

ONE HUNDRED FIFTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115  
Majority (202) 225-2927  
Minority (202) 225-3641

September 27, 2018

The Honorable Kirstjen M. Nielsen  
Secretary of Homeland Security  
Department of Homeland Security  
800 K St N.W. #1000,  
Washington, DC 20528

Dear Secretary Nielsen:

Pursuant to Rules X and XI of the U.S. House of Representatives, as part of its broader oversight of the opioid crisis, the Committee is investigating the public health threat of fentanyl shipped by mail from China and trafficked from drug cartels in Mexico. Fentanyl is a synthetic opioid, 30-50 times more potent than heroin. A fatal dose of fentanyl is smaller than the size of Abraham Lincoln's face on a penny. Earlier this year, you as the Secretary of Homeland Security determined that pharmaceutical-based agents, such as fentanyl, presented a material threat against the United States population sufficient to affect national security.

This inquiry follows up on the Committee's previous oversight of the fentanyl problem. The Drug Enforcement Administration (DEA) reported that China is the primary source of illicit fentanyl, with pure fentanyl shipped through the mail from China to the U.S.<sup>1</sup> The U.S. House of Representatives, through this Committee, recently enacted legislation to provide more tools for the Food and Drug Administration (FDA) to intercept illicit drugs coming through our nation's international mail facilities, including fentanyl shipped to the U.S. by mail from China.

However, fentanyl is also being trafficked from Mexico. Mexican drug cartels receive shipments of fentanyl and its precursors directly from China where it is usually adulterated with heroin or other powdered forms of narcotics.<sup>2</sup> According to an official testifying for the U.S.

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<sup>1</sup> Oral testimony of DEA Assistant Administrator Louis J. Milione for House Committee on Energy and Commerce hearing, "Fentanyl: The Next Wave of the Opioid Crisis," March 21, 2017.

<sup>2</sup> Written testimony of ICE Homeland Security Investigations Office of Finance Deputy Assistant Director Greg Navano for Senate Committee on Homeland Security and Governmental Affairs, Permanent Subcommittee on Investigations hearing, "Combatting the Opioid Crisis: Exploiting Vulnerabilities in International Mail Security," January 25, 2018.

Immigration and Customs Enforcement (ICE) Homeland Security Investigations Office of Illicit Trade, Travel, and Finance, “There is strong evidence that large quantities of fentanyl are shipped from China to Mexico and are not opened until they are within the United States. Mexican cartels have seized upon this business opportunity because of the profit potential of synthetic opioids, and have invested in growing their share of the market. Because of its low dosage range and potency, one kilogram of fentanyl purchased in China for \$3,000 - \$5,000 can generate upwards of \$1.5 million in revenue on the illicit market.”<sup>3</sup>

On March 21, 2017, the Subcommittee on Oversight and Investigations held a hearing about the fentanyl crisis.<sup>4</sup> The ICE Assistant Director for Homeland Security Investigative Programs testified about the role of Mexican drug cartels in obtaining fentanyl, adulterating it with other agents, and smuggling fentanyl and fentanyl-adulterated heroin. Assistant Director Matthew C. Allen testified, “Mexican drug cartels also obtain illicit fentanyl and precursor materials required to manufacture fentanyl-related substances from China and primarily use fentanyl as an adulterant in heroin that is produced in Mexico.”<sup>5</sup>

At this hearing, the witness for DEA also noted that “Mexican cartels are exploiting the opioid use epidemic and aggressively purchasing illicitly produced fentanyl from China, shipping it to Mexico, mixing it with heroin and other substances and shipping it back into the U.S. through established distribution channels where it is sold in our communities.”<sup>6</sup>

Since the March 21, 2017 hearing before the Subcommittee on Oversight and Investigations, overdose deaths from fentanyl continue to skyrocket. On July 11, 2018, the Centers for Disease Control and Prevention issued the Health Alert Network (HAN) Update to alert public health departments, health care professionals, first responders, and medical examiners and coroners to important new developments in the evolving opioid overdose epidemic, which increasingly involves illicitly manufactured fentanyl and an array of potent fentanyl analogs.<sup>7</sup> The HAN Update included information on “the sharp rise in overdose deaths involving fentanyl and fentanyl analogs in a growing number of states, in particular the growing number of deaths involving the ultra-high potency fentanyl analog known as carfentanil.”<sup>8</sup> For instance, in the 10 states that have reported preliminary data, “[t]he number of opioid overdose deaths testing positive for fentanyl or fentanyl analogs in these 10 states substantially increased from the second half of 2016 to the first half of 2017, with total fentanyl involved deaths rising from 2,986 to 3,303, and fentanyl analog involved deaths rising from 764 to 1,511.”<sup>9</sup>

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<sup>3</sup> *Id.*

<sup>4</sup> *Fentanyl: The Next Wave of the Opioid Crisis, Hearing Before Subcomm. on Oversight and Investigations of the H. Comm on Energy and Commerce*, 115 Cong. Serial No. 115-16 (March 21, 2017).

<sup>5</sup> *Id.* at 38, Statement of Matthew C. Allen, Assistant Director, Homeland Security Investigative Programs, Homeland Security Investigations, U.S. Immigration and Customs Enforcement, Department of Homeland Security.

