

# Union Calendar No. 55

118TH CONGRESS  
1ST SESSION

# H. R. 1076

[Report No. 118–75, Part I]

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.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 2023

Ms. DE LA CRUZ (for herself, Ms. PETERSEN, 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

MAY 22, 2023

Additional sponsors: Mr. LAWLER, Mrs. CHAVEZ-DEREMER, Mr. DONALDS, Mr. STEIL, Mr. PAPPAS, and Ms. PEREZ

MAY 22, 2023

Reported from the Committee on Financial Services with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

MAY 22, 2023

Committees on the Judiciary and Energy and Commerce discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on February 17, 2023]

# **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”.*

6 **SEC. 2. FINDINGS.**

7        *The Congress finds the following:*

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

14            (2) *According to the United National Office of*  
15 *Drugs and Crime (UNODC) in its “Synthetic Drug*  
16 *Strategy 2021-2025”, the number of synthetic drugs,*  
17 *also called New Psychoactive Substances, has in-*  
18 *creased 631 percent since 2009, with traffickers intro-*  
19 *ducing an average of 80 new substances to the illicit*  
20 *drug market each year from 2009-2019.*

21            (3) *In October 2022, F. Michael McDaniel, direc-*  
22 *tor of the Houston High Intensity Drug Trafficking*  
23 *Areas (HITDA) program testified in Congress that*  
24 *one kilogram of fentanyl can produce one million*  
25 *counterfeit pills containing one milligram of fentanyl,*

1       saying, “Currently in Houston, Texas, you can buy  
2       a kilogram of fentanyl for an average price of \$25,000  
3       to \$30,000. This same kilogram of fentanyl in  
4       Culiacán (Mexico) could be purchased at an average  
5       price of \$13,500. Currently, the price of a fentanyl  
6       pill in Houston ranges from \$6 to \$65. Therefore, an  
7       illicit investment of \$30,000 or less could result in a  
8       return of \$6 to \$32.5 million.”

9               (4) According to Celina B. Realuyo, Adjunct  
10       Professor, The George Washington University Elliott  
11       School of International Affairs, in March 2022 Con-  
12       gressional testimony, “Financing is essential to sup-  
13       port and sustain the command and control, personnel,  
14       arms, communications, logistics and operations of or-  
15       ganized crime groups. For this reason, following the  
16       money trail and depriving criminals of illicit finan-  
17       cial flows can disrupt and disable these networks.”

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

19       (a) *STUDY.*—The Comptroller General of the United  
20       States shall carry out a study on illicit financing in connec-  
21       tion with the trafficking of synthetic drugs, including  
22       fentanyl and methamphetamine, fentanyl- and meth-  
23       amphetamine-related substances, Captagon, and fentanyl  
24       and methamphetamine precursors, including—

1           (1) *the business of the trafficking of synthetic*  
2 *drugs and related illicit finance, such as the partici-*  
3 *ipation of transnational criminal organizations and*  
4 *terror syndicates and their notable trafficking cor-*  
5 *ridors, including source and transit countries;*

6           (2) *the business models used by these*  
7 *transnational criminal organizations, including U.S.*  
8 *domestic and foreign activities for precursor purchase*  
9 *or production, movement along the supply chain,*  
10 *manufacture of the completed product, marketing, dis-*  
11 *tribution, sales, and return of proceeds;*

12           (3) *the overlap of the business model of human*  
13 *trafficking and the trafficking of synthetic drugs and*  
14 *related illicit finance;*

15           (4) *the use of online illicit drug markets and the*  
16 *use of social media for the marketing, sale, and pay-*  
17 *ment for synthetic drugs;*

18           (5) *financial methods used by such transnational*  
19 *criminal organizations, including—*

20                   (A) *payment;*

21                   (B) *money laundering; and*

22                   (C) *repatriation of proceeds;*

23           (6) *the use of social media applications like*  
24 *Snap Chat, Discord, and Facebook and payment ap-*  
25 *plications like CashApp to facilitate financial trans-*

1        *actions for synthetic drug trafficking, especially*  
2        *among young people; and*

3                *(7) U.S. Government activities to combat illicit*  
4        *finance related to the trafficking of synthetic drugs,*  
5        *including—*

6                *(A) interagency collaboration, including*  
7        *personnel detailed to other agencies to support*  
8        *the effort to combat synthetic drugs trafficking*  
9        *and related illicit finance;*

10               *(B) intergovernmental collaboration;*

11               *(C) intersectoral collaboration with the pri-*  
12        *vate sector, including the business and non-gov-*  
13        *ernmental communities; and*

14               *(D) identified gaps or resource deficiencies*  
15        *in combating the trafficking of synthetic drugs*  
16        *and related illicit finance in the coordination*  
17        *and collaboration activities described in sub-*  
18        *paragraphs (A) through (C).*

19        *(b) REPORT REQUIRED.—Not later than the end of the*  
20        *1-year period beginning on the date of enactment of this*  
21        *Act, the Comptroller General shall issue a report to the Con-*  
22        *gress containing all findings and determinations made in*  
23        *carrying out the study required under subsection (a).*



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