

119TH CONGRESS
2D SESSION

S. 4544

To require a report on countering the smuggling of hydrocarbon products by transnational criminal organizations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 14, 2026

Mr. CORNYN (for himself and Ms. ROSEN) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To require a report on countering the smuggling of hydrocarbon products by transnational criminal organizations, 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 “Stop Fueling Cartel
5 Violence Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Mexico-based transnational criminal organi-
9 zations, including the Cartel Jalisco Nueva
10 Generacion (CJNG), the Sinaloa Cartel, the Gulf

1 Cartel, and the Northeast Cartel, have developed
2 large-scale enterprises to steal, divert, and smuggle
3 crude oil, diesel, gasoline, and refined petroleum
4 products from Mexico's state-owned energy com-
5 pany, Petróleos Mexicanos (Pemex).

6 (2) Such operations involve illegally drilling
7 clandestine taps into fuel pipelines, raiding refin-
8 eries, hijacking petroleum tanker trucks, bribing
9 Pemex employees, and using networks of front com-
10 panies and shell companies to launder the resulting
11 illicit proceeds.

12 (3) The Department of the Treasury has deter-
13 mined that fuel theft, including crude oil smuggling,
14 is currently the most significant non-drug illicit rev-
15 enue source for Mexico-based cartels and other illicit
16 actors.

17 (4) Theft of hydrocarbon products by
18 transnational criminal organizations and foreign ter-
19 rorist organizations has grown to an extraordinary
20 scale, as Pemex estimates that thieves stole approxi-
21 mately 987,000,000 liters of fuel in calendar year
22 2024, nearly three times the volume stolen in cal-
23 endar year 2019.

24 (5) The Department of the Treasury has re-
25 ported that the Mexican Government has sustained

1 billions of dollars in lost revenue in recent years at-
2 tributable to these operations, and independent in-
3 dustry analyses estimate that fuel smuggling and as-
4 sociated tax evasion deprive Mexico of approximately
5 \$24,000,000 in potential tax revenue per day.

6 (6) According to data cited in Department of
7 the Treasury enforcement actions, between 16 and
8 27 percent of total annual fuel consumption in Mex-
9 ico originates from illegal sources.

10 (7) In connection with sanctions actions taken
11 against CJNG-linked fuel theft networks in Sep-
12 tember 2024 and May 2025, the Secretary of the
13 Treasury stated, “Fuel theft and crude oil smug-
14 gling are cash cows for CJNG’s narco-terrorist en-
15 terprise, providing a lucrative revenue stream for the
16 group and enabling it to wreak havoc in Mexico and
17 the United States.”.

18 (8) On September 10, 2024, the Office of For-
19 eign Assets Control, acting in coordination with the
20 Drug Enforcement Administration and Mexico’s Fi-
21 nancial Intelligence Unit, sanctioned nine Mexican
22 nationals and 26 Mexico-based entities linked to a
23 CJNG fuel theft network that generates tens of mil-
24 lions of dollars in illicit revenue for CJNG, an orga-
25 nization simultaneously responsible for a significant

1 proportion of fentanyl and other controlled sub-
2 stances trafficked into the United States.

3 (9) On May 1, 2025, the Office of Foreign As-
4 sets Control sanctioned an additional three Mexican
5 nationals and two Mexico-based entities involved in
6 a fentanyl trafficking and fuel theft network that
7 generates hundreds of millions of dollars annually
8 for CJNG.

9 (10) The Financial Crimes Enforcement Net-
10 work, in an alert issued on May 1, 2025, in coordi-
11 nation with the Office of Foreign Assets Control, the
12 Drug Enforcement Administration, the Federal Bu-
13 reau of Investigation, and Homeland Security Inves-
14 tigation, described in detail how cartels employ
15 complicit Mexican brokers to smuggle stolen crude
16 oil across the southwest border of the United States,
17 by mislabeling shipments as “waste oil” or haz-
18 ardous materials, for delivery to complicit United
19 States-based importers operating primarily in the
20 Lower Rio Grande Valley, the Eagle Ford Shale,
21 and the Permian Basin regions of Texas.

22 (11) On February 20, 2025, the Secretary of
23 State, acting pursuant to Executive Order 14157,
24 designated CJNG, the Sinaloa Cartel, the Gulf Car-
25 tel, the Northeast Cartel, Tren de Aragua, and Mara

1 Salvatrucha as Foreign Terrorist Organizations and
2 Specially Designated Global Terrorists.

3 (12) Section 124 of title 10, United States
4 Code, designates the Department of Defense as the
5 single lead agency of the Federal Government for
6 the detection and monitoring of aerial and maritime
7 transit of illegal drugs into the United States, to be
8 carried out in support of the counterdrug activities
9 of Federal, State, local, and foreign law enforcement
10 agencies. The Department employs aerial, maritime,
11 and ground surveillance assets and interagency in-
12 formation-sharing networks whose capabilities are
13 directly applicable to the detection and monitoring of
14 the illicit movement of stolen hydrocarbon products
15 across or near the boundaries of the United States.

16 (13) The physical and logistical characteristics
17 of hydrocarbon smuggling operations are substan-
18 tially similar to those of narcotics smuggling, and
19 the surveillance, signals, and communication archi-
20 tectures currently deployed by the Department of
21 Defense for counterdrug purposes are directly appli-
22 cable to the hydrocarbon threat.

23 **SEC. 3. SENSE OF CONGRESS.**

24 It is the sense of Congress that—

1 (1) the theft and illicit transborder trafficking
2 of crude oil, diesel, gasoline, and refined petroleum
3 products by Mexico-based transnational criminal or-
4 ganizations constitutes a significant threat to the
5 national security and public safety of the United
6 States; and

7 (2) the United States Government should treat
8 the trafficking of stolen hydrocarbon products as a
9 priority component of its counterdrug and counter-
10 transnational organized crime strategy.

11 **SEC. 4. REPORT ON COUNTERING CARTEL HYDROCARBON**
12 **SMUGGLING.**

13 (a) **REPORT REQUIRED.**—Not later than 180 days
14 after the date of the enactment of this Act, the Secretary
15 of Defense shall submit to the congressional defense com-
16 mittees a report that—

17 (1) details activities taking place pursuant to
18 section 284 of title 10, United States Code, or other
19 authorities of the Department of Defense, to deny,
20 disrupt, or degrade transnational criminal organiza-
21 tions directly or indirectly engaged in the theft, di-
22 version, or illicit movement of stolen hydrocarbon
23 products; and

24 (2) includes—

(A) recommendations for future additional activities to counter the activities of transnational criminal organizations described in paragraph (1), including—

(i) capacity building with national security forces of partner nations pursuant to section 333 of title 10, United States Code;

(ii) information sharing with civilian United States Government agencies specializing in countering transnational criminal organizations;

(iii) assessments of key nodes of activity of transnational organized crime networks engaged in the smuggling of hydrocarbon products; and

(iv) any other non-kinetic activity the Secretary determines appropriate to deny, disrupt, or degrade the smuggling of hydrocarbon products; and

(B) an assessment of resources used to conduct the activities described in paragraph (1).

(b) HYDROCARBON PRODUCTS DEFINED.—In this section, the term “hydrocarbon products” means crude oil

1 classified under heading 2709.00 of the Harmonized Tar-
2 iff Schedule of the United States (“Petroleum oils and oils
3 obtained from bituminous minerals, crude”), including un-
4 processed crude petroleum oils (whether testing under or
5 over 25 API gravity), crude oils obtained from bituminous
6 minerals, condensates derived wholly from natural gas,
7 and reconstituted crude petroleum.

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