONTROL POLICY
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“Countering Illicit Fentanyl Trafficking”

Foreign Relations Committee
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Statement of
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Introduction

Chairman Menendez, Ranking Member Risch, and Members of the Committee, thank you for inviting me to testify today on the ever-changing illicit drug environment we face in the United States, which in the last year has claimed nearly 107,000¹ lives and torn families and communities apart, as well as the Biden-Harris Administration's work to reduce the availability of illicit fentanyl in the United States, expand access to addiction treatment, and save American lives.

I am honored to be joined today by my colleagues from the Drug Enforcement Administration and the Department of State's Bureau of International Narcotics and Law Enforcement Affairs, who are vital partners in implementing the President's *National Drug Control Strategy*, and in keeping our country and our communities safe.

The Opioid Crisis

This hearing could not come at a more important time. America faces the worst drug crisis we have ever seen, with 107,000 Americans dying from drug overdose or accidental poisoning in one year. That is one of our fellow citizens dying every five minutes, of every hour, of every day, here in America. This is unacceptable, full stop.

We are in the throes of the most dynamic drug trafficking and use environment in our nation's history. As you have all seen in your own states, this crisis cuts across every geographic, demographic, and economic boundary in our Nation. It inflicts a severe human toll with lost lives and suffering in our communities and damages on our prosperity, public health, public safety, and national security.

Addiction is a disease and has been prevalent in the U.S. for centuries. More recently, our Nation has experienced a rise in overdose and drug poisoning deaths for the decades leading up to the emergence of illicit fentanyl, which is now involved in the majority of these deaths. We are all too familiar with how this epidemic began: The overprescribing of prescription opioid pain medications, which led many being denied those medications to turn to heroin, and then the introduction of illicit fentanyl into the heroin supply, and then to an exploding market for synthetic opioids, many of which are either pressed into pills and sold as counterfeit prescription pain medications or added to other illicit substances like methamphetamine and cocaine, too often with deadly consequences. As a practicing physician, I have had a front seat to this. In fact, polysubstance use has become a growing concern and has contributed to this unprecedented death toll because illicit fentanyl has contaminated the drug supply at large.

Today we are faced with a global illicit market that produces and traffics in illicit drugs on a worldwide scale, with a domestic illicit drug supply that is increasingly toxic, regardless of whether one thinks they are using opioids, methamphetamine, or cocaine, and where the ability of an American teenager to find illicit drugs is literally in the palm of his or her hand, and as simple as opening a social media app.

We must comprehend that the ground has shifted beneath us in relation to the drug supply environment. While the era of the large volume of plant-based drugs being cultivated and produced has not ended, the age of small volume, high-potency, synthetic drug production has clearly begun. Drug production no longer requires thousands of acres of poppy or coca grows and hundreds of workers all serving within a hierarchical drug cartel. Individual producers and traffickers today can enter the illicit drug business on their own with little more than a relatively few chemicals, a small area to work, and a reliable internet connection.

Synthetic opioids like illicit fentanyl and its analogues are produced using precursor chemicals made available by malicious actors, often in the People's Republic of China (PRC), which are shipped to Mexico, where they are used to produce illicit fentanyl or fentanyl-related substances. This illicit fentanyl is either sold in powder form or pressed into the fake pills that have poisoned so many Americans. These drugs are then either moved across our southern border, typically through the existing ports of entry, or shipped into the United States through the mail or through express consignment carriers.

This changing drug environment creates an enormous challenge for law enforcement and public safety because these drugs can be created anywhere, including in a small apartment in an urban area; they can be transported in smaller amounts because of their potency in small doses; they do not require trafficking routes controlled by drug trafficking organizations and instead can be shipped through private sector commercial carriers; and technological advances not only enable these drugs to be bought and sold online, including on social media, but also provide new options for laundering the proceeds of illicit drug sales.

It also creates an enormous challenge for public health because illicit fentanyl is incredibly lethal, leading to high levels of both fatal and non-fatal overdoses each day; the burden of responding to overdoses falls often to first responders and hospital emergency departments; our Nation lacks the necessary addiction infrastructure to treat everyone who has a substance use disorder; and millions of Americans in communities nationwide are forced to deal with the fallout of overdoses and drug poisoning deaths, including providing services and care for children left behind when a parent dies.

