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S. Hrg. 115–193

STOPPING THE SHIPMENT OF SYNTHETIC OPIOIDS: OVERSIGHT OF U.S. STRATEGY TO COMBAT ILLICIT DRUGS

HEARING

BEFORE THE

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

OF THE

COMMITTEE ON
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

MAY 25, 2017

Available via the World Wide Web: http://www.fdsys.gov/

Printed for the use of the
Committee on Homeland Security and Governmental Affairs

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STOPPING THE SHIPMENT OF SYNTHETIC OPIOIDS: OVERSIGHT OF U.S. STRATEGY TO COMBAT ILLICIT DRUGS

THURSDAY, MAY 25, 2017

U.S. SENATE,
PERMANENT SUBCOMMITTEE ON INVESTIGATIONS,
OF THE COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 9:33 a.m., in room SD–342, Dirksen Senate Office Building, Hon. Rob Portman, Chairman of the Subcommittee, presiding.

Present: Senators Portman, Lankford, Daines, Carper, Tester, Heitkamp, and Peters.

Also present: Senators McCaskill, Klobuchar, and Hassan.

OPENING STATEMENT OF SENATOR PORTMAN

Senator PORTMAN. The Committee will come to order. We will get started. We have a great group of Members who are here, and everybody has a lot of different commitments this morning. We also are very eager to hear from our witnesses and talk about a critical issue facing our country.

It is really a crisis in our communities, and it is getting worse, not better. The crisis is the opioid epidemic. Our country is being gripped by it. My State is, as are the States of every Senator around the table.

It is a crisis that does not discriminate. It is in every corner of my State. Earlier this month, a police officer named Chris Green in East Liverpool, Ohio, had a near-fatal fentanyl overdose following a routine traffic stop. He went up to a car for a routine stop and noticed there was white powder spread around the car. He did the right things. He put on his mask, he put on his gloves, and arrested some individuals.

He went back to the police station, and he noticed that on his shirt there was some powder, so he reached up and brushed the powder off his shirt. This guy is 6-foot-3, 225 pounds, a big man, and he fell to the floor unconscious and overdosed. They administered Narcan immediately, but it was not enough. They had to rush him to the hospital where two more Narcan doses were administered, and luckily, his life was saved. As his police chief said, he would have died had he been alone. The police chief also said, "What if he had gone home with that powder on his shirt and hugged his kid?"

That is just an example of what we are facing. It is obviously devastating our communities and families, but also creating quite a danger for our law enforcement and other first responders.

Fentanyl is 30 to 50 times more powerful than heroin and 100 times stronger than morphine, and a lethal dose can be as little as two milligrams. We had some floor speeches this week about it. We were able to show that just a tiny amount of fentanyl can be deadly. We also know about U–4 and carfentanil and other synthetic drugs that are coming into our country.

This issue is getting worse. As I said, the number of overdoses and deaths have increased dramatically. Earlier this month, you may have seen that the Director of National Intelligence (DNI), Dan Coats, our former colleague, actually included synthetic opioids in his World Wide Threat Assessment, and he noted in his comments that deaths had increased 73 percent just between 2014 and 2015, the last year for which they have records. So sadly, that death toll continues to climb, and we will hear about that this morning.

In one county in Ohio, for instance, fentanyl was responsible for 394 overdose deaths in 2016. One county. Tom Gilson, whom you will hear from later, the Cuyahoga medical examiner (ME), will tell you he is projecting 581 fentanyl-related deaths out of 850 total fatal drug overdoses this year. In other words, fentanyl is by far our biggest killer.

A lot of these deaths are due to mixing fentanyl with heroin and other drugs, leaving the user with no idea what they are taking. An example of this is a new opioid cocktail called "gray death." Gray death includes a mixture of heroin, fentanyl, carfentanil, and U–4770. Heroin is the weakest drug in that mix. Think about that. This is available on the street, this opioid cocktail, for as little as $10 to $20. Even though these drugs are selling very inexpensively, fentanyl has a extremely high profit margin, making it appealing to the drug dealer.

The Drug Enforcement Agency (DEA), estimates that a kilogram of fentanyl can be purchased from a Chinese supplier for a few thousand dollars. A kilogram for a few thousand dollars can be used to make hundreds of thousands of pills with profits in the millions.

So, bottom line, we need to stop this flow of illegal, illicit fentanyl. And, unbelievably, it comes through the U.S. mail system. This is a shock to many of my constituents and others who are learning about this. While some of this fentanyl is smuggled into the United States from Mexico and Canada, primarily it comes directly into the United States. According to law enforcement, including some folks who are here this morning who will tell us about this, it primarily comes from one place, which is China. It is produced in laboratories there, and our understanding from law enforcement is that most of that fentanyl produced in China is intended for export to one place, and that is the United States of America.

There are a number of Chinese websites ready to ship. Do a Google search for "fentanyl for sale," and it produces a number of websites where the drug—and many others—appear to be readily available.

On one website, you can purchase a gram of fentanyl for $250, but it says, "The more you buy, the less you pay," offering discounts for larger volumes.

To ease any concern about whether the purchaser would receive his order, the website guarantees discreet shipment "with undetectable and careful packaging."

While shipment was available to any number of countries, the website knew its audience and offered express delivery to the United States. Many of these websites are so sure that their shipment will not be stopped by law enforcement that they will guarantee that if the original somehow gets lost or seized, they will send you another one for free.

Several websites we reviewed made it clear they exclusively used Express Mail Service (EMS), as their courier. EMS, of course, is the international postal service offered by members of the Universal Postal Union (UPU). Packages delivered through EMS are passed to the United States Postal Service (USPS) as they enter the United States.

So, our shared goal today is to try to stop these drugs from exploiting our own streams of mail into our country. Every Member around this dais this morning has been involved in this issue on prevention and education, on treatment and recovery. We have actually passed two significant new legislative initiatives in the last year in this Congress focused on this issue. We understand it is much broader than just interdicting, but we have to do a better job of interdicting.

Following September 11, 2001 (9/11), Congress identified weaknesses in international shipping standards as a significant problem and made clear that requiring advance electronic data (AED) would make our country safer. This was 15 years ago. But when Congress first legislated, it did so, however, and left a gaping loophole.

The Trade Act of 2002 mandated that commercial carriers provide advance electronic data that could be used to identify certain packages being shipped into the United States. In that 2002 legislation, Congress asked the Secretary of Homeland Security and the Postmaster General to decide if the Postal Service should be subject to the same requirements that they were putting in place for all private carriers. To date, no determination has been made, and our country is less safe as a result.

As such, the difference between the information that private commercial carriers are required to provide is very different from the Postal Service, but both serve the same function: delivering packages into our communities.

At the same time, the Postal Service handles a much higher volume of international packages than the commercial carriers combined.

Prior to any shipment arriving in the United States, commercial carriers are required to electronically provide data to law enforcement, including Customs and Border Protection (CBP), with the basic information, including: what the shipper name and address is; the name and address of the person receiving the package; a description of the contents; the piece count; the weight; and the value of the contents. This information is then transmitted to Customs and Border Protection and 47 other Federal agencies at the Na-

tional Targeting Center. Based on this information, CBP targets suspect shipments for additional scrutiny and selects the packages it wants to inspect when they arrive in the United States.

Commercial carriers are also charged $1 per package by CBP which most commercial carriers pass on to the shipper. None of this applies to the Postal Service, and the Postal Service handles hundreds of thousands of packages every day.

All international packages shipped through the Postal Service are routed through five international service centers, with the New York center at John F. Kennedy (JFK) Airport receiving the overwhelmingly majority of those packages. How these packages are processed is completely different at each of these centers. For the most part, CBP is tasked with identifying packages or shipments it wants to inspect, and the Postal Service locates those packages or shipments and presents them to CBP.

However, it is not that easy. Due to the hundreds of thousands of packages, the Postal Service is left to manually sort through large shipments trying to identify what CBP is looking for. All internationally shipped packages are already required by the Universal Postal Union to have certain information attached to them including: the sender, the recipient, a description of the contents, weight, and value.

The problem is that information is not electronic, and it is not transmitted in advance. So it is not useful to law enforcement. Essentially, it is useless.

The UPU has indicated it will require member countries to place a bar code on every package starting in 2018. That is fine. However, the shipper will not be required to load any electronic information on that bar code until 2020. Meanwhile, we have a crisis.

Realistically, the target date to implement this requirement is closer to 2022, we are told, but there is no guarantee that it will even happen by then. For 15 years, the Postal Service has been on notice of the need to collect advance electronic data about its packages. We cannot wait any longer. As Americans are dying every day from these poisonous drugs flowing into our country, we must act. And we have to stop this fentanyl, carfentanil, and other synthetics from coming in.

The Postal Service is trying to use electronic information at JFK to help CBP identify these packages. It is a pilot program. The Postal Service is providing electronic data to CBP for packages that weigh less than 4.4 pounds, so-called ePackets. Once the Postal Service shares the information, CBP uses the information to identify the packages it wants to inspect. The Postal Service then locates and presents those selected packages for CBP inspection. This is a step in the right direction, in my view. After nearly 15 years of not doing this, the results to date are lacking, however.

In December 2016, late last year, the Inspector General (IG) found the Postal Service failed to present all of the packages CBP selected for inspection and a substantial number of ePackets lacked any advance electronic data associated with it.

I understand the Postal Service is starting to take steps to remedy this issue of presenting packages to CBP for inspection, and I look forward to hearing the details of that today. But without ad-

vance electronic data, we will continue to miss a significant portion of these packages.

Further, the pilot program is only happening at one location. At the other four centers, the Postal Service is stuck sifting through millions of packages, like trying to find a needle in a haystack. We cannot continue like this. We need the electronic data, and we need it now.

We have been working in a bipartisan way to solve this problem. That is why we introduced legislation called the Synthetic Trafficking and Overdose Prevention (STOP) Act. My co-author is here with us today, and she will speak in a moment. It is aimed at providing advance information that the Postal Service should be providing for international mail.

We have 16 cosponsors in the Senate—eight Democrats and eight Republicans. In the House, there is separate, companion legislation that has 128 bipartisan cosponsors. Our focus today is getting input from this panel of witnesses so we have a clear understanding from all of the key stakeholders as we move forward on this.

Again, thank you all very much for being here. I thank my colleagues for being here. I would now like to turn to the Ranking Member, Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. In the Navy, we talk about special moments. We call them "all hands on deck." This is an "all hands on deck" moment for not just those of us in this room, not just in the Senate, not just Delaware or Ohio or any other States that are represented. This is an "all hands on deck moment" for our country, and we welcome all of our witnesses, this panel and the second panel.

I want to thank our Chairman and I want to thank Amy Klobuchar for the good work that they have done and others on this Committee have done to get us ready for this day.

The focus on today's hearing is more about at least one of the ways these drugs are getting into communities and what we can do to stop them. We look forward to hearing from our witnesses on the first panel to better understand the processes used by the Postal Service, by private shippers, and by CBP to screen international mail shipments and to identify and stop potentially illicit packages.

I also look forward to learning more about where the coordination between shippers and Federal agencies is working well, while identifying areas where we need to push for improvements.

Joining in today's discussion is the Postal Service which, in partnership with CBP, is our first line of defense in preventing the flow of illegal drugs and contraband into our country.

As some of you may recall, protecting and improving the mail system in this country has been one of our biggest priorities, certainly one of my biggest priorities, on this Committee for a number of years. The Postal Service is vital to our economy. It is the linchpin of a trillion-dollar mailing industry. Yet, the agency is facing insolvency if Congress does not act in the coming months to pass comprehensive postal reform.

Enacting that legislation will free up billions of dollars that the Postal Service can use not only to invest for the future and improve customer service, but also shore up mail security.

It is worth noting that, despite the financial uncertainty facing the Postal Service, its inbound international package volume has grown significantly in the past three years. In fact, it has nearly doubled, growing from 150 million pieces in 2013 to more than 275 million in 2016.

There is no question that handling that increased volume, in addition to the increase in domestic packages that we are seeing—we welcome that, but it is putting a strain on an already stretched resource.

Unlike private carriers, the Postal Service is required to deliver all mail it receives from foreign posts in a timely manner. This is due to our membership in the Universal Postal Union, which sets international mailing standards. It also ensures that we can send mail ourselves to friends, to families, and to business partners overseas.

The State Department represents the United States at something called the Universal Postal Union, and they are going to be here with us today to discuss our involvement and their involvement in this key organization. We look forward to hearing from our Postal Service and State Department witnesses about our commitment to promoting the exchange of advance electronic data among the Union's 192 member countries as a means of combating the shipment of drugs and other illegal goods.

While all packages are screened initially by CBP before being presented to the Postal Service, CBP can, and often does, target packages for additional screening. CBP, which is also joining us today, can target packages based on the country of origin or scans done by the Postal Service. Recently, the Postal Service and CBP have been working closely together on a pilot program that allows CBP to use advance electronic data on small packages from China arriving at JFK Airport.

While the Postal Service provides other countries with advance electronic data about mail originating in the United States, we do not always get that same information from other countries. This makes it harder for CBP to do its job as packages arrive here. The pilot program at JFK is a rare exception, so I hope we can learn today whether there are any recommendations to improve and expand this program.

As my colleagues here have heard me say many times, find out what works, do more of that. Private carriers, like United Parcel Service (UPS)—which is also joining us today—already provide CBP with advance electronic data on packages destined for our country. And unlike the Postal Service, private carriers have integrated, automated systems in locations around the world and can refuse to accept a package at origin that does not contain any shipping manifest data. Learning how this process is yielding success in interdicting shipments of illicit drugs can hopefully help us cover the gaps exploited by smugglers.

