

118TH CONGRESS
1ST SESSION

H. R. 1076

To require the Comptroller General of the United States to carry out a study on the trafficking into the United States of synthetic drugs, and related illicit finance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 2023

Ms. DE LA CRUZ (for herself, Ms. PETTERSEN, and Mr. OGLES) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on the Judiciary, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require the Comptroller General of the United States to carry out a study on the trafficking into the United States of synthetic drugs, and related illicit finance, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Preventing the Financ-
5 ing of Illegal Synthetic Drugs Act”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) According to the Center for Disease Control
4 and Prevention, over 107,000 people in the United
5 States died from drug overdoses or drug poisonings
6 in the 12-month period ending January 2022, with
7 67 percent of those deaths involving synthetic
8 opioids like fentanyl.

9 (2) According to the United National Office of
10 Drugs and Crime (UNODC) in its “Synthetic Drug
11 Strategy 2021–2025”, the number of synthetic
12 drugs, also called New Psychoactive Substances, has
13 increased 631 percent since 2009, with traffickers
14 introducing an average of 80 new substances to the
15 illicit drug market each year from 2009–2019.

16 (3) In October 2022, F. Michael McDaniel, di-
17 rector of the Houston High Intensity Drug Traf-
18 ficking Areas (HITDA) program testified in Con-
19 gress that one kilogram of fentanyl can produce one
20 million counterfeit pills containing one milligram of
21 fentanyl, saying, “Currently in Houston, Texas, you
22 can buy a kilogram of fentanyl for an average price
23 of \$25,000 to \$30,000. This same kilogram of
24 fentanyl in Culiacán (Mexico) could be purchased at
25 an average price of \$13,500. Currently, the price of
26 a fentanyl pill in Houston ranges from \$6 to \$65.

1 Therefore, an illicit investment of \$30,000 or less
2 could result in a return of \$6 to \$32.5 million.”.

3 (4) According to Celina B. Realuyo, Adjunct
4 Professor, The George Washington University Elliott
5 School of International Affairs, in March 2022 Con-
6 gressional testimony, “Financing is essential to sup-
7 port and sustain the command and control, per-
8 sonnel, arms, communications, logistics and oper-
9 ations of organized crime groups. For this reason,
10 following the money trail and depriving criminals of
11 illicit financial flows can disrupt and disable these
12 networks.”.

13 **SEC. 3. GAO STUDY ON SYNTHETIC DRUGS TRAFFICKING.**

14 (a) IN GENERAL.—The Comptroller General of the
15 United States shall carry out a study on illicit financing
16 in connection with the trafficking of synthetic drugs, in-
17 cluding fentanyl and methamphetamine, fentanyl- and
18 methamphetamine-related substances, Captagon, and
19 fentanyl and methamphetamine precursors, including—

20 (1) the business of the trafficking of synthetic
21 drugs and related illicit finance, such as the partici-
22 pation of transnational criminal organizations and
23 terror syndicates and their notable trafficking cor-
24 ridors, including source and transit countries;

1 (2) the business models used by these
2 transnational criminal organizations, including U.S.
3 domestic and foreign activities for precursor pur-
4 chase or production, movement along the supply
5 chain, manufacture of the completed product, mar-
6 keting, distribution, sales, and return of proceeds;

7 (3) the overlap of the business model of human
8 trafficking and the trafficking of synthetic drugs
9 and related illicit finance;

10 (4) the use of online illicit drug markets and
11 the use of social media for the marketing, sale, and
12 payment for synthetic drugs;

13 (5) financial methods used by such
14 transnational criminal organizations, including—

15 (A) payment;

16 (B) money laundering; and

17 (C) repatriation of proceeds;

18 (6) the use of social media applications like
19 Snap Chat, Discord, and Facebook and payment ap-
20 plications like CashApp to facilitate financial trans-
21 actions for synthetic drug trafficking, especially
22 among young people; and

23 (7) U.S. Government activities to combat illicit
24 finance related to the trafficking of synthetic drugs,
25 including—

1 (A) interagency collaboration, including
2 personnel detailed to other agencies to support
3 the effort to combat synthetic drugs trafficking
4 and related illicit finance;

5 (B) intergovernmental collaboration;

6 (C) intersectoral collaboration with the pri-
7 vate sector, including the business and non-gov-
8 ernmental communities; and

9 (D) identified gaps or resource deficiencies
10 in combating the trafficking of synthetic drugs
11 and related illicit finance in the coordination
12 and collaboration activities described in sub-
13 paragraphs (A) through (C).

14 (b) REPORT.—Not later than the end of the 1-year
15 period beginning on the date of enactment of this Act, the
16 Comptroller General shall issue a report to the Congress
17 containing all findings and determinations made in car-
18 rying out the study required under subsection (a).

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