Additionally, this crisis is further complicated by polysubstance use, including the more recent addition of xylazine, which is a non-opioid veterinary tranquilizer being added to illicit fentanyl that negatively affects breathing, complicating the ability of naloxone to reverse an overdose. In the SUPPORT Act of 2018, Congress charged ONDCP with reviewing emerging threats such as this and we are examining the data closely and working with local partners in areas affected by xylazine in order to determine the appropriate response.

The Administration's Response

The Biden-Harris Administration's response has been historic in nature and specifically designed to tackle this new threat environment head-on.

The new era of drug trafficking requires a new era of drug policy, targeting the two key drivers of this crisis, untreated addiction and the drug trafficking profits that fuel it, with equal effort and determination.

In his State of the Union Address, President Biden called for launching a major surge to stop illicit fentanyl production, trafficking, and distribution, and increasing the number of first responders and other professionals who can respond to mental health and substance use challenges.

What does that mean? It means we will build on the historic progress we have already made by employing more advanced technology to detect and interdict more illicit fentanyl at our borders.

We will expand our work with commercial package delivery companies to identify and intercept more packages containing illicit opioids and the raw materials to make them.

We will lead a sustained diplomatic push that will address fentanyl and its supply chain abroad, including working with international partners to disrupt the global fentanyl production and supply chain, and call on others to join our efforts.

We will continue our work with Congress to permanently schedule all fentanyl-related substances so we can close, once and for all, a loophole illicit drug producers and traffickers have used for too long, and ensure they receive the justice they richly deserve.

We will work with the Ad Council to launch a national campaign to educate young people on the dangers of fentanyl and how they can save the lives of those around them who fall victim to it.

We will work to ensure everyone who needs treatment for substance use disorder gets it, including people who are incarcerated and at much higher risk for overdose death when they're released.

And, we will continue to expand access to lifesaving medications for opioid use disorder, allowing countless more Americans to stay alive and begin the path to long-term recovery.

In addition to all of this, we are continuing our ongoing work to improve access to the tools necessary to reduce the harms of these dangerous drugs, and the risks of falling victim to a fatal poisoning or overdose.

This includes ensuring the lifesaving drug naloxone is in the hands of everyone who may need it; expanding our efforts to prevent the youth of our Nation from initiating drug use and developing substance use disorder; and building a recovery-ready America that opens opportunities for those who have emerged from the depths of addiction and are on the path to recovery. Furthermore, President Biden's *National Drug Control Strategy* calls for supporting the addiction treatment and recovery workforce like never before in order to help build the addiction infrastructure our Nation so desperately needs.

Finally, we will sprint directly toward the source of this problem, and disrupt the global supply chain of illicit fentanyl production and trafficking that manufactures these drugs in foreign countries, and brings them across our borders and into our communities.

Reducing the market for these drugs in the United States, and disrupting their supply chain into our country, are two sides of the same coin and will allow us to shrink this illicit global market and reduce the harms it is causing our Nation.

Let me be perfectly clear: addiction is a disease and it must be treated, and illicit fentanyl trafficking is a crime and it must be prosecuted to save lives and protect our communities.

All of these actions build on the historic work the Administration has already done over the past two years to address this crisis.

From the very beginning, the Biden-Harris Administration has undertaken a comprehensive evidence-based approach to reduce drug-related deaths, expand access to treatment for substance use disorder, and target the global production and trafficking of synthetic opioids, like illicit fentanyl, which kill tens of thousands of Americans each year.

President Biden's inaugural *National Drug Control Strategy*, released in 2022, relies on the best evidence and data we have available, and sets out a whole-of-government approach to attack the two drivers of the opioid overdose epidemic: untreated addiction, and the drug trafficking profits that fuel this crisis. The Administration's approach addresses both the public health aspects of this crisis as well as its national security, public safety, and economic dimensions, because addressing this problem holistically is the best approach to prevent overdose deaths and achieve long term and sustainable success against a problem that has claimed more than one million American lives over the past 24 years. We have also taken a new

and more comprehensive approach to disrupt the production of these substances in other countries, interdict their global movement, and target the trafficker profits and operating capital that sustains this global illicit enterprise.