I also look forward to identifying methods that Congress can ensure that Federal agencies, as well as our State and local partners, have the resources that they need to combat the opioid crisis on the

ground. Specifically, I am eager to hear from our witnesses on the second panel, each of whom serve on the front lines of the Nation's opioid epidemic in various capacities, from law enforcement to medical doctors, and addiction experts. These witnesses will give us firsthand perspectives of the challenges we face in fighting opioid addiction and the strategies that have proven effective, particularly in Delaware and Ohio, and nationwide.

While I look forward to a discussion of ways to reduce Americans' access to and use of synthetic opioids, this is only part of the equation. We must not lose sight of the need to focus on the root causes of our Nation's considerable demand for drugs—not just on the symptoms but on the root causes of those considerable demands for drugs. Until we do that, the crisis will only continue to worsen and smugglers will continue to look for and find ways around the defenses we put in place to block the supply of dangerous drugs.

Today's opioid crisis is arguably the worst in American history. According to the Centers for Disease Control (CDC), over 33,000 Americans suffered an opioid-related death in 2015. That is roughly the population of our capital in Dover, Delaware. My home State of Delaware has not been immune. None of our States have been immune. According to Delaware's Division of Forensic Science, there were 222 overdose deaths in Delaware in 2014, 228 in 2015, and last year 308. These numbers are staggering for a little State. Unfortunately, they are even worse in some communities in Ohio and elsewhere in the States that are represented on this dais.

Substance abuse is a complex problem with consequences for everyone, and we cannot pay attention only to the symptoms of the problem without trying to address the underlying causes.

We know that overdose deaths are preventable, so as the crisis worsens, we need to work together to provide critical and robust funding to help save lives.

In closing, I believe it is critical to note that access to health care plays a pivotal role in combating addiction. Unfortunately, current proposals to repeal the Affordable Care Act (ACA) threaten to undermine much of the recent bipartisan progress in addressing the Nation's opioid epidemic and strengthening our Nation's mental health system.

As we all know, Medicaid is the single largest payer of substance abuse services in our Nation, paying for one-third of all medication-assisted treatments (MAT). Current plans to repeal Medicaid expansion and add program caps threaten to make this opioid crisis worse, as millions will be at risk of losing coverage for substance abuse prevention, treatment, and recovery services, at the time we need those services the most.

Going forward, I look forward to working even more effectively with our colleagues on both sides of the aisle to address the underlying causes of this opioid epidemic and to learn what we can do and how we can bring about substantial, lasting change.

Thank you so much. Thank you, Mr. Chairman.

Senator PORTMAN. I thank the Ranking Member.

As Senator Carper noted, we have one of our colleagues with us today who is not on the Committee, and that is Senator Amy Klobuchar. She is the co-author of the STOP Act and we appreciate her interest in the topic. We welcome her participation and I would

like to ask unanimous consent that even though she is not a Member of the Committee that she be allowed to participate in today's hearing. And without objection—— [Laughter.]

That is why I was moving quickly. I was worried. Without objection——

Senator MCCASKILL. This is what we are giving her for her birthday.

Senator KLOBUCHAR. Thank you.

Senator MCCASKILL. She wanted to come to this hearing since today is her birthday.

Senator PORTMAN. You chose to spend your birthday with us. I would like to recognize Senator Klobuchar. Senator Carper and I talked about this in advance and for that matter, if other Members would like to make a brief opening statement, that is all right. But I know she has another markup that she is supposed to be at right now. So, Senator Klobuchar, if you would make a few remarks, we would appreciate it.

OPENING STATEMENT OF SENATOR KLOBUCHAR

Senator KLOBUCHAR. Well, thank you very much Mr. Chairman and thank you Senator Carper. It is a very celebratory moment to be here with the Subcommittee for my birthday. Thank you. And it was really an amazing moment to meet some of the witnesses out there and I think you will all really learn a lot by hearing from them. I have never heard the coroner speak on this, but the medical examiner here really hits home how dangerous this is.

We take this personally in my State. We lost Prince to fentanyl, and that investigation is still going on and includes finding out where he obtained that drug. But it was not just Prince. It is also a mom in Rochester, Minnesota, a student in Duluth, and like every State we see opioid deaths on the rise, now exceeding homicides in our State.

I look at this in three ways—when we passed this framework, I think we started thinking this way. I want to thank Senator Portman for his leadership on that bill and we worked in a bipartisan way with Senator Ayotte and Senator Whitehouse and myself. But, the three things are:

One, trying to reduce the number of people getting hooked on legal opioids and that means everything from our prescription drug monitoring bill to the work that we are trying to get changes in how prescriptions are given out and how many drugs are given for simple things like wisdom teeth.

The second, of course, is treatment and we did some good work, all of us did, with the Cures Act. We are going to have to continue to do work with the budget. I appreciate your leadership on the Republican side, Senator Portman, in objecting to these Medicaid cuts that we heard from the House. I think that is going to be really important.

But the third is that we all know as people are migrating over to the illegal drugs because they are either cheaper or easier to get, we are going to see more of these kinds of overdoses from things like fentanyl. Just in the last few months in my State, we have had 11 people die from carfentanil, which is an even more powerful

form of fentanyl. It is 100 times more potent than fentanyl. A dose the size of two grams of salt can be fatal.

On our Judiciary Committee we heard from Customs just last week and the numbers we heard is that in 2013 fentanyl seizures were at two pounds and now last year 440 pounds, to give you a sense of this tremendous increase. That is why I am proud to be the lead Democrat on our bill. Senator Portman and I have the STOP Act, which he has described well. I think it is really important that we start using modern technology so that we are as sophisticated in tracking down these perpetrators as the ones that are getting our kids hooked and killing people in our country.

The second thing that I want to mention is the SALTS Act, which is a bill I have with Senator Lindsey Graham. It makes it easier to prosecute these kinds of cases. I know Senators Heitkamp and McCaskill were here earlier as people who worked as prosecutors. They also see this as a real issue because you have drug dealers who are basically changing, sometimes over the Internet, the components in these drugs and they are doing it with fentanyl as well. And then they make it harder for us to prosecute them, especially in our rural areas where it is not easy to call a medical expert up like we have here today in Washington.

And so, we are feeling good about this bill because Senator Grassley is on it and Senator Feinstein, the two leads of the Judiciary Committee, and we urge others to look at the bill. But it simply makes it easier to prove up analogs when they change the composition of synthetics. So that is another thing I would suggest.

But I mostly want to thank Senator Portman for his leadership and his willingness to work across the aisle on this really important issue, and thank you as always, Senator Carper. Thanks.

Senator PORTMAN. Thank you, Senator Klobuchar.

Would any other Members like to make brief opening statements?

[No response.]

All right. We are going to go to our first panel of witnesses, and we have a very distinguished panel. Some of you were here for a roundtable in this very location last year where, frankly, the STOP Act first originated, because we were able to identify this problem. I would like to call the witnesses individually.

First, Gregory Thome, thank you for being here, Director of the Bureau of International Organization Affairs at the State Department, which, of course, works to advance U.S. national interests through multilateral engagements. Prior to joining the State Department in 1991 here in Washington, he held senior Foreign Service positions in Morocco, Iraq, Finland, Brazil, and other countries.

Robert Cintron is here. Robert Cintron is the Vice President of Network Operations at the Postal Service. Mr. Cintron began his Postal Service career 31 years ago as a clerk in Rochester, New York. In his current role, he oversees the Postal Service's distribution network, including overall network design, policies, and programs for processing sites, logistics required to move mail, and maintenance policies and programs that support the postal network.

Third, we have Robert Perez here. Robert is the Acting Assistant Commissioner Operations Support at U.S. Customs and Border

Protection. Previously, Mr. Perez served as director of Field Operations for CBP's New York Field Office where last year he oversaw the arrival of more than 21 million international travelers and $240 million in imported goods. Over the course of his distinguished career, Mr. Perez has represented CBP as a border security expert all over the world at many different international business conferences, on official assignments, and as a guest lecturer as a border security expert.

We have Tammy Whitcomb with us today, who is the Acting Inspector General for the U.S. Postal Service. Ms. Whitcomb came to the Postal Service as an audit director in 2005, and has served as Deputy Inspector General since 2011. Prior to her time at the post office, she also worked at both Internal Revenue Service (IRS) Inspection Service and the U.S. Department of Treasury Inspector General for Tax Administration.

And, finally, we have Norm Schenk with us today. Norman Schenk is the vice president of Global Customs Policy and Public Affairs for the United Parcel Service (UPS). With UPS, Mr. Schenk has spent the last 30 years working directly with government leaders around the world on reducing trade barriers, simplifying customs processes, and most recently with supply chain security issues. Mr. Schenk previously testified to Congress on drug enforcement issues and he currently serves on advisory committees to the World Customs Organization and the U.S. Department of Commerce. Mr. Schenk also currently chairs the International Chamber of Commerce Commission on Customs and Trade.

Again, I appreciate every one of our witnesses being here this morning, and we look forward to hearing your testimony. It is the custom of this Subcommittee to swear in the witnesses, so at this time I would ask you to please stand and raise your right hand. Do you swear the testimony you will give before this Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. THOME. I do.

Mr. CINTRON. I do.

Mr. PEREZ. I do.

Ms. WHITCOMB. I do.

Mr. SCHENK. I do.

Senator PORTMAN. Thank you. Please be seated.

I would note that all of the witnesses indicated that they were prepared to testify under oath, and let the record reflect that they all answered in the affirmative. Your written testimony will be made part of the record, and I would ask you to try to keep your oral comments to five minutes each so that we can get to the questions.

Mr. Thome, I would like to start with you.

TESTIMONY OF THE HONORABLE GREGORY D. THOME,[1] DIRECTOR, OFFICE OF SPECIALIZED AND TECHNICAL AGENCIES, BUREAU OF INTERNATIONAL ORGANIZATION AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. THOME. Thank you, Chairman Portman, Ranking Member Carper, Members of the Subcommittee. Good morning and thank you again for the opportunity to appear today to discuss the issue of illicit drugs, including synthetic opioids, in international mail. The supply side of the synthetic opioid crisis presents a complicated picture with multiple pathways for these drugs to enter the country. In addition to shipments that find their way into the United States from across our land borders and through express delivery services (EDS), illicit fentanyl and other illicit drugs also enter the country through international mail, typically in small shipments purchased online by individual customers.

The Department of State is aware that these small shipments pose unique challenges to U.S. Customs and Border Protection—challenges that the exchange of advance electronic data can help mitigate. Consequently, the Department of State works closely with CBP and the U.S. Postal Service to take steps, at the global level, to increase the availability of advance electronic information (AEI) for international mail. And we are committed to helping enhance CBP's ability to interdict drugs in this channel.

Before discussing these efforts, I should explain that the Postal Accountability and Enhancement Act of 2006 identifies the Department as the lead agency for international postal policy. The main forum for our work is the Universal Postal Union. The UPU is an intergovernmental organization of 192 countries that have committed to delivering one another's mail on the basis of reciprocity.

The UPU Congress and its 40-member Postal Operations Council (POC), write and adopt the Acts of the Union, which are the rules of the road for international mail exchange. At the UPU Congress of 2012, the United States was successful in securing amendments to the UPU Convention that committed each member State to adopt and implement a security strategy which includes complying with requirements for providing AEI.

And at the most recent UPU Congress in 2016, the United States was re-elected to the POC and was selected to co-chair the POC's Committee on Supply Chain. This committee oversees all UPU work on customs, security, transportation, and standards. The United States also chairs the Committee's Standing Group on Postal Security. These leadership roles position us extremely well to ensure that high priority security issues—especially AEI—move forward as quickly as possible. And we have made significant progress toward that goal.

With active participation and technical input from the United States, the UPU cooperated with the World Customs Organization to develop an electronic data system to allow for the capture, transmission, and receipt of AEI. In February of last year, the POC adopted a new regulatory framework for the exchange of AEI called the "Roadmap for AEI Implementation." The United States now leads the steering committee coordinating the work required to

[1] The prepared statement of Mr. Thome appears in the Appendix on page 82.

reach the roadmap's milestones, which include final adoption of the technical messaging standard for item-level data. Adoption of that standard should take place at this fall's POC meeting.

As significant as these achievements are, they are only part of the picture and there are obstacles to overcome. The main impediment to widespread AEI is the limited ability of most postal services to collect and transmit it. The UPU Business Plan adopted in 2016 calls for all postal services to have the capability to exchange item-level data by the end of 2020.

However, the technical ability to exchange this data does not translate directly into the ability to collect or enter it. Many post offices in the developing world do not have Internet connectivity or even reliable sources of electricity, which makes collection of data and transmission of data extremely difficult. And even in developed countries, some postal services have been slow to invest in the needed infrastructure for item-level electronic data exchange. Currently few, if any, countries have the ability to provide it for 100 percent of their mail requiring customs declarations.

Our approach has been to support the UPU to provide capacity building that enables AEI. The UPU is devoting half of its cooperation budget over the next four years to a project designed to position postal services in developing countries to obtain this capacity. And the major focus of this program is AEI.

We will continue to support and encourage these efforts but recognize that rapid acceleration of investment in, and use of, electronic data for customs and security will also be driven by the business needs of postal operators themselves. Postal operators now understand that delays caused by necessary customs processing are a major impediment to their own ability to grow their business model and adapt to the rapid growth of e-commerce transactions. Exchange of AEI is the only real solution to this problem. Consequently, while the United States was once a voice in the wilderness almost alone in calling for AEI exchange, we are now leading a chorus of countries—developing and developed—that demand AEI.