<sup>6</sup> *Id.* at 26, Statement of Louis J. Milione, Assistant Administrator, Drug Enforcement Administration.

<sup>7</sup> Centers for Disease Control, *Rising Numbers of Deaths Involving Fentanyl and Fentanyl Analogs, Including Carfentanil, and Increased Usage and Mixing with Non-opioids*, July 11, 2018.

<sup>8</sup> <https://emergency.cdc.gov/han/han00413.asp>

<sup>9</sup> *Id.*

<sup>9</sup> *Id.*



Law enforcement is increasingly detecting fentanyl and fentanyl analogs, with seizures revealing links to sourcing from Mexico. For instance, federal authorities believe most fentanyl in New England is distributed to the United States primarily by the Sinaloa Cartel in Mexico.<sup>10</sup> According to DEA and the Arizona Department of Public Safety, Mexican drug cartels are increasingly smuggling fentanyl across Arizona's border with Mexico through concealed compartments in cars and trucks.<sup>11</sup> DEA stated that the Sinaloa drug cartel has claimed Arizona's border with Mexico as its territory.<sup>12</sup>

U.S. officials have said arrests in New York are an indication that Mexican drug cartels are using existing smuggling chains for street drugs like cocaine and methamphetamine to transport "staggering quantities of fentanyl from Mexico."<sup>13</sup> According to DEA special agent Erin Mulvey, Mexican traffickers have established cells in Buffalo, Plattsburg, and Rochester.<sup>14</sup>

In March 2018, an unsealed federal indictment alleged that a dozen individuals in a Middletown, Ohio fentanyl ring were connected to the Sinaloa cartel.<sup>15</sup> The indictment detailed an undercover Federal Bureau of Investigation (FBI) investigation that showed individuals allegedly distributed fentanyl and heroin from Mexico in Middletown and sent laundered proceeds back to the cartel in Mexico. In June 2017, New Jersey State Police picked up two Sinaloa drug cartel members during the biggest bust of fentanyl in the state's history.<sup>16</sup>

Fentanyl smuggling from Mexico is on the rise. Since 2015, smuggling has increased 1250 percent, and between 2016 and 2017, the number of fentanyl seizures at the San Ysidro port of entry went up from 260 to 952.<sup>17</sup>

To assist the Committee's investigation, please arrange for a briefing by October 5, 2018 with Committee staff to address the following:

1. What actions over the past year has DHS taken to combat fentanyl trafficking from Mexico and China into the U.S., and how has DHS been working with other federal agencies to combat such trafficking?
2. What is the status of DHS efforts to develop rapid field tests for use by first responders?

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<sup>10</sup> New Haven Register, *Feds announce largest fentanyl bust in Connecticut history*, May 19, 2016.

<sup>11</sup> Conrad Romero, *As fentanyl overdoses rise, cartels are eager to funnel more of it through Arizona*, Cronkite News, July 15, 2018. <https://kdminer.com/news/2018/jul/15/fentanyl-overdoses-rise-cartels-are-eager-funnel-m/>

<sup>12</sup> *Id.*

<sup>13</sup> Andrew Russell and Stewart Bell, *How Mexican cartels are part of an 'emerging threat' of fentanyl flowing into Canada*, Global News, June 28, 2018. <https://globalnews.ca/news/4298460/mexican-cartels-emerging-threat-fentanyl-flowing-into-canada/>

<sup>14</sup> *Id.*

<sup>15</sup> Monroe Trombly, *Sinaloa cartel tied to Middletown fentanyl ring for first time, feds say*, Cincinnati Enquirer, March 8, 2018.

<sup>16</sup> Ken Serrano, *Drug cartel in NJ: Sinaloa traffickers now live among us*, Asbury Park Press, December 3, 2017. <https://www.app.com/story/news/investigations/2017/12/03/sinaloa-cartel-new-jersey-heroin-drugs/901261001/>

<sup>17</sup> Jared Aarons, *Teens targeted to smuggle Fentanyl across US-Mexico*, 10News.com KGTV-TV San Diego, April 4, 2018. <https://www.10news.com/news/teens-targeted-to-smuggle-fentanyl-across-us-mexico>.

3. What is the status of DHS efforts to improve field training and use of protective gear by federal officers and others involved in drug interdiction?
4. Are there any efforts underway to get cooperation from, or provide assistance to, the governments of Mexico and China to increase control over precursor chemicals for all manufacturing of illicit fentanyl?
5. What amount of DHS' budget is devoted to efforts to detect and interdict fentanyl from entering our country?

If you have any questions regarding this request, please contact Alan Slobodin, Chris Santini or Andrea Noble of the Majority staff at (202) 225-2927 or Kevin McAloon of the Minority staff at (202) 225-3641.

Sincerely,



Greg Warden  
Chairman



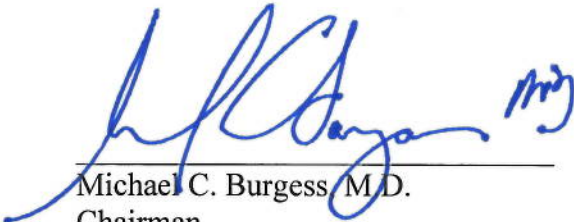
Frank Pallone  
Ranking Member



Gregg Harper  
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