We will expand sanctions across the global supply chain targeting bad actors that enable illicit fentanyl production. The Executive Order that the President issued in December 2021, “Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade,” broadened and modernized our authorities to impose sanctions on a range of targets related to the trafficking of illicit synthetic opioids, giving the United States the ability to effectively target actors across the diffuse and decentralized global illicit drug supply chain. Since this Executive Order was signed, the Department of the Treasury imposed new sanctions against an array of narcotic targets around the world, including those within the illicit synthetic opioid trade. In fact, just two weeks ago, the Department of the Treasury sanctioned three additional illicit fentanyl traffickers, including the leader of a Mexico-based network and two of his associates. Overall, the Department of the Treasury’s sanctions under both the Kingpin Act and the December 2021 Executive Order have targeted not only individuals and entities tied to the Sinaloa cartel and the Jalisco New Generation Cartel (CJNG), but also the online illicit fentanyl trade and the corruption that facilitates drug trafficking.

Securing the Border and Supporting Law Enforcement

Disrupting the flow of drugs into the United States is important not only to keep them from harming our citizens and denying drug traffickers the proceeds, but it is especially important as the means to allow our historic investments in public health interventions to take hold.

We must do both, together, because the simple truth is this: if we make it harder to get illicit drugs in America and easier to get treatment, we will make progress to reduce overdose deaths and bring this crisis to a close.

That is why we are continuing the necessary and difficult work of interdicting illicit drugs at our borders and within communities across the country. Thanks to the hard work and dedication of our U.S. Customs and Border Protection (CBP) officers and agents, as well as the 33 High Intensity Drug Trafficking Areas (HIDTAs) covering all 50 states, seizures of illicit fentanyl, methamphetamine, and cocaine are all up significantly.

In fiscal year 2022, CBP seized nearly 15,000 pounds of fentanyl, nearly 2,000 pounds of heroin, 175,000 pounds of methamphetamine, and more than 70,000 pounds of cocaine.² That’s twice as much as CBP seized in 2021 and four times as much as 2019.

These numbers not only speak to the magnitude of the threat, but also the incredible work of the men and women of our CBP who keep our borders secure and our communities safe.

It is the fundamental duty of every nation to secure its borders and protect its people from harm, and President Biden has repeatedly called for more resources to secure our border from the threat of illicit drug trafficking.

In addition, domestically, during fiscal year 2022, our HIDTA Task Forces seized more than 26,000 pounds of illicit fentanyl, nearly 6,500 pounds of heroin, more than 335,000 pounds of meth, and nearly 370,000 pounds of cocaine, representing nearly \$9 billion of profits denied to drug traffickers.³

And, thanks to our men and women on our borders, and our law enforcement professionals across the country, these are drugs that are not in our communities, will never kill a single American, and this is money that cannot be used to fund this illicit business or allow drug traffickers to enjoy obscene profits from the suffering of others.

Our CBP officials, and our 33 HDTAs nationwide, deserve our thanks and appreciation for all their hard work in preventing drug poisoning deaths and holding traffickers accountable. I also want to thank the Congress and the members of this Committee for your long history of strong support for our HIDTA program. HIDTA has played a critical role in our success thus far and will continue to be a critical part of our work going forward.

To that point, we must ensure we are supporting the brave women and men in law enforcement who risk life and limb to stop drug traffickers. We must also ensure they have the tools they need to do their jobs.

In last year's Budget request, President Biden called for a funding increase to support the work of CBP and the DEA.⁴ They have risen to meet the increasing threat our Nation faces, and we thank the Congress for providing them the resources they need to continue their vital work in keeping us safe from these dangerous drugs.

In December, the Congress passed a two-year extension of the scheduling of fentanyl-related substances, which controls these substances as a class and provides the necessary authorities for our law enforcement entities to prevent the production and trafficking of all potential fentanyl analogues.

Thank you for your leadership and partnership on extending this temporary authority. However, the production and trafficking of fentanyl-related substances is now a permanent and defining feature of the global drug trafficking landscape, and it demands a permanent solution. We look forward to working with the Congress to bring this about, as outlined in the Administration's proposal to Congress in September 2021, which was developed jointly by ONDCP, HHS, and DOJ.

Beyond the Border: The United States' Global Leadership

While seizures and arrests are critically important, this problem does not begin or end at the United States border.

To address this new and dynamic environment, we have broadened our approach to focus on commercially disrupting what is, in essence, an illicit global business enterprise with huge capital resources, routine collaboration with raw material suppliers across international borders, advanced technology to fund and conduct business, and product innovation and strategies to expand markets.

We are doing this through a deliberate and coordinated whole-of-government effort that focuses and synchronizes all the national policy levers to disrupt the global illicit synthetic drug production and trafficking enterprise. This includes strategically targeting criminal facilitators and enablers, and the targeting of key vulnerabilities in the illicit fentanyl supply chain to maximize our impact across the drug producers' and traffickers' spectrum of capabilities.

Through Commercial Disruption, we are targeting not only the finished drugs themselves and those who sell them, but also the raw materials and machinery used to produce them, the commercial shipping that moves these items around the world, and the illicit financial structures that allow this illicit global business to operate and allows drug producers and traffickers the ability to enjoy the profits and benefits of their illicit business.

Our approach embraces the fact that the production and trafficking of these drugs is a global problem, and United States leadership at the global level is absolutely essential.

We must also remember that while drug trafficking is harmful in its own right, and imperils the health, well-being, and safety of our citizens and their communities, it is also part of a larger complex of criminal behaviors that have negative effects not only in the United States but in the rest of the world.

In illicit drug producing and transit countries, drug trafficking drives state and regional instability and fuels corruption, and there are too many regions, in too many countries, where drug producers and traffickers supplant democratic norms and good governance with brute force and intimidation to secure the freedom of movement they need to pursue their criminal activities.

In Fall 2021, Secretary of State Blinken requested that the United Nations (UN) consider placing international controls on three fentanyl precursors. And through U.S. leadership, the March 2022 UN Commission on Narcotic Drugs unanimously voted to internationally control three key chemicals used by drug traffickers to produce illicit fentanyl.⁵

We are also working closely with our international partners, including Mexico, Colombia, India, Canada, and others such as the PRC on this work.

The bilateral relationship between the United States and the PRC is complex, and progress with them on this issue does not move in a straight line.

We will continue to manage our competition with the PRC responsibly while exploring possible cooperation on transnational challenges, and counternarcotics is one such issue.

That's why I was disappointed, and expressed that publicly in a *Wall Street Journal* op-ed, when the PRC decided to suspend cooperation on counternarcotics after Speaker Pelosi's visit to Taiwan last August.

We are calling on the PRC to take swift action to enforce "Know Your Customer" regulations for certain chemicals, pill presses, and die molds, to the end-user level; ensuring the proper labeling of these items before export in accordance with World Trade Organization standards; and helping the international community to identify and share information on chemicals that pose a risk for diversion.

These are commonsense due diligence measures that should be expected of every responsible country, and we have repeatedly urged the PRC to undertake them for the benefit of all countries suffering from the synthetic drug problem, not just the United States.

However, in recent years the PRC has not substantially engaged on this issue, despite the fact that it is a major source country for chemical precursors. This is a fact.

Years of seizure and law enforcement data show that the PRC is the major source country for precursor chemical shipments, pill presses, and die molds to the Western Hemisphere.

When the PRC demonstrates the willingness to address the grave and growing problem of illicit synthetic drug production and trafficking, they will find a willing partner in the United States. And that, too, is a fact.

As we urge the PRC to join us in leading the world against illicit synthetic opioids, we must also recognize the downstream effects of going after drug traffickers—and prepare to address these unintended consequences. For example, when the PRC scheduled all fentanyl-related substances in 2019 at our behest, this had an unintended impact.

Traffickers adjusted from sending shipments of finished illicit fentanyl directly to the U.S. to instead sending precursor chemicals to Mexico, where illicit fentanyl production has proliferated. Today, our work with Mexico is critical.

That's why President Biden made illicit fentanyl a main topic at last month's North American Leaders Summit in Mexico City. Given the combination of our shared border, our two-hundred-year bilateral relationship, and the effect that criminal elements in Mexico have on the drug production and trafficking environment on both sides of the border, it is vitally important that our bilateral relationship be characterized by mutual respect, and a sense of the

shared responsibility we have to address the shared threat of drug trafficking and its associated criminality.

During the 2021 High-Level Security Dialogue between the United States and Mexico, we reaffirmed our joint commitment to take concrete actions on both sides of the border to address the shared security challenges affecting our communities, including human trafficking and smuggling, violence and illicit firearms, as well as substance use disorder and illicit drugs.

In our first year under the Bicentennial Framework, we protected the health of our citizens by expanding our collaboration to reduce substance use disorder and its associated harm. We also intensified efforts to prevent transnational criminal organizations from harming our countries. And, we pursued criminal networks by cracking down on transnational money laundering networks and extraditing criminals. Our specific asks of Mexico included increasing the number of municipalities using crime prevention methods to guide at-risk youth and disrupt cycles of violence; reducing impunity for homicides and high-impact crimes using data, analysis, prioritization, and task forces focused on investigating specific crimes; committing to and implementing an action plan to prevent the consumption and trafficking of synthetic drugs, specifically fentanyl and methamphetamines; working together to advance cybersecurity and infrastructure security cooperation; and more.

Relatedly, the United States counternarcotics relationship with India is robust and growing rapidly. India, with its expanding chemical and pharmaceutical industries, access to international ports, and vast educated workforce is a natural partner in addressing the synthetic drug problem.

The United States and India have formally established a bilateral Counter Narcotics Working Group, the first of its kind between us, and we have created the architecture and relationships to achieve tangible outcomes against synthetic drug production and trafficking at the global level. We are also working closely with the Indian government to collaborate more closely on youth substance use prevention, our public health responses to substance use, the science of addiction medicine, law enforcement, and regulatory development and enforcement.

The US-India counternarcotics relationship, the world's oldest democracy working so closely with the world's largest, can serve as an example of nations working together to tackle difficult problems for the common good.

The United States is leading the global effort against synthetic drugs. By focusing on the commercial disruption of the global illicit enterprise of synthetic drug trafficking, through our bilateral relationships with key partners and our leadership at the multilateral level to address both the interrelated national security, public health, and public safety aspects of drug trafficking, and by stopping the drugs at our border and taking the fight to illicit drug producers and traffickers wherever they are, this Administration is tackling this crisis with the focus and determination it demands.

Progress Made

Under President Biden's leadership, we have begun to make progress in addressing this epidemic.

In last year's State of the Union address, the President called for removing barriers to medication treatment, and we have done that – working with Republicans and Democrats in Congress to remove the X-waiver. This will expand access to medication treatment for millions of Americans with opioid use disorder, and it will save lives. This is what we can accomplish when we work together to beat this. And I want to thank the members of this Committee and the Congress at large for supporting this bill.

Additionally, this Administration has worked diligently to expand access to treatment through other means and to prevent overdoses by expanding access to naloxone. DEA intends to issue proposed rulemaking to make permanent the COVID-era flexibilities regarding telehealth buprenorphine induction and HHS issued a proposed rule to allow continued flexibility for take-home methadone doses, and by summer, the Bureau of Prisons will offer in-house medication-assisted treatment at each of their 122 facilities. Naloxone has become more widely available thanks to the Centers for Disease Control and Prevention allowing Overdose Data to Action grantees to purchase naloxone using federal grant dollars, and the Food and Drug Administration has begun the process for potentially allowing naloxone to be purchased over the counter.

The Department of Justice's Office of Justice Programs administers the Comprehensive Opioid, Stimulant, and Substance Use Program, which provides grant funding and training and technical assistance to state, local, Tribal, and territorial efforts in response to substance use and misuse in order to reduce overdose deaths, promote public safety, and support access to prevention, harm reduction, treatment, and recovery services in the community and justice system. Increasing access to naloxone at no cost is a key strategy for many COSSUP-funded projects.

Finally, HHS now requires that states submit naloxone distribution and saturation plans as part of their application for State Opioid Response grants, which Congress recently increased the funding for by \$50 million in the Omnibus Appropriations Act.

Today, thanks to the Biden-Harris Administration, more people than ever can access treatment for opioid use disorder, we are stopping more fentanyl at the border than ever before, and we bringing traffickers to justice.

According to provisional data, thanks to these efforts and our historic public health advances, we have now seen five straight months where overdose numbers have decreased. That's almost three thousand people who haven't died and instead are at the dinner table each night. And for the first time in years, there appears to be a flattening of overdose deaths.

This is a hopeful sign, but we must not slow down our efforts to beat this crisis. Instead, we must use this momentum to accelerate our actions against untreated addiction and the drug trafficking profits that fuel it.

Conclusion: The Path Forward

For President Biden and his Administration, the path forward is clear: We must do everything in our power to save American lives, and work with a sense of urgency because American lives depend on it.

Having been a physician for my entire adult life, I have seen the nature of addiction with my own eyes, and I can share with you that people with a substance use disorder are in a fight every single day. They and their families should expect nothing less from us.

We are facing this challenge, and we are doubling down on what we know works: expanding access to public health services and cracking down on fentanyl trafficking.

We should always remember that while the international drug trafficking enterprise is adaptive, resilient, and incredibly capable, it is not without its own vulnerabilities. And it is no match for the experience, talent, and commitment the United States and its international partners can bring to bear on this pressing global problem when we muster the will to do so.

President Biden is launching this surge because our approach must surpass the tenacity, resolve, innovation, and resources of what we are up against. And together, we, this Administration, this Congress, and our partners in communities nationwide, can solve this problem and beat this epidemic.

The opioid crisis is not a red state problem or a blue state problem. This is America's problem – and the President knows, just as you all know, that it will take all of us working together to solve it. All of us. This is the time to put politics aside and make life better for the American people.

As President Biden said in his State of the Union address: “We are the United States of America and there is nothing, nothing beyond our capacity if we do it together.”

My request to you and to the Congress at large is to fully fund President Biden's drug control budget, which will be released next month. I also ask that you continue to work with ONDCP and the Administration to ensure that each and every American has the support they need to avoid overdose or drug poisoning death and instead be healthy and productive members of their community and our Nation.

Finally, I commend this Committee for holding this hearing so early in the 118th Congress. The fact that the issue of illicit fentanyl is such a priority for the Senate Foreign Relations Committee, just as it is for the House Energy and Commerce Committee, which ONDCP testified before earlier this month, demonstrates not only the strong bicameral and bipartisan interest and support for addressing the opioid crisis, but also the breadth and depth of this issue, which cuts across domestic and foreign policy, as well as public health, public safety, law enforcement, and beyond. So, thank you for having both the commitment and the foresight to bring light to this issue so early in this session.

On behalf of the hardworking women and men of the Office of National Drug Control Policy, I look forward to working with the Congress to accomplish our shared goals and save American lives, and I look forward to this Committee's questions today.

Thank you.

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¹ Centers for Disease Control and Prevention, NCHS. "Vital Statistics Rapid Release: Provisional Drug Overdose Death Counts." January 11, 2023. Accessed January 11, 2023. <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>

² Customs and Border Protection. "CBP Drug Seizure Statistics Dashboard, FY2023." (Dashboard filtered for FY2022 only.) Accessed January 22, 2023. <https://www.cbp.gov/newsroom/stats/drug-seizure-statistics>

³ Office of National Drug Control Policy. "Press Release: Dr. Gupta and Law Enforcement Officials Announce New Domestic Seizure Data from ONDCP'S High Intensity Drug Trafficking Areas." January 23, 2022. <https://www.whitehouse.gov/ondcp/briefing-room/2023/01/23/dr-gupta-and-law-enforcement-officials-announce-new-domestic-seizure-data-from-ondcps-high-intensity-drug-trafficking-areas/>

⁴ Office of National Drug Control Policy. "FY 2023 Budget Highlights." March 22, 2022. <https://www.whitehouse.gov/wp-content/uploads/2022/03/FY-2023-Budget-Highlights.pdf>

⁵ Office of National Drug Control Policy. "Press Release: At Urging of U.S., UN Commission Acts Against 'Precursor' Chemicals Used to Produce Illicit Fentanyl." March 16, 2022. Accessed January 22, 2023. <https://www.whitehouse.gov/ondcp/briefing-room/2022/03/16/at-urging-of-u-s-un-commission-acts-against-precursor-chemicals-used-to-produce-illicit-fentanyl/>