Another significant development with implications for AEI is the UPU's decision to launch the Integrated Product Plan (IPP), which aims to modernize UPU product offerings with an eye toward e-commerce. This far-reaching effort has clear benefits for the customs processing of mail. Phase 1, which begins in January 2018, will introduce segregation of mail into items containing documents and those containing goods. This split will facilitate compliance with customs requirements, including AEI. Phase 1 also requires mail items containing goods to have a UPU standard bar code label, which is critical to enabling AEI.

Furthermore, UPU approved regulations in February 2016 which will allow members to impose AEI requirements on items containing goods, provided they take into account whether the requirements they are imposing can be met by those to whom they apply. The thinking behind the regulation was that demanding something that is impossible immediately as a condition for delivering another country's mail is the same as refusing to receive it at all. Such a requirement would undermine the reciprocity that is at the heart of the UPU.

In conclusion, I would like to assure the Subcommittee that the State Department is fully committed to accelerating all countries' ability to provide AEI. To that end, we will spare no effort to ensure swift implementation of the UPU Roadmap and the Integrated Product Plan. As these programs move forward, we are confident that the number of countries able to provide AEI and the portion of their mail stream that it covers will continue to grow.

Thank you Mr. Chairman. I look forward to answering your questions.

Senator PORTMAN. Thank you, Mr. Thome. Mr. Cintron.

TESTIMONY OF ROBERT CINTRON,[1] VICE PRESIDENT, NETWORK OPERATIONS, UNITED STATES POSTAL SERVICE

Mr. CINTRON. Good morning, Chairman Portman, Ranking Member Carper, and Members of the Subcommittee. Thank you, Chairman Portman, for calling this hearing.

My name is Robert Cintron. I am the Vice President, Network Operations, for the United States Postal Service. I oversee the Postal Service's national distribution network, including its international operations.

Congress has given U.S. Customs and Border Protection the responsibility and authority to screen items at the first point of entry into the United States. At entry, Customs has the authority to open and inspect all inbound items without a warrant to identify prohibited items.

Inbound international mail from foreign postal operators arrives by plane at one of our International Service Centers (ISCs). It typically arrives in large bags packed in containers. After an initial bulk screening by Customs, inbound shipments receive an initial receipt scan by the Postal Service. At this point, items requested by Customs are presented for further inspection.

For those items for which advance electronic data is furnished, Customs has an enhanced ability to target items for inspection.

Today the Postal Service collects AED for more than 90 percent of its outbound international packages and receives 40 to 50 percent of this information for inbound packages. To put this in perspective, comparing data from fiscal year (FY) 2015 to the present, AED for inbound international packages has increased from approximately one percent to its present range, between 40 and 50 percent. In other words, the Postal Service currently receives data on a substantial amount of inbound shipments, including those originating in China.

The percentage of inbound items with AED is expected to continue to grow, especially as more countries develop their capacities.

In an effort to further expand the provision of AED for international inbound volume, the Postal Service is prioritizing obtaining AED from the largest volume foreign postal operators, which collectively account for over 90 percent of all inbound volumes.

For example, we have entered into bilateral agreements that require AED with foreign postal operators of China, Korea, Hong Kong, and Australia. And we have entered into voluntary data-

[1] The prepared statement of Mr. Cintron appears in the Appendix on page 86.

sharing agreements with more than 30 foreign posts to facilitate the exchange of AED.

Additionally, the Postal Service has a pilot program in our New York ISC that allows Customs to use inbound AED for more advance targeting. With the lessons learned from this pilot, we are working with Customs to expand this approach to our other ISCs.

Unlike private companies, the Postal Service must accept and deliver mail from nearly every country in the world. The Postal Service does not control the induction of foreign mail destined for the United States, so we cannot control the collection of AED abroad.

However, the Postal Service, in collaboration with the State Department and Customs, plays a leadership role in advocating for the global collection and exchange of AED.

Through negotiation and advocacy and by targeting nations with greater capacity like China, inbound AED has grown enormously in the past few years.

In conclusion, we share your concerns about America's opioid epidemic and we continue to work with Customs to enhance the interdiction of illegal drugs and contraband. The post is committed to taking all practicable measures to ensure our Nation's mail security and provide the American public the best and most efficient service possible.

Again, thank you for this chance to testify, and I look forward to your questions.

Senator PORTMAN. Thank you, Mr. Cintron. Mr. Perez.

TESTIMONY OF ROBERT E. PEREZ,[1] EXECUTIVE ASSISTANT COMMISSIONER, OFFICE OF OPERATIONS SUPPORT, U.S. CUSTOMS AND BORDER PROTECTION, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. PEREZ. Good morning, Chairman Portman, Ranking Member Carper, and distinguished Members of the Subcommittee. Thank you for the opportunity to appear today to discuss the role of U.S. Customs and Border Protection in combating the flow of dangerous synthetic opioids, particularly fentanyl, into the United States.

The majority of fentanyl smuggled into the United States is done so through international mail facilities, express consignment carrier facilities, or through our ports of entry along the Southern land border.

In fiscal year 2016, CBP officers and agents seized or disrupted more than 3.3 million pounds of narcotics. CBP seizures of fentanyl remain relatively small, but have significantly increased over the past few years, from two pounds seized in 2013 to over 400 pounds seized in 2016. Fentanyl is the most frequently seized illicit synthetic opioid.

Along the Southern border, heroin is often spiked with fentanyl. Fentanyl is also sometimes spiked with other substances and sold as synthetic heroin. Drug-trafficking organizations continually adapt to evade detection and interdiction by law enforcement.

CBP uses the same drug interdiction methods to seize fentanyl as it uses to detect other drugs coming across the border. However, the detection of fentanyl remains challenging due to the limited

[1] The prepared statement of Mr. Perez appears in the Appendix on page 92.

field testing capabilities and the variety of fentanyl analogs on the market.

In the express consignment environment, CBP can place an electronic hold and notify carriers that a parcel needs to be presented to CBP for inspection. CBP is working to implement the same system in the international mail environment. Together with the United States Postal Service, we have been conducting an advance data pilot on express mail and e-packets from some countries. We continue to work with the U.S. Postal Service to address the issue of electronic advance data.

Thanks to the support of Congress, CBP has made significant investments and improvements in our drug detection technology and targeting capabilities. For example, at the National Targeting Center, CBP leverages advance information alongside law enforcement and intelligence records to identify smuggling trends and target shipments that may contain illicit substances or related equipment being diverted for illicit use, such as pill presses, tablet machines, or precursor chemicals.

In addition to their experience, training, and intuition, CBP officers and agents use various forms of technology and equipment to detect synthetic drugs hidden on people, in cargo containers, and in other conveyances. Data from substances believed to be or to contain fentanyl and found in the mail or in express courier packages is transmitted to CBP's Laboratories and Scientific Services for interpretation.

At land ports of entry, instruments provide a readout directly to officers and agents. The low purities of fentanyl found along the southern border, usually only about seven percent of controlled substance content, make the detection of fentanyl particularly difficult.

Canine operations are another invaluable component of CBP's counternarcotic efforts. CBP is currently working to safely and effectively add fentanyl as a trained odor to deployed narcotic detection canine teams.

CBP has also implemented a program to provide training and equipment to keep our front-line employees safe from accidental opioid exposure. Through our ongoing pilot program, CBP officers are trained to recognize the signs and symptoms of an opioid overdose and administer naloxone, a potentially life-saving drug for the treatment of opioid overdoses.

CBP will continue to do all we can to refine and enhance the effectiveness of our detection and interdiction of fentanyl and other dangerous synthetic opioids through the mail and across our Nation's borders.

Chairman Portman, Ranking Member Carper, and distinguished Members of the Subcommittee, thank you for the opportunity to testify today and I look forward to your questions.

Senator PORTMAN. Thank you, Mr. Perez. Ms. Whitcomb.

TESTIMONY OF TAMMY L. WHITCOMB,[1] ACTING INSPECTOR GENERAL, UNITED STATES POSTAL SERVICE

Ms. WHITCOMB. Good morning, Chairman Portman, Ranking Member Carper, and Members of the Subcommittee. Thank you for inviting me to discuss our work on inbound international mail.

First, let me provide some context. We started examining this area two years ago after we received complaints that the Postal Service was not presenting mail to Customs and Border Protection for screening as required. After looking into it, we determined audit work was needed. Given our role as the Office of Inspector General (OIG) for the Postal Service, we focused on the Postal Service's procedures and its coordination with CBP. We did not review CBP's operations, although we did talk to their staff to gather information.

Also, both CBP and the Postal Service provided information used in our reports. They considered some details sensitive and requested redactions in the public versions of the reports posted on our website.

Inbound international mail primarily enters the postal system at five International Service Centers around the country. Generally, all inbound international mail is subject to inspection by the CBP and the Postal Service must present for inspection all the mail that CBP requests.

The Postal Service received 621 million pieces of inbound international mail in fiscal year 2016. Almost half were packages. The growth of e-commerce has caused inbound package volumes to nearly double in the last three years, causing challenges for managing this flow of traffic. More than half of the package volume is from ePackets, which are small tracked packages under 4.4 pounds.

Given the growth of international package flows to the Postal Service, there is a need to find more effective ways to manage inbound traffic. Some foreign posts send the Postal Service advance electronic customs data, which includes information on the sender, addressee, and contents of the mail piece. This data helps both with processing and inspecting inbound mail.

International postal regulations are beginning to change in recognition of the importance of posts providing advance electronic customs data. The Postal Service can also require this data through bilateral agreements it makes with foreign postal operators. However, our audit work found instances of bilateral agreements where the Postal Service had not requested this advance customs data.

Since November 2015, the Postal Service has been piloting a joint initiative with CBP in New York. CBP is integrating its data systems with the Postal Service's systems to use advance data to target packages for inspection. The Postal Service and CBP intend to expand this pilot to new locations before the end of the fiscal year.

We have issued five reports on inbound international mail operations since September 2015 and found several problems with the presentation of inbound packages to CBP:

[1] The prepared statement of Mr. Whitcomb appears in the Appendix on page 101.

First, Postal Service employees sometimes began processing packages before arrival scans had been input into the system. This could result in pieces missing customs screening or in the acceptance of inappropriate or unknown shipments.

Second, problems with scanning during processing into and out of customs meant that the Postal Service could not always determine whether a package was in CBP's custody or its own.

Third, and most significant, at times the Postal Service just did not present packages to CBP for inspection when requested. Instead, the packages were processed directly into the mail stream.

These failures occurred for several reasons including human error and electronic system problems. An additional factor is that the Postal Service and CBP do not have a formal written agreement regarding the appropriate procedures.

To address our findings, we have made 11 recommendations in areas such as enhancing systems, providing employee training and oversight, improving scanning data, ensuring items are presented to CBP, requesting advance electronic customs data from foreign posts, and coordinating with CBP to establish a formal agreement regarding presentation requirements. The Postal Service agreed with these recommendations and has taken sufficient action to close five of them. Six recommendations are still outstanding—including establishing a formal agreement with CBP.

Ensuring the safety and security of inbound international mail is a critical challenge for the Postal Service and CBP. More effort is needed to quickly fix problems in the current process and to make sure CBP receives as much electronic customs data as possible. My office will continue to monitor this issue, and we will work with our colleagues at the Department of Homeland Security Office of Inspector General on any related work that they conduct.

Thank you.

Senator PORTMAN. Thank you, Ms. Whitcomb. Mr. Schenk.

TESTIMONY OF NORM T. SCHENK,[1] VICE PRESIDENT, GLOBAL CUSTOMS POLICY AND PUBLIC AFFAIRS, UNITED PARCEL SERVICE

Mr. SCHENK. Thank you, Chairman Portman, Ranking Member Carper, and distinguished Members of the Committee. I appreciate the opportunity to appear before you today to discuss how providing the necessary data to Customs and Border Protection and other government agencies can help target contraband and weed out bad actors seeking to import dangerous goods and counterfeit items into the United States.

Mr. Chairman, my presence here today, the Thursday before Memorial Day weekend, is quite literally deja-vu. I provided similar testimony on this very same day 17 years ago, in the year 2000, to the House Subcommittee on Criminal Justice, Drug Policy, and Human Resources. The hearing then was titled "Drugs in the Mail: How Can It Be Stopped?" For that hearing, I was asked to do the same thing—walk through the processes that UPS follows to supply advanced data to CBP that will enable them to screen for high-risk packages being imported into the United States.

[1] The prepared statement of Mr. Schenk appears in the Appendix on page 106.

Unfortunately, since 2000, the problem of importing illicit goods into the United States has only grown worse. Enabled by the Internet, bad actors are getting smarter and smarter, using every avenue available to send illicit goods into the United States. Back in 2000, the issue of illicit drugs in the mail was centered on amphetamines and ecstasy. Today the threat is fentanyl and high-tech opioids. The volume of parcels coming into the United States has increased substantially, particularly from foreign posts, which now send almost 90 percent of packages into this country.

UPS delivers more than 19 million packages and documents every day in over 220 countries and territories around the world. We work hard to be United Problem Solvers. Our business processes are complex and our technology advanced. We also work closely with CBP, at our own expense, to comply with and even exceed existing legal requirements. The key to making this work is the advance electronic data we provide which enables CBP and 47 other government agencies to target high-risk inbound shipments and screen them out of the network, and sometimes that is as much as 36 hours in advance. This data can also be used to screen for counterfeit products and contraband, another growing problem. We also apply technologically advanced network capabilities that enable us to locate any suspect package in our system at any given time so it can be retrieved and tendered to legal authorities for additional screening.

In 2000, when I testified before the House Government Oversight Committee, there were about 21 million package shipments entering the United States annually—about 10 million through the private sector which were accompanied by advance electronic data, and 11 million through the international mail system which did not have any electronic data. Even 17 years ago, it was clear that CBP and other Federal agencies could not manually screen packages—purely because of volume—and that the most effective way of interdicting bad shipments was through the use of advance electronic data.

The volume of packages entering the United States has increased many times over. In 2016, foreign posts likely sent over 400 million packages to the United States, and the volume is rapidly growing. We have been using advance data for years, even before it was required by the Trade Act—Bob and I have worked together for probably over 20 years on some of these things—to provide CBP with item-level detail about each and every shipment entering the country. This helps us reduce the potential for dangerous goods entering the United States. It is also important to note that UPS and other express carriers obtain and submit data for all foreign countries, both developed and developing, and I could take out my smartphone because even in the most remote places, just take a picture of it and transfer it on with that.

In conclusion, if I could take off my UPS hat for 30 seconds. I do a lot of international travel and work with customs agencies around the world on this very same issue. When I board a flight back to the United States, I do not look around at the passengers looking for suspected terrorists. I think about the bags and bags of foreign post packages that are loaded in the belly of the aircraft. No one has any idea what is in those packages, none whatsoever.

The government does not allow passengers on a plane without personal information or back into our country without a passport or a screening. Why do we allow over a million and potentially more dangerous packages a day into this country with no requirements for information that will allow CBP to do its job more effectively? I urge you to take action on this important issue.

Thank you.

Senator PORTMAN. Thank you, Mr. Schenk, and I thank all the witnesses.

Senator Carper has generously agreed to delay his questions so that we have an opportunity for the two Members who are here to ask their questions. I know everybody have other committees to go to. I will do the same.

I would like to start with Senator Lankford.

OPENING STATEMENT OF SENATOR LANKFORD

Senator LANKFORD. Thank you, Mr. Chairman and Ranking Member. I appreciate that very much.

Mr. Thome, tell me about where we are as far as moving on advance electronic data and why for developing countries this has taken so long when there are some straightforward solutions. If they can get the mail to the spot to be able to get it out, why they cannot get the data?

Mr. THOME. Thank you, Senator, for your question. We have been working very closely with the UPU to try to move this process along more quickly, but the issues that we face in developing countries, I would say previously there was a lack of will and a lack of understanding that for them to catch up with their business models and take part in the e-commerce boom that is occurring worldwide, there was not an understanding that AED was the key to that. I think the major advance we have made—and it is not a statistic, but it is a change of mind-set within the UPU—is that countries now understand, regardless of their level of development, they have a lot to earn and a lot to gain and they can even enhance their economies by taking part in this global——

Senator LANKFORD. All right. So the encouragement from this Congress would be at some point to say packages do not come in without it. Obviously, that isolates a lot of countries, and it isolates a lot of people who may be able to get materials in. But the most straightforward way that we could deal with that is just to be able to put a clear deadline out there and say we do not allow packages to be able to come into our country unless there is some electronic data collection of that in advance.

Mr. THOME. Thank you. Well, as I described in my testimony, the global postal system simply is not able to exchange AED comprehensively at this time, and a requirement that it do so immediately as a precondition to our accepting its mail, it would severely restrict the inflows of mail into our country and then probably preclude the acceptance of mail not covered by a bilateral agreement. And if we stop accepting, cold, other countries' mail immediately or on very short notice, we would have to anticipate that many would stop accepting ours as well.

Senator LANKFORD. Well, I would assume, by the way—I would be surprised of anything that Congress could do on short notice.

However, I would assume that we would set a firm deadline to say by this certain date, so that this is not being negotiated in the days ahead—this seems to slip year after year. My concern is, how do we actually get a certain date that is sitting out there on the horizon that we know this will be resolved? Because this is only one element of trying to be able to stop the illicit movement of drugs in. Clearly, most individuals that are shipping fentanyl are not going to label their package as containing fentanyl. We are very aware of that. So this is only one element of being able to help deal with this, but this should be a pretty straightforward element.

Mr. THOME. I agree that it should be straightforward. I think the challenge we face is that other countries just are working on other timetables. I think we have made good progress, and, again, I think that the question of their own needs they now understand.

Again, the UPU is putting forward half of its cooperation budget to helping these countries install the capabilities they need. But electricity and the Internet are not available everywhere.

Senator LANKFORD. Right. But in countries that they are—we are still dealing with Germany and France, and the last I heard they do have electricity. The United Kingdom does. So we can go on and on and on through places that this should be pretty straightforward. So we have to be able to get this resolved.

Let me ask a separate question. Customs and Border Patrol and USPS have worked on a memorandum of understanding (MOU) relationship for quite a while to try to establish consistent methods of how they are going to exchange data. How is that working right now? And where are we in the process of getting a clear MOU of exchanging information?

Mr. PEREZ. The MOU regarding the general operations, Senator, and how that functions at our international mail facilities and how that mail is delivered is with CBP. We expect to give that back with our comments to the U.S. Postal Service within the next two to three weeks.

Senator LANKFORD. Good.

Mr. PEREZ. I checked on that just before I got here.

Senator LANKFORD. I appreciate that. That has been outstanding for about a year.

Mr. PEREZ. Indeed, Senator. The MOU really puts into place best practices that have already been in place in a lot of the field locations, including JFK back in New York, on how the mail is handled, that is, the ones that are coming from countries of interest for CBP. I am not aware that it specifically gets into the detail of the electronic data. That is really more so under the confines of the pilot itself that is being run.

Senator LANKFORD. Do you have a comment on that, Mr. Cintron?

Mr. CINTRON. I just wanted to add to exactly what was said here. It has been a year and certainly we have been working at each one of our ISCs very closely with Customs and Border Protection to make sure that the processes and procedures are in place. We have been working through those issues. So it is not like we have been waiting for the MOU to get that finalized. So we are certainly working. Glad to hear we will have it back in a few weeks and get it finalized.

Senator LANKFORD. Assuming that gets finalized fairly rapidly after it comes back in?

Mr. CINTRON. Yes, you can assume that to be accurate.

Senator LANKFORD. That would be terrific, obviously. Again, that is just basic operation to be able to help increase efficiency in the process on this.

On the Inspector General side of things, tell me where we are as far as the things that we can provide the greatest oversight on to make sure they get checked off from USPS. I know you gave us a very good list of some items that are already being worked through, top items for Congressional oversight. What would you list?

Ms. WHITCOMB. I think the MOU is critical, and I also think encouraging the Postal Service to work on these bilateral agreements with these countries to receive the data. I think they are making some really good progress.

When we first started our work in 2015—and Mr. Cintron mentioned it—there was not much data at all available. Significant progress is being made and has been made in the last two or three years. But it is one of those things that you have to continually work on and ensure every bilateral agreement has that requirement in it. So those are two things that I would encourage.

Senator LANKFORD. I would only say to this group I appreciate the diligence and the focus on this. As it has been seen and been noted already for commercial entities, this has been something they have been very persistent on for a while. Obviously, they have a more seamless network. They are not receiving every single package that comes from every single country. They are able to monitor that through their system. But it is a system that is achievable in the process.

I would also note for Customs and Border Patrol we appreciate very much the work that you are doing. This is incredibly dangerous work. As has already been noted by the Chairman in the opening statement, even the smallest amount that gets on an individual as they are doing an inspection is a life-or-death issue. So from our Committee to all of your team, we express our gratitude for what you are protecting the American citizens from.

So thank you. I yield back.

Senator PORTMAN. Thank you. Senator Carper.

Senator CARPER. Thanks. Thank you so much.

Sometimes when we have a diverse panel like this but people that are highly knowledgeable about a particular issue that we are trying to address, I ask them to help us solve the problem. I am going to ask you today to help us solve the problem. I am going to ask each of you to say: "If you do not do anything else, do at least this," "you," Congress, this Committee. What is one thing we ought to do like right away?

All right. Mr. Thome, give us one, "For God's sakes, do this" idea.

Mr. THOME. Thank you, Senator Carper.

Senator CARPER. I said earlier this is all hands on deck. I am an old Navy guy. It is all hands on deck. We are trying to convey a sense of urgency. God knows when we go home, the folks that we represent convey a sense of urgency to us, so we are trying to convey that as well. Go ahead.

Mr. THOME. Thank you very much, Senator. I think as we have talked about, this is a difficult problem that needs a lot of solutions, but in terms of the remit of the State Department and our interactions with the UPU, as I said before, we have turned the corner, and the countries want AED. I think we have to all work together to give a realistic timeframe to it. There is urgency to this in our country. I am the first to admit that. And as has been discussed, we have an epidemic here that cannot wait years and years.

But with the momentum we have had, I would say, since the 2012 UPU Congress, it has really accelerated, and countries want this. But if they find themselves in a situation where they have a Sword of Damocles over their head with a date certain, which is why I hesitated to put one on in response to the Senator's question previously, we run the risk of losing that momentum in that if the mail shipments are stopped or threatened to stop to the United States, that could have devastating effects on their economy.

Senator CARPER. That is not my question.

Mr. THOME. Sorry.

Senator CARPER. I was asking you to give me one takeaway, one thing that we ought to be doing to expedite this, to move it. Give me one.

Mr. THOME. I think if we put our efforts behind what the UPU is doing and keep that moving, along with the efforts bilaterally that are happening, we can make this happen.

Senator CARPER. All right. And "we" is "us." Give us some advice. All right. Give us some advice. What can we do to get this moving?

Mr. THOME. I think in my personal opinion the act that you have put forward is on the right track, and it will certainly contribute to this. We just need to craft it in a way that is realistic to get it done with countries that we cannot order to do things, but we need to negotiate and help them see the benefit of doing it.

Senator CARPER. All right. Mr. Cintron?

Mr. CINTRON. Yes, I guess for us——

Senator CARPER. There must be some way we can incentivize these folks, particularly some of the nations—and Senator Lankford mentioned some of the nations that still are not doing their share. And they are not Third World nations. There must be some way we can incentivize them. Go ahead, please.

Mr. CINTRON. I think one thing we would certainly ask support around our strategy to target—focus in on targeted countries. We understand that that part, when we look at the whole picture for us, our strategy has been to really stay focused on where we see the largest volume coming in, and I think that is where—we are looking for that cooperation certainly, to take that step. As noted here, one of the concerns is some of the conditions that we might find in some of these other developing countries. But for us, our strategy really is going to be to stay very focused and prioritize, and we believe through that and through our efforts and what we are doing with the AED and the pilot at JFK, we could really push this along in order to help Customs and Border——

Senator CARPER. You have not answered my question. I asked both of you the same question. What does the Congress need to do to help move this along, to expedite this? What do we need to do?

Mr. CINTRON. Well, one other thing, Senator, I might ask is certainly around the passage of comprehensive postal reform for us. There are a lot of things that are tied up in that, and anything you can do to help us with that regard certainly helps our overall initiatives with everything we are doing.

Senator CARPER. One of the things—and a number of us have been working on this for a while, as you know—is we want to have additional postal revenues in order that they can, among other things, modernize their mail processing centers. There are 300 that need to be modernized. They can buy new equipment, new vehicles for delivery. They can modernize the post offices. It sounds like this might be another use for some additional revenues at the Postal Service, and that might be helpful as well. Good. Thank you. That is a good takeaway.

Mr. Perez, good advice for us.

Mr. PEREZ. Yes, well, first let me say thank you, Senator, for the ongoing support, not just of this Committee but the entirety of the Congress, for everything that CBP does and the entirety of the effort that we put forth to combat illegal narcotic trafficking, and that is where I would specifically ask ever so respectfully that that support continue for all things narcotic trafficking, because CBP, frankly, we are not waiting and do not wait for the evolution of the different types of threats and the enhancements that we absolutely need to lean forward and do everything we possibly can to interdict, to detect, to deter, and dismantle those who would do us harm in this fashion.

And so, whether we are talking about that or whether we are talking about tools and technology that we are trying to deploy, and even the personnel, that ongoing support that this body continues to provide CBP on the overall drug mission is absolutely critical, and we appreciate that.

Senator CARPER. Thank you.

Ms. Whitcomb, same question.

Ms. WHITCOMB. Yes, I think focusing oversight on ensuring that the MOU moves forward quickly—and also I just heard a minute ago that the MOU does not necessarily cover the pilot program. I think that pilot is critical—there are lots of lessons learned through that pilot, but expanding that pilot quickly across the country to the other International Service Centers so that the data that is being received from these countries can be used to target specific and dangerous packages. So oversight on that.

Senator CARPER. OK. If we have a second round, I want to come back and talk about the pilot and those lessons learned.

The last witness, please. Norm? Seventeen years ago today.

Mr. SCHENK. Pass the STOP Act, and the reason I say that is, we discussed it here 17 years ago, and nothing tangible has changed, and it is just moving at a snail's pace. And we think the right way is to pass the legislation, and we appreciate all the fine work that has been done on that.

We have worked with CBP for years before the Trade Act, and I do not know how they do the job that they do on the mail because we have our own challenges with all the data, but we are talking about the minimum. So pass the STOP Act.

Senator CARPER. All right. Thanks so much.

Thank you, Mr. Chairman.

Senator PORTMAN. Senator McCaskill.

OPENING STATEMENT OF SENATOR MCCASKILL

Senator MCCASKILL. So I understand that—first of all, I thank all of you. We are all hands on deck, as Senator Carper said, on this, and this Committee is busy doing an investigation into another piece of this, which is the sales and marketing techniques that have been employed by the opioid manufacturers. And we are also going to be looking at the distributors in terms of that issue internally in our country.

But I want to focus my time here on the fact that we have some of this fentanyl produced in China, sent to the United States, where then it is sent to Mexico. Are you all aware that this is commonly occurring, that we have a large amount of opioids that are moving through our country in that regard? Does anybody disagree with that analysis?

Mr. PEREZ. Senator, if I can comment, I would share that my understanding is that much of the fentanyl coming out of China, when in its actual form will come directly into the United States. What we have seen that moves from China typically into the labs in Mexico that are diluting, creating analogs, and then lacing heroin shipments with the fentanyl as well is precursors, and moving directly from China into Mexico. I am not aware, at least at this current time, of the movement southbound from the United States into Mexico, but I will gladly take that back.

Senator MCCASKILL. My staff has looked into this and believes that there is a significant amount of this that is moving from China to the United States, the precursors, and then going from the United States to Mexico for them to process in their labs. If we are getting wrong information, I can live with that. If you do not have the information that is accurate, I am worried because I think it is really important that we understand where this is flowing.

Mr. Cintron, would you agree that you all believe that some of this is coming to the United States and then being shipped to Mexico as a precursor to be used in the labs to cut heroin?

Mr. CINTRON. Yes, Senator, I could not specifically respond to that, but certainly the Inspection Service part of the organization, we could provide you after this hearing,[1] I could provide you information on that.

Senator MCCASKILL. So I understand that mail from China is not covering the costs to the United States Postal Service to handle this mail. Is that correct?

Mr. CINTRON. Again, Senator, I apologize, but I would certainly ask your permission to provide any of that information post the hearing.[2]

Senator MCCASKILL. Well, once again, my staff tells me that—the United States Postal Service is underwriting the costs of mail coming to here from China, and that just seems crazy to me. How in the world does that happen?

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[1] The information from Mr. Cintron appears in the Appendix on page 176.

[2] The information from Mr. Cintron appears in the Appendix on page 176.

Mr. CINTRON. Well, again, unfortunately, I am not able to answer that specific question, but I certainly can provide the information after the hearing,[1] Senator.

Senator MCCASKILL. Yes, I mean, we are obviously struggling to keep the U.S. Postal Service out of bankruptcy. It is one thing to be giving Federal Express (FedEx) and UPS a deal on the last mile of package delivery, which I have been railing about in this Committee for many years. But if we are actually making it cheaper for China to use the United States Postal Service because we are underwriting our costs there, that is really outrageous, and I am anxious to get to the bottom of it. So if you would followup as quickly as possible, we would really appreciate it.

Mr. CINTRON. Absolutely.

Senator MCCASKILL. OK. So for the Trade Act, it is my understanding in terms of the private deliveries that they are supposed to be having the information on the packages they send the name and the address of the recipient coming into this country from other countries. But I understand that many times all CBP gets is the address of the processing facility where it is coming to and not the address of who the actual recipient is. Is that accurate, Mr. Perez?

Mr. PEREZ. In the context of the U.S. Postal Service, the general mail, that is true. That is the type of data that we are pursuing through the pilot to begin to get more of that Senator.

Senator MCCASKILL. I am talking about Phase 2 of the Trade Act requiring the name and address of the recipient from the private carriers. Has that been fully implemented? Are we getting the address and recipient not from the Postal Service, but from FedEx and the other private carriers?

Mr. PEREZ. From the express consignment carriers? To my knowledge, yes, Senator, but I would take that back to make sure we can confirm that for you. But from those other commercial entities and carriers, we typically do get a pretty comprehensive list of information in advance with respect to those particular shipments.

Senator MCCASKILL. Well, once again, my information based on staff's preparation for this and the preparation I have done for this hearing is that, in fact, they are not providing the name and address of the recipient and that many times all you get is the address of the UPS or FedEx processing facility where that package is coming. I really would like to know why my information is different than yours.

The other information that I have is that we are not even imposing the fines that need to be imposed on the carriers who are not following the law. By the way, this is the Trade Act that was imposed after 9/11, when we were trying to get after the security of our ports and the security of the entry ports in terms of our country in terms of goods, people, and services. So I will be anxious to hear you follow up about that.

Phase 3 of trade implementation was supposed to be penalties for the bad description, and it is my understanding that Phase 3 has not been implemented. Does anybody know the answer to that question?

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[1] The information from Mr. Cintron appears in the Appendix on page 176.

Mr. PEREZ. I do not have the details on Phase 3 of the Trade Act implementation, Senator, at this time. I would gladly take that back and get it back to you and your staff.

Senator MCCASKILL. OK. If we are not getting the address of where the package is going and we are not fining the carriers ahead of time so we can actually look to see if this was an address that has popped up before—I mean, law enforcement needs to be all hands on deck here. If we are not getting that and we are not even knowledgeable about whether or not we have implemented the part of the law where penalties are enacted, our research indicates that sometimes penalties have been imposed, but they have been negotiated down by the carrier's lawyers from thousands of dollars to $50. If that is occurring, that is a huge problem. I am a little worried that folks do not have the answers to these questions at this hearing, understanding the subject matter of this hearing, and I will look forward to getting the answers to them as quickly as possible.

Yes, Mr. Schenk?

Mr. SCHENK. Senator, if I may respond to that, certainly from a UPS perspective, we have been providing that information, full information of the shipper, the consignee, description, value, country of origin, since we started bringing international imports into the United States in 1985, and the program was developed with CBP.

I would also say that we have gone well beyond the Trade Act, working with CBP with the Air Cargo Advance Screening process, which is a voluntary program that was implemented after the Yemen bomb attempt on that, where we not only transmit the shipper and the consignee, we go the extra mile and transmit the multiple consignees when it is e-commerce shipments.

So speaking for UPS, we do not only the required, but we go beyond the required.

Senator MCCASKILL. So in your opinion, has Phase 3 been implemented? Do you believe there are penalties that would apply to you if somehow a package came to the United States through your company that did not have the address of the recipient on it?

Mr. SCHENK. The answer to that one is I do not know how we could, because our processes and systems are developed a package cannot enter our system unless that information has been entered in there, and then it cannot move through—because our systems interconnect between UPS and CBP. Practically speaking, it could not happen.

Senator MCCASKILL. OK. Well, we will follow up on the information we have and get information from all of you and go forward from there. Thank you very much.

Senator PORTMAN. Thank you, Senator McCaskill.

I am going to ask my questions now, and we will have another round as well. I know Senator Hassan has agreed to stick around, and I appreciate that. And we have another colleague who has joined us.

First of all, I think we need to back up and talk about what this hearing is all about, and, Mr. Perez, I expect your answer on this, and all of you. Is it helpful to have advance electronic data to be able to identify these packages that have this poison in them, which is what we are focused on today, which is synthetic opiates

that are coming into our country, killing more and more of our citizens every day? Do you want to have that advance electronic data? And is that helpful for you to be able to stop some of this poison from coming into our communities? Yes or no.

Mr. PEREZ. Unquestionably, Mr. Chairman, having the advance electronic data, as we do receive for all of the types of cargos, is a key tool in our ability to manage and assess risk, to focus and target those threats that may warrant a greater inspection, potential threats that may warrant greater inspection cargos, people, conveyances of all types. And so, unquestionably, having that data and working toward or getting that advance data and making sure that it is of high quality and reliable for us to do that work is a high priority and the reason why we are working so closely with our colleagues to get to that point.

Senator PORTMAN. Otherwise, it is like the needle in the haystack I talked about earlier, and, I meet with your folks back home, and they use the exact word you just used, "This is a tool we desperately need." Otherwise, we are just not effective at stopping this stuff. And it is other contraband as well, but we are focused here on a crisis. I appreciate the State Department perspective on diplomacy and trying to work with other countries, and I really appreciate you, Mr. Thome, saying that you think the STOP Act is on the right track. But the notion that other countries are working on their own timetables and some countries do not have electricity, China has electricity, and we know where this stuff is coming from. Some of it is coming from India as well. They have electricity, too. Mr. Cintron, I understand your concern about having to apply this to all countries, and you noted in your comments you prefer it to be targeted to countries that are known to be sending us this poison. Let me just follow up on that a little bit. Senator Carper and I talked about this yesterday. We are working also on this issue of countries that circumvent our trade laws because they have a tariff attached to them, because of a dumping order, let us say, and they just simply ship the product to another country. Why would that not happen here? If you said we are only going to target, a couple countries where we know they are countries of interest, why would they not just ship it through another country, say Vietnam, Malaysia, or Indonesia, and still have these poisons come into our country? Can you answer that question?

Mr. CINTRON. What I would say is this: Our focus, our strategy, as I spoke, is to prioritize the list, right? So take a look at it, make a risk assessment, and target those particular countries. Certainly the Inspection Service working in collaboration with the other law enforcement agencies I think is probably the other key, right? So as you collaborate, we share information, if those events occur, I think then we refocus and do that.

I guess our point is there is a starting point, and our piece was around where is the highest risk, where do we see the highest volume, and how do we go to your point on capacities? Those particular countries that have it, we should really be focused on those and get that information.

Senator PORTMAN. No question it is a crisis and we want you to prioritize, but, unfortunately, what we have seen is there is transshipment of this stuff, and it is going to simply be shipped to other

countries from the evidence that we have. You noted earlier that it is voluntary now. I would ask you, do you have enough data? Your answer is going to be no, because you would like more advance electronic data from these other foreign posts.

So, again, what our legislation says is, it is time to follow up on what Congress passed 15 years ago, which was asking the then-Cabinet Secretary in charge, now Homeland Security and the Postal Service and the Commissioner to come up with a plan. Norm said he testified 20 years ago, even before that, I assume that was in the context of preparing for the 2002 Trade Act.

So I would just make the point broadly that we do have a crisis. We have all acknowledged that. This is not business as usual, and if other countries are working on their own timetable, that does not work. That dog does not hunt because it is an epidemic. You noted, Mr. Thome, which I thought was interesting, that advance electronic data is in their interest, too, and there is a consensus now, you said, among countries around the world that they need to provide it. Well, let us get moving on it.

Another question I would have is for you, Mr. Perez. You talked about canines. I just have to ask you this question, because I asked this same question of one of your colleagues at a roundtable discussion at this very spot about a year ago, and I was told that sniffing dogs do not work because the dogs could die from sniffing a package or a letter with fentanyl in it. What is the situation with regard to monitoring generally and screening? Many of us support legislation to provide more funding for more inspection. But specifically with regard to canines, does that work or is it too dangerous?

Mr. PEREZ. Thank you, Mr. Chairman. On the canine front, we are currently in a test phase to train the canines for the specific odor. As you probably know, they are trained for a variety of narcotic odors, and so depending on the actual form and nature of the narcotic, they may detect and/or be able to alert to some of the opioids. But we are specifically training them in a very safe way with the types of odors that are generally emitted from fentanyl and such, not with actual fentanyl but with our Laboratory and Scientific Services folks to make sure that we are doing so in a safe way. Nevertheless, we are enabling that tool, along with the other technical and/or electronic tools that are at our disposal, and are actually taking readings from the suspect packages and sending the spectra back to our labs to determine whether or not there is a presence of fentanyl and other opioids.

Senator PORTMAN. I would like to think it could be done safely. The dogs do not have the masks we talked about earlier, and gloves that they can put on, so I would suspect it is still a huge danger to them. Much better to have targeted packages where you have reason to suspect a package by having this advance electronic data. I assume you would agree with that.

Mr. PEREZ. Absolutely, Mr. Chairman.

Senator PORTMAN. Ms. Whitcomb, you talked about the pilot program, about the lack of coordination between the Postal Service and CBP and the need for a memorandum of understanding (MOU), and a written agreement you said is necessary. You said you had 11 recommendations, six of which are still outstanding. You said we ought to expand this pilot quickly. Have you looked

at our legislation? Do you think our legislation, the STOP Act, would help to expand that pilot quickly?

Ms. WHITCOMB. We did look at the legislation. We did not do a detailed analysis of the impact of the legislation on the Postal Service. We are supportive of the general idea in the legislation about increasing the amounts of advance electronic data. However, the impact of that on the Postal Service is something that we have not done a detailed analysis of. We do believe, as we said in our statement, that additional data would be really helpful, and I think the pilot is moving in that direction as well.

Senator PORTMAN. Well, that is what the STOP Act is about, is making that mandatory and moving away from just making it a pilot, but making it a requirement.

Mr. Schenk, just quickly for you, and then I will turn to my colleagues. You talked about testifying in 2000 on this, 17 years ago, and the fact that you get your data to CBP sometimes 36 hours in advance. Thirty-six hours in advance gives them time to be able to respond to it.

Tell us how you do that. How do you do what the Post Office has not been able to do over the last 15 years since the Trade Act.

Mr. SCHENK. Thank you, Chairman. It really starts with the collection of the data, and it depends on the size of the customer, but the bottom line is for the large multinationals we have software and direct interfaces with them. But even in the individuals that walk into one of our UPS stores, it can be input. So we get the information into the system immediately.

As soon as the package is picked up, that is what actually is the indicator, and every 15 minutes our system automatically transmits to CBP so that we can get the information to them as early as possible. That was part of the collaborative effort that I think from the business side we have a shared responsibility to do that. Then depending on what is going on with the shipments, they communicate back with what is going on, but the principle and foundation of what we do for CBP is let us get the data and let us get it to you as soon as possible so that you can begin that.

Now, there is a couple of transmissions—it gets a little technical, but it is very, I think, good——

Senator PORTMAN. When the package is picked up, the data goes and the law enforcement folks of 47 agencies we talked about have access to it. Senator Hassan.

Mr. CINTRON. Chairman, can I clarify?

Senator PORTMAN. Yes. I want to get to Senator Hassan. She has been very patient. If you do not mind, we will do a second round, and I will have the opportunity to speak with you as much as you would like. Senator Hassan.

OPENING STATEMENT OF SENATOR HASSAN

Senator HASSAN. Thank you, Senator Portman and Ranking Member Carper, for allowing me to participate in this Subcommittee and for your leadership on the STOP Act.

I do want to just take a minute also to echo Senator Carper's reminder that while we are focused today on the supply of illicit drugs and especially the precursors to these synthetics like fentanyl and carfentanil, we have to continue to also focus on the

demand side here at home, which is why Medicaid expansion and continuing work to make sure people can get treatment—and we are working on prevention as well—is so important.

As you all probably know, New Hampshire is one of the States that has been hit hardest by the opioid epidemic. Last year, 70 percent of our overdose deaths involved fentanyl; 80 percent so far this year involved fentanyl. We are seeing acetyl fentanyl, so an analog of fentanyl, and just in the last six weeks or so, we have seen now six deaths for carfentanil. So to echo what my colleagues are saying, everywhere we go we are talking to people from all walks of life whose lives have been taken or ruined or impacted, and it is a drain on not only our lives and our communities, but our economy as well.

I wanted to focus just a minute, because in my last briefing with the DEA at home, they recounted to me in very graphic and vivid details how dangerous fentanyl and carfentanil is for our law enforcement and first responder personnel, and that obviously extends to people who may be handling these substances through the postal system.

We know you can overdose by touching this stuff with a bare finger or breathing it in. Carfentanil in particular is changing the way our law enforcement is dealing with everything about the way they enter a suspect's home to a crime scene afterwards.

We also know we do not want to put third parties like USPS personnel at risk, so let me just start, Mr. Cintron, with you. What has the Postal Service done to help address these risks to USPS employees? And can we both protect our workers but make sure that law enforcement has the tools that they need to investigate and crack down on the supply of these synthetics?

Mr. CINTRON. Yes, Senator. The USPS has over 600,000 employees, so from processing to delivering the mail, transporting the mail, all of our employees are involved in that supply chain of doing so. And on a regular basis, whether it is at International Service Centers or other processing centers around the country, delivery operations, we do a lot of training with our folks around hazardous-type conditions. We have seen tragedy in the past in this organization, so we are very well aware of effects of what that can do.

Our focus really is to constantly and consistently train employees, and we do the same with our Inspection Service, which does a lot with our processing facilities as well for oversight and investigating and addressing issues that we find in the mail.

Senator HASSAN. Thank you, and I will ask Mr. Perez to comment. You discussed steps CBP has taken to protect its personnel, and I would love it if you could expand and again talk about the balance here. I know of an agent in New Hampshire who was doing everything right. She was all masked and gloved, and then she took off a glove to handle the suspect's cell phone, and she OD's, brought back by multiple doses of Narcan. So I was very concerned about it.

Mr. PEREZ. Well, thank goodness, Senator, and thank you. Beginning in 2015, in fact, we began a very comprehensive training and instruction that was deployed to all our front-line officers and agents, the people who would typically potentially come in contact

with these substances that went into great depth on the proper handling, the personal protective equipment (PPE) that they need to don and wear if and when they encounter a parcel of any type, or a person for that matter, that may be carrying—a vehicle as well, where they believe the presence of these dangerous opioids may be.

So in addition to that, we began our naloxone program as well so that we have those countermeasures deployed in over 34 locations now over the past two years. Those locations include all the busiest express consignment facilities, all the busiest international mail facilities, and the locations along the southwest border where we see the most trafficking in these types of opioids.

The last point I will make in addition to all that is that we have also deployed over 600 doses of Narcan in addition to the naloxone throughout the country. As a side note, the officers and agents that are typically trained in actually utilizing these are EMS-certified CBP officers and/or agents. So that is pretty much what we are doing, and we continue to make sure that that training, that awareness is ongoing, and that we do absolutely everything we can, particularly with the uptick in our encounters with these drugs.

Senator HASSAN. OK. And, Mr. Schenk, I am going to ask you to answer the same thing. Obviously, the concern here is if, for instance, law enforcement thinks that they are putting third parties at risk through certain kinds of undercover operations, then they are going to stop doing it. We obviously need to be able to continue investigations. So it is helpful to hear that training is ongoing. But how does UPS address this issue?

Mr. SCHENK. I will be honest with you, I really do not know the answer, but I will get back to you on that.

Senator HASSAN. There used to be certain kinds of undercover operations that, I think law enforcement is taking a look at because of the risk to people handling a package that they may not know has an illicit and deadly substance. So it would be great if you would look at it.

Mr. SCHENK. I will get back to you.

Senator HASSAN. The one other thing I wanted to ask Mr. Thome, you discussed in your testimony that fentanyl and other synthetics are bought online, bought both on the open web and the dark web. So what efforts are being made internationally to crack down on illegal purchases of these synthetic drugs and the precursor chemicals that are used in them? I know a lot of what we are doing here, but what is happening internationally?

Mr. THOME. The State Department is engaged in extensive negotiations with countries that we feel are sources for these kind of things. I cannot give you a comprehensive answer across the board, but I did talk with our Bureau of Narcotics and Law Enforcement, and they did give me some information on what has happened with China, which is of great concern and has been brought up, so I could share that with you.

So in response to repeated U.S. requests made through the bilateral joint liaison group that we have with China on law enforcement, China has, in fact, domestically controlled now more than 134 synthetic drugs, including carfentanil. So this is an advance that we have made in getting them to see this.

China's decision to domestically control, for example, carfentanil, which has caused the deaths in the United States that you mentioned, is a welcome measure, and we hope we can continue working with the Chinese. In many cases, the Chinese argue to us that these are not causing problems in their country, and we have succeeded in convincing them that even if that may be something they claim, they are causing problems in our country, and we want them to take measures.

So, again, we continue that process. There is a lot of work left to do, but we have had that success.

Senator HASSAN. Thank you very much, and thank you, Mr. Chairman.

Senator PORTMAN. Thank you. Senator Tester.

OPENING STATEMENT OF SENATOR TESTER

Senator TESTER. Thank you, Mr. Chairman.

So for you, Mr. Schenk, the packages are dropped off at a UPS facility, whether it is here or in some other foreign country. You are able to track those with a code, to electronically track them, share information with the Customs and Border Protection, and that is pretty much your system, correct?

Mr. SCHENK. That is correct.

Senator TESTER. OK. And the Postal Service, tell me why you cannot do the same thing.

Mr. CINTRON. For inbound packages coming in, foreign shippers ship to a foreign post, and then they tender into the USPS, so we do not have that direct connection at a point of origin.

Senator TESTER. OK. So, State Department, why we cannot require that from the shippers in foreign countries, their equivalent of their post office?

Mr. THOME. Well, as my colleague from the Postal Service says, unlike the express shippers that control both ends of the transaction, we do not control both ends.

Senator TESTER. But why we cannot tell them that they cannot utilize our post office unless they have an electronic tracking number on it that we can track and share with CBP to cut down on this baloney?

Mr. THOME. Our treaty obligations at the UPU, which is an organization based on reciprocity for the exchange of international mail——

Senator TESTER. Right. Would we do that for them, by the way? Would we give them an electronic tracking if they requested?

Mr. THOME. We have offered, and we certainly would like to be able to share data with them if they have the capacity to use it. We would.

Senator TESTER. So here is the problem. The Ranking Member and the Chairman talked about the fact that we have a problem in this country. And we have a problem in this country. So I get it, they do not want to do it. I do not want to do a lot of things that I am told to do. So why we do not hold their feet to the fire? I mean, the truth is, would it have some impacts on our country? Yes, it would probably have some economic impacts. But I am here to tell you not doing is having economic impacts.

And so, is there any way people could roll up their sleeves and say, hey, look, we have people dying every day in every State in the Union from this crap, and it is time to say, "Enough"?

Mr. THOME. Mr. Senator, I would definitely argue that we are doing our level best to hold their feet to the fire and to demonstrate to them——

Senator TESTER. Has the threat been made that you are not going to be able to ship it via the Postal Service if you do not do this?

Mr. THOME. We have not made that explicit threat. That, again, would be outside of our treaty obligations.

Senator TESTER. It is actually not a threat. It is a real-life situation. I mean, look, we can pat people on the back and say, "Please," but that has not worked. So, I am not in the negotiation, so I do not know what you guys are faced with. But I do know what we are faced with in this country, and this is costing a pile of money and ruining a lot of lives. I would just encourage you the next time the UPU meets to buckle down and do it. Otherwise, we might have to do something pretty draconian at this end, and I am not sure that we want to go that direction. OK?

Mr. THOME. I take your message, Senator, and I want to assure you that we are working very hard to demonstrate the urgency on this.

Senator TESTER. Thank you. And I appreciate that. And it is not you, by the way. It is just the general overall thing. I appreciate you all being here, by the way.

The Inspector General, that might be you, Ms. Whitcomb, came up with some audit reports on inbound international mail to the Postal Service, and this question is for you, Mr. Cintron or Mr. Perez, or both. There were 11 recommendations. Five of those have been closed. If my math is correct, six are still open. One of the recommendations was that the Postal Service establish an MOU with the CBP to better clarify inspection requirements on packages and sit down to establish that process. Why are we not doing this?

Mr. CINTRON. Yes, earlier today we did speak; my colleague Mr. Perez indicated that within the next three weeks we will have the MOU that is sitting up right now with Customs and Border Protection. It will be tendered back to the Postal Service. Collectively in collaboration, we will then get that hammered out and get it in place as soon as possible.

Senator TESTER. OK.

Mr. CINTRON. Just to reiterate for the record, we have not waited for the MOU. A lot of these things we work collectively or collaboratively with customs locally to get these things in place.

Senator TESTER. Good. Appreciate that.

Mr. CINTRON. It is going to happen.

Senator TESTER. Do you agree with that assessment, Mr. Perez?

Mr. PEREZ. In fact, Senator, yes. I mentioned earlier the timeline of getting that delivered and that it is in effect codifying, if you will, many of the best practices and procedures that are already in place in the international mail facilities around the country.

Senator TESTER. So if I might, Mr. Chairman, when you get that MOU signed three weeks from now, would you rifle a copy off to the leadership of this Committee so we know it is done?

Mr. CINTRON. We can provide it.

Senator TESTER. OK. Thank you.

One more thing, and this goes to Mr. Cintron, Mr. Perez, or Ms. Whitcomb, whoever would like to respond, if not all of you. And, that is, is there legislation that is required in order for you to take swifter or stricter actions to prevent these poisons from coming into this country? Or do you think you have the ability to do it with what is on the books now? Anybody can go. Mr. Cintron.

Mr. CINTRON. Yes, could you repeat one more time, Senator?

Senator TESTER. The question is: Do you require further legislation to be able to take swifter and stricter action to prevent these poisons from coming into the country? Or do you have enough latitude with the rules that are on the books now?

Mr. CINTRON. Yes, I——

Senator TESTER. Is there legislation that is needed for you to be able to stop these drugs from coming in? That is the question. Or do you have the latitude to do it today?

Mr. CINTRON. I would defer to the State Department, maybe, or Customs to maybe answer.

Senator TESTER. Mr. Perez.

Mr. PEREZ. Yes, Senator, we are very comfortable with our authorities.

Senator TESTER. Good.

Mr. PEREZ. Nevertheless, again, I just would continue to emphasize the unquestionable need to further the efforts to get the advance information.

Senator TESTER. All right. Ms. Whitcomb, do you have anything you would like to add?

Ms. WHITCOMB. I would just piggyback on what Mr. Perez said, that the timing of rolling out this pilot I think is critical to this legislation does not go into——

Senator TESTER. I would just ask that if you have any recommendations that need to be changed within the code, do not be afraid to tell us. That would be helpful. All right?

Thank you all for being here today. I very much appreciate it.

Senator PORTMAN. Thank you, Senator Tester. Senator Daines.

OPENING STATEMENT OF SENATOR DAINES

Senator DAINES. Thank you, Mr. Chairman.

Mr. Chairman, I want to thank you for your personal leadership on this issue. The people of Ohio and the people of this country would have been very proud, what I saw six weeks ago. I was with the Chairman in Beijing. We had meetings with the chairman in China, the Chairman of the NPC, Zhang Dejiang, number three in charge of all of China, followed by a meeting with the premier, Li Keqiang. Mr. Chairman, you were very direct in asking for help from the Chinese Government at the very highest levels to deal with issue of the source of fentanyl and carfentanil, and thank you. I saw that behind closed doors, and thank you for your leadership that extends and influences beyond this country and around the world to stop this scourge.

Senator PORTMAN. Thank you, Senator.

Senator DAINES. Thank you for testifying today before our Committee. In recent years, in my home State of Montana, we have

been facing a meth epidemic. I realize it is something that started with the opioids and meth in the Northeast, working its way across the country. It is in Big Sky country as we speak.

Largely, the import of meth is coming from Mexico. It has gripped my State, and it has shown the somber and sad signs of the drug's widespread presence. In fact, in December 2016, the Montana Department of Justice (DOJ) issued a report that there were 14 children that died in our foster care system; 11 of those 14 children died as a result of household drug use, and four of those were specifically linked to meth. That is not the way you are supposed to grow up with a child in our great State.

In addition, the Montana Department of Justice Division of Criminal Investigation has seen since 2010 to 2015 a tripling of the number of cases they are addressing as it relates to meth. Meth has left its mark on Montana through increased incarcerations, increased death, heartbreak, and in straining our community resources to keep up. To stop the importation of meth at its source would go far to begin the healing process in States like Montana.

Mr. Cintron, in your written testimony, you mention that from fiscal year 2015 to the present, the use of advance electronic data for inbound international mail increased from approximately one percent to somewhere in the 40-to 50-percent range. And I know in Montana, Mexico has specifically been identified as an overwhelming source of meth.

My question is: What countries have been either collaborative or particularly unresponsive in sharing advance electronic data? And the second part of that, has Mexico been at all helpful in providing the necessary data?

Mr. CINTRON. Yes, I could provide that information after the hearing. We have many countries that we have agreements with, like, I called out before that we have bilaterals with many other countries that we are receiving advance electronic data from that make up that 40 to 50 percent. But I can certainly provide you some better information after the hearing specific to Mexico.

Senator DAINES. And any zeroing in on a couple of specific countries, as you mentioned, Mexico and China are the largest sources of illicit drugs. Have they been responsive in working toward the Universal Postal Union's 2020 implementation date for universally providing advance customs data or are we just grasping at the air on this one?

Mr. CINTRON. As it relates to China, certainly, again—and I can provide better data—absolutely we are seeing substantial data that comes back, the advance electronic data from them, and I can certainly provide you that information after the hearing.

Senator DAINES. OK. Thank you. I would appreciate that.

Mr. Schenk, you mentioned in your testimony that the UPS delivers more than 19 million packages and documents each day while providing the advance customs data. Could you share, Mr. Schenk, one, how many packages containing illicit drugs are removed from delivery by CBP due to the use of advance customs data? And, number two, what percentage might those packages represent?

Mr. SCHENK. Thank you, Senator. For that, the reality is we are not perfect. We would like to say that no bad people are going to

use our network, but they certainly attempt to do that. Fortunately, with the relationship that we have with Customs and Border Protection and sharing information, we do find ways to interdict it, and we do get some occasional shipments. We have had several shipments of fentanyl over the past year that were seized by CBP, and then we also had actually a little bit more in terms of numbers of shipments of meth that was mentioned earlier that got seized with that, and we work with CBP.

In terms of percentage of it, it is minuscule. One of the reasons that we would hope that the bad people do not try and use our network is because of all the programs that we do, and actually what we are talking about here is kind of 101 border level stuff with that, plus our ability to track and trace and then work with the local authorities, which we do on investigations.

Senator DAINES. Mr. Cintron, do you have an idea of the estimate of the percentage of packages under current practices that are flagged because of illicit drugs?

Mr. CINTRON. I would have to defer maybe to Mr. Perez to answer.

I can provide you the data after the session. It is a very small percentage, but we can certainly provide that information after the hearing.

Senator DAINES. And small is, I guess, less than one percent? Less than five percent? Any sense of how small is small?

Mr. CINTRON. Do not have that exact.

Senator DAINES. OK.

Mr. CINTRON. But I will provide that.

Senator DAINES. OK. Thank you.

Let me just close by saying I do believe the most effective way to end the meth crisis in a State like Montana and allow this healing process to begin is going to be by cutting off meth at its source. Yes, we have to work on our demand issues, but we can work together here on source. We will need the collaboration between the USPS, CBP, and our foreign post stakeholders. And if our foreign post stakeholders decide not to cooperate, I do think we need to take stronger action and do put America first in this equation.

Thank you, Mr. Chairman.

Senator PORTMAN. Thank you, Mr. Daines. Senator Heitkamp.

OPENING STATEMENT OF SENATOR HEITKAMP

Senator HEITKAMP. Thank you so much, Mr. Chairman, for taking on this issue. It is critically important. I remember a conversation we had last Congress. DEA was in the room, and when I suggested that they may want to use drug dogs to detect fentanyl packages, the DEA agent told me that would not be wise given that if they actually could smell it, they would die. The dogs would die. So we are dealing with an incredibly dangerous material. And this is moving through the Postal Service, and every postal worker who touches a package is at risk.

And so, for the Postal Service, it is not just about processing and getting things through, but it really is an issue of care for your employees. So I just wanted to raise that.

Ms. Whitcomb, we noted in your testimony that the Postal Service OIG report, your audit work, found that the Postal Service had

the ability to request advance custom data under several bilateral agreements, but opted not to do that in certain circumstances. Why did the Postal Service make that determination? What would you recommend in response?

Ms. WHITCOMB. Yes, I think most of the bilaterals that did not have these requirements in them were older bilateral agreements. More recently, the negotiations on bilaterals have included this requirement, so I believe it is more of a timing issue and recognizing the importance of this. I think it has improved over time, I should say. But some of the ones that we had reviewed that did not have this requirement were older bilateral agreements.

And Mr. Cintron may know a little bit more about the direction the Postal Service is taking to include this more consistently in the bilateral agreements than I do at this point.

Senator HEITKAMP. Mr. Cintron.

Mr. CINTRON. Yes, Senator, all new bilateral agreements require advance electronic data.

Senator HEITKAMP. OK. And this is for anyone on the panel. It appears that one of the arguments being made regarding the Postal Service being unable to utilize a system similar to the system that has been outlined by private shippers and carriers is a cost issue. I understand that other issues also complicate equalizing the shipping requirements, but cost, processes, and technology seem to be a factor in the Postal Service claims which are inhibiting their efforts. Is this an accurate statement? If so, how do we bring down the cost of compliance and technology? Is it possible to look at prioritizing the advance electronic data upgrades through a tiered system with foreign shippers? And under the current method you are using to try and address this situation, how long do you think it would take to get foreign countries utilizing AED at higher rates? Do you have any plans to have that discussion? I guess maybe we could start with you, Mr. Perez.

Mr. PEREZ. Through the pilot program that we have, Senator, with the U.S. Postal Service, we are currently getting advance electronic data from several different countries. Specifically, the pilot in JFK has to do with both China and France, and so we are going to continue to focus on that and work alongside our Postal Service partners to see what else we can do to make sure that we are being able to not only utilize and get that advance electronic data, but then focus our efforts to expand not only the volume that we are able to apply, but, again, the quality itself so that we can make better and more informed decisions on where it is we need to focus our efforts.

Senator HEITKAMP. Mr. Cintron?

Mr. CINTRON. Yes, I certainly wanted to—and I can clarify more on the point earlier, is that for us with the AED and the pilot in JFK, certainly one of the things that we are going to be looking to do, expand that part of it to the other ISCs that we have, and certainly get better with the amount that we are generating that is going to—and I can speak more about that later.

In regard to the costs, the cost really are going to be incurred at the foreign post where, they really have the technological upgrades and challenges that will really need to be—that is where those costs are going to come in, and certainly that is the difference, I

think. The technology part of what we can do on our side is a little bit different in regard to AED once we actually get the data itself.

Senator HEITKAMP. I do not want to prolong this, but I will tell you, if we were happy with the speed to which the U.S. Postal Service were dealing with this issue, you all would not be here. This is not moving fast enough. We see these drugs coming in. We have had numerous deaths in my State because of fentanyl abuse. And we know that the delivery point is the United States Postal Service, either point to point in this country—my recent investigation and prosecution regarding fentanyl moving in the mail from Portland, Oregon, but it originally came in from Canada. This is serious stuff, and it needs to be addressed. And we need to have a plan, it seems to me, with detailed timelines. And if resources are a problem, we need to know that. If there is a legal problem with the bilaterals or with the agreements, we need to know that. If there is a resource problem, we need to know that. But we have to stop jeopardizing the lives of people who move this stuff, whether it is at the post office or people who come in contact with a package unwittingly. But we have to have a plan, and it is frustrating because we addressed this in a roundtable last year or the year before, and I am hearing the same things over and over again. And pilots are good, but they do not give us a plan.

And so, I applaud the Chairman and the Ranking Member for bringing this issue to the Committee. This is something we are going to be serious about in terms of oversight and moving forward.

So with that, Mr. Chairman, I will yield back the rest of my time.

Senator PORTMAN. Thank you, Senator Heitkamp.

We are now going to do a very quick second round, a lightning round, and let me just say I agree with what my colleagues were saying that we are not moving fast enough. Let me give you a specific example of this.

There was a letter sent in April 2016, more than year ago, to this Committee. In that letter it said, and I quote, "The plan to expand the John F. Kennedy (JFK) pilot program with China to Los Angeles International Airport is currently scheduled for the summer of 2016." We are now in the summer of 2017. Has it expanded?

Mr. CINTRON. It has not expanded beyond——

Senator PORTMAN. No. OK, it has not. The UPU, we have heard today about what is going to happen with regard to the Universal Postal Union, and with all due respect to our international partners and the UPU, will it get done by 2018, 2020, or even 2022? They keep pushing it back with respect to advance electronic data.

So, look, if we did not have a crisis in this country, we could kind of go along with the normal routine, which is, as was said earlier, and I quote, "other countries are working on their own timetables." We cannot afford to have them work on their own timetables because our people are dying. I guess the question I would ask this morning is: How many more Americans have to die before our government gets its act together and makes sure that the pilot is working, makes sure that it is expanding as it was promised, which has not occurred, and makes sure that we are actually doing everything we can to keep this poison out of our communities?

Admittedly, this is not the silver bullet. There is not one silver bullet. I am going to steal a line from my Ranking Member, who said there is a lot of silver BBs, but this is one of them. Every one of you have acknowledged that today.

My hope is that because of this hearing we will be able to move more quickly on this issue, we can get this legislation passed to give you the additional authority I think you need to have. As Mr. Perez said, rightly, you need the tools to be able to identify the right packages, to go after them, to stop some of this poison, and also to increase the cost on the street, because right now this stuff is so cheap and so deadly that it is killing more and more people.

We are going to hear from the next panel about what is happening in our communities and what is likely to happen this year as compared to last year. The summary is more people dying, getting worse and worse.

So thank you all very much for being here, and I now turn to my Ranking Member, Mr. Carper.

Senator CARPER. Thank you. Thank you, Mr. Chairman.

When Senator Heitkamp was speaking just a moment ago, I am reminded of the work that we have done, a lot of on this panel have done on postal reform legislation over the years. And one of the things we focused on is how do we increase the revenue flow to the Postal Service so that they can replace vehicles that are 25 years old, a 25-year-old fleet, so they can modernize mail processing centers, which really are not designed to handle large packages or parcels. And, number three, how do we modernize post offices, provide better service from post offices, and with rural letter carriers that are sort of mobile post offices? How do we provide those revenues?

There is another reason why the Postal Service needs revenue, and it is to be able to do their job, a better job with respect to intercepting and stopping the movement of these highly toxic chemicals. And we are going to use that. We are going to use that in reminding our colleagues why it is important to move on postal legislation and sooner rather than later. That is one of the reasons why we need to do that.

The other thing I want to come back to is the pilot. Take me to the pilot, if you will. It is JFK, right?

Mr. CINTRON. Yes.

Senator CARPER. And, again, why the delay in spreading and extending the pilot to the other four destinations? Why?

Mr. CINTRON. Yes, well, a couple things. Let me just kind of explain the pilot itself as we have gone through it, mid-2015 when they started, and the recent probably two months we have made some pretty significant improvements. Part of what we try to eliminate is the manual handling of the product itself. So we get the advance electronic data. We provide it to Customs and Border Protection. They provide us a list of what they want us to extract. We were doing that in a manual fashion in terms of identifying the sacks and then identifying what we needed to do to extract those pieces.

In today's environment, when there has not been any experience and there has been improvements significantly to take that and now put it on the processing equipment, we have worked very

closely with the Inspection Service and our engineering systems now to be able to do this on our processing equipment.

So one of the key things that will happen with this is it will be on equipment at JFK ISC. We also have connected the down-flow facilities that are connected to JFK where we are actually able to trap those pieces now. So much the same way that you heard from the UPS testimony, pretty much everything, and we do this very well on the domestic side of the network today. We are very good at this part of it, tracking bar codes. So we have the ability now to do that. The expansion is and our full commitment is to get those other sites up and running now that we have flushed through this as quickly as we can get them up. We need to do it in collaboration with Customs and Border Protection and, Mr. Perez may want to chime in a little bit. But we are very focused to get moving. It is ready to move forward and get expanded to the other four sites. We are very committed to getting that done.

Senator CARPER. All right. Thanks.

Mr. Schenk, give us a final 30 seconds, just a great takeaway. You were here 17 years ago. I want to make sure you are not here 17 years from now. We probably will not be either. But give us just a great takeaway in terms of our to-do list here on our end, on the Congressional end.

Mr. SCHENK. Well, I think, again, the key thing is passage of the STOP Act. Not only will it help with the problem, we also think it will actually help the postal operators in their negotiations with the UPU, that they will have legislative language that says we have a mandate, we have to do it.

The other thing is if there was a way to maybe increase the amount of information that is shared. We have a great working relationship with CBP, but there are limitations in terms of if we knew more about maybe who some of the bad people were, we could build that into our systems, and we can shrink the haystack from both sides.

Those would be the two things.

Senator CARPER. All right. That is great. Thank you. I am going to be asking for the record if there are any amendments, any changes that should be made to the STOP Act, what is the rationale? What changes, if any, should we consider? And sort of prioritize those for us. That will be a question for the record for each of you. If you could do it, that would be great.

Mr. Chairman, so far, we are halfway home, and this has been a great first half. Thank you.

Senator PORTMAN. Thank you. Senator Hassan.

Senator HASSAN. I will pass. Thank you.

Senator PORTMAN. Well, let me just conclude by thanking our witnesses again, and I thank every one of you for what you are doing in your own way to try to push back on this epidemic, because each of you in your capacities are working on this issue. As I said, we have to figure out how to do it more effectively and faster.

Let me end with a story. Yesterday we had our weekly Buckeye coffee, and we have Ohioans come in. A couple hundred come in sometimes, as was the case yesterday. Four rural letter carriers were there, and they were there from the union to talk to me about

postal issues. They talked about the STOP Act and talked about the need for more resources for Senator Carper's efforts. He has been a leader on this over the years.

Then two of the four took me aside privately. This is 50 percent of your rural letter carriers who came to see me yesterday and said, "You know what? I have a family member"—one was a nephew, one was a son—"who were addicts." Recovering addicts now. In both cases, they had the opioid addiction. They are now in and out of recovery, which is not unusual. They both said to me, "You have to move forward with this. You have to continue your efforts."

So I would just tell you this is affecting everybody, including our families and our friends and our neighbors in every zip code, including the rural letter carriers who came to talk to me about another topic but ended up focusing on a personal topic, which is their deep concern about this issue.

Thank you all for being here, and I appreciate continuing to work with you on this legislative initiative and stopping this poison from coming into our communities. Thank you.

[Pause.]

All right. The second panel has now joined us. We are going to move quickly here through the introductions. Each of you deserve a 20-minute introduction, but I am going to give you a shorter one today, with the hopes that we can get to questions quickly.

First is Michael Botticelli, executive director of the Grayken Center for Addiction Medicine at Boston Medical Center. As some of you know, Mr. Botticelli has been at this a long time and is a real expert. He actually was the Drug Czar. He was the head of the Office of National Drug Control Policy (ONDCP) until just a few months ago. We are delighted to have you here, Mr. Botticelli.

Second, we have Chief Thomas Synan. He is Police Chief for the city of Newtown in Hamilton County, Ohio. He has also been very involved in the Hamilton County Heroin Coalition Task Force. He is chair of the law enforcement sector of that task force. Everywhere in southwest Ohio people look to him for his advice on this, and he is going to be able to talk to us a little bit about what is happening on the street.

We have Dr. Thomas Gilson, who is the Medical Examiner of Cuyahoga County. Previously, he was Chief Medical Examiner for the State of Rhode Island. He has a lot of experience. I told him today he provides us the best information because every month he gives us the data on what is happening in Cuyahoga County, broken down by area of the county, rural, suburban, inner city, ethnicity, age, and it is very helpful data. The bottom line is it affects everybody. It knows no zip code.

Dr. Terry Horton is also here with us. He is the chief of the Division of Addiction Medicine at Christiana Care Health Services in Wilmington, Delaware. Previously, Dr. Horton served as Medical Director and Vice President of the Phoenix House Foundation in New York, well known. Most recently, he helped develop and launch the Opioid Withdrawal Pathway, a program designed to help screen, identify, and treat opioid-addicted patients who are admitted to the hospital. He also founded Project Engage and has been very involved in Delaware as the Chair of the Drug Overdose Fatality Review Commission.

We really appreciate all four of you being here today as experts, and we would now ask you to stand so we can swear you in quickly. It is the custom of the Subcommittee to swear in all witnesses. I would ask you to raise your right hand and repeat after me. Do you swear the testimony you will give before this Committee will be the truth, the whole truth, and nothing but the truth, so help you, God?

Mr. BOTTICELLI. I do.

Chief SYNAN. I do.

Dr. GILSON. I do.

Dr. HORTON. I do.

Senator PORTMAN. Thank you, gentlemen. Please be seated.

Senator CARPER. Mr. Chairman.

Senator PORTMAN. Yes?

Senator CARPER. Could I just make a quick comment? Terry Horton is here representing Christiana Care, a large regional health care provider, and great work in this area. Terry is a leader. Sitting right behind him is Bettina Riveros, who at one time when I was Governor, she was my Deputy Legal Counsel, and she has gone on just to be a wonderful leader at Christiana in our State on a wide range of health care issues.

And I think there is a young guy back there named Sebastian. We all rode down on the train together. Sebastian is 15 years old. He is Terry's son, and we welcome him as well. We will be watching carefully to see if Sebastian's lips are moving when his father speaks.

Senator PORTMAN. Yes, thank you, and I am sure you attribute all of your success in life since then to Governor, now Senator Carper.

Senator CARPER. She succeeded in spite of my mentoring.

Senator PORTMAN. Let the record reflect the witnesses all answered in the affirmative with regard to the oath.

Gentlemen, your written testimony, of course, will be printed in the record in its whole. We would ask you to keep the oral comments to five minutes so we have time for questions and a good dialogue.

Let us start with Tom Gilson, if that is OK. Dr. Gilson, let us hear from you first.

TESTIMONY OF THOMAS P. GILSON, M.D.,[1] MEDICAL EXAMINER, CUYAHOGA COUNTY MEDICAL EXAMINER, CLEVELAND, OHIO

Dr. GILSON. Thank you. Good morning, Chairman Portman, Ranking Member Carper, and other Subcommittee Members. My name is Thomas P. Gilson. I am the medical examiner from Cuyahoga County as well as the crime laboratory director, and I thank you for allowing me to be here to speak on this critical subject.

If I were to tell you that a major catastrophe that would kill tens of thousands of people in the United States this year were to occur, how would the Federal Emergency Management Agency (FEMA) respond? How much money, how many people, how many resources would be put into action in this response? If this catastrophe was

[1] The prepared statement of Mr. Gilson appears in the Appendix on page 113.

allowed to happen again, with even more fatalities, how many more hearings would be called to determine what went wrong in the response?

The opiate crisis should be thought of as a slow-moving mass fatality event that occurred last year, is occurring again this year, and will continue to occur next year. Each year is getting worse than the previous. In my home of Cuyahoga County, we will see approximately 800 drug-related deaths in 2017, which is an increase from our most devastating year, last year, 2016, when we saw approximately 660 people die from drug-related deaths, up from 370 the year before.

Nearly 90 percent of these deaths will be due to opiates or opioids of some kind—prescribed pills from which the crisis originated and grew from, heroin, fentanyl, and now the newer analogs of fentanyl. It is a nationwide public health emergency which is simply out of control. Ohio was one of the hardest-hit States, but Appalachia, the Middle Atlantic States, and the New England States are also particularly hard hit.

In the fall of 2011, my office alerted our county executive to an alarming trend of rising heroin-associated deaths. In the subsequent months and now years, we partnered with our county sheriff, Cleveland Police Department, U.S. Attorney's Office, the county prosecutor, Addiction and Mental Health Services (ADAMS) Board, and our Board of Health to launch a community initiative which I am proud to say has attempted to combat this public health crisis. Partners were quickly added from the major medical institutions, including the Cleveland Clinic, Case Western Reserve University Hospitals, and our county hospital, MetroHealth Medical Center, as well as the Free Clinic, a free public health service provider, and set in motion some important pieces of response. We have drug dropoff boxes now to take back overprescribed prescription pain medication in over 50 police departments. Our naloxone distribution program is run out of the county hospital as well as the Free Clinic and the Board of Health. We also issue warning letters to released inmates who are at greater risk of overdose due to their abstinence while incarcerated, as well as patients leaving treatment centers. These folks are at risk because of decreased tolerance. The creation of our Heroin Death Review Committee allowed us to look at data from the overdose fatalities in an attempt to plan intervention strategies.

We also held a Heroin Summit hosted by the Cleveland Clinic in November 2013. As a result, Law enforcement created specialized task forces that work with our medical scene investigators to begin investigations earlier and our Regional Forensic Laboratory provides highly accredited, timely, and efficient scientific testing. Prosecutors at the county and Federal level are now levying much stiffer charges against drug dealers. All of this work continues to implement a community-wide and community-based strategy that was created at the Cleveland Clinic Heroin Summit.

When a heroin overdose occurs, individuals typically fall asleep and breathe more slowly and shallowly until, at last they stop altogether. During this progression, the dying sequence can be relieved by the heroin antidote Naloxone, which was made more readily available in Ohio and is an immediate first step in saving lives and

should be applauded. Cuyahoga County and the MetroHealth Medical Center partnered in 2013 to distribute Naloxone by prescription as was then allowed by law, and we have currently documented over 1,000 overdose reversals with Naloxone. Police departments, in a pilot program started in 2014 but ramped up in earnest last year, have documented another 300 reversals. These 1,300 individuals did not have to make a final trip to my office. The introduction of fentanyl and even more potent analogs like carfentanil (a large-animal tranquilizer) was initially seen in Akron and subsequently in our jurisdiction, have diminished the efficacy of Naloxone. Several doses may now be required, and the time window for administration is greatly shortened. This is a fundamental reason for the catastrophic mortality rise in 2016.

Research conducted at the medical examiner's office in my county, in collaboration with medical, law enforcement, and forensic partners, indicates that nearly 600 people died of heroin overdoses between 2012 and 2014. Some promising intervention points should be considered. At least 72 percent of all of these overdoses had been prescribed a controlled substance within two years of their death, and over 50 percent for opioids.

Several of these people were "doctor shopping,"; however, with the mandatory implementation of a prescription drug monitoring program (PDMP), Ohio Autormated RX Reporting System (OARRS) in our State, we are now moving in a positive direction to reduce this as an entryway for people to go into the illicit drug market.

As a final example of how valuable information can be gleaned from death certificate and death review data is the fact that many of the individuals who came to my office had been in contact with the legal system and/or drug and alcohol treatment programs. There is a tremendous need for education and these opportunities are needed to maximize this for messaging. But it is naive to think that education and messaging would be effective if we do not adequately address the need for treatment options once the message has been delivered. People can recover from drug addiction with adequate support.

While data and information are critical in helping to determine effective strategies, it has been particularly inspiring to see the sense of community in Cuyahoga County that has brought treatment prevention, law enforcement, prosecution, and medical examiners like myself together for a single purpose, which is to save lives.

At the same time, however, our local resources have been stretched to the point of exhaustion. The Death Investigation System and local forensic laboratories are facing double-digit caseload increases annually, personnel shortages, equipment problems, and increasingly complex processes to support the fight, especially now with the fentanyl analogs entering our country.

While we have interacted successfully with Federal partners, it is clear that the supply and delivery of the drugs to our communities continued nearly unabated, and treatment options, as I mentioned, are severely limited. Our community has added millions of dollars to this effort in the past several years. Our estimates are that there are enough people in my county to fill our football stadium every year, and that approximately a sufficient number of

people to fill our basketball arena transition over from the use of prescription opioids to heroin and fentanyl.

That used to be a largely Caucasian majority of upwards of 85 percent of victims. However, this is changing now, and it seems almost with purposeful intent. Cocaine is now being mixed into the fentanyl distribution and the analogs of fentanyl in an effort to introduce these drugs into the African American community. Cocaine had been the only drug where victims in our community were predominantly African American. That has changed since the introduction of cocaine into that supply distribution. And it is also of note that we have a rising percentage of African American deaths in our drug overdose crisis.

The strategies to combat this crisis are not a matter of innovative creation but of sheer will, cooperation, and adequate resources. The will and cooperation I feel I see already in my county that the resources at a local level are depleted and overwhelmed. Treatment beds need to be opened and adequately funded. Our county executive, in cooperation with our mayor and local Alcohol and Drug Board, has created additional funding for treatment.

The Institution for Mental Disease (IMD) exclusion, which limits the number of treatment beds to 16 for a substance abuse treatment facility, needs to be lifted, and I salute the bill currently offered by you, Chairman Portman, as well as your Ohio colleague Senator Brown, that will more than double the number of available beds. Interdiction agreements with China, Mexico, and Canada need to be strengthened, and delivery of these substances through the U.S. Postal Service and other delivery services needs to be squeezed off. I appreciate your cosponsorship of S. 708 to this purpose.

I am sorry to go over time, but to add this: There is a national crisis in my field in death investigation. My field of specialty, forensic pathology, is in dire need. There are less than 500 board-certified, full-time forensic pathologists practicing in the United States. Currently, on my professional organization's website, 28 offices are seeking to hire additional forensic pathologists. I have the privilege of heading the oldest forensic pathologists training program in the country. There are only 35 such programs in existence and they are not funded by Medicare, which is unlike any other medical training specialty. Our program graduates one or two doctors a year in a system that can only produce a few dozen pathologists annually. We rely on accurate data around mortality to define this crisis and I think it will serve as a significant measure of our success or failure, and that depends on a competent death investigation. It is essential that additional support be given to these training programs as well as to doctors already practicing in the field.

All of these actions are beyond the ability and authority of a local county like mine. We need your continued and renewed assistance, resources, and commitment to all phases of this fight: prevention, education, treatment, enforcement, and recovery.

As I said, I am sorry to go over time. It is a very important topic to me. I thank you for your time and consideration. I would be happy to answer any questions. And we also provided a packet of

information which summarizes even more. I could have talked longer.

Thank you very much.

Senator PORTMAN. Thank you, Dr. Gilson. Mr. Botticelli.

Senator HASSAN. Mr. Chairman?

Senator PORTMAN. Yes?

Senator HASSAN. Just because I have to leave and I wish I could stay for all of you, but I just also wanted to thank Dr. Gilson, who was deputy chief medical examiner for the State of New Hampshire for some time. And thank you so much for your work, and thank you so much for your continued work, and thank you to all of the panelists. And, Mr. Botticelli, I am sorry I am going miss you, but we have talked before and we will talk again.

Thank you so much.

Senator PORTMAN. Thank you, Senator Hassan.

Mr. Botticelli, and remember, your full statement will be made part of the record.

TESTIMONY OF THE HONORABLE MICHAEL BOTTICELLI,[1] EXECUTIVE DIRECTOR, GRAYKEN CENTER FOR ADDICTION MEDICINE, BOSTON MEDICAL CENTER

Mr. BOTTICELLI. Thank you. Chairman Portman, Ranking Member Carper, Senator Hassan as you leave, thank you for the opportunity and the invitation to be here today and for your ongoing leadership in this epidemic.

I think we all know the opioid epidemic is the pressing public health issue of our time, and in many respects, a public safety issue of our time.

The 2016 National Survey on Drug Use and Health estimates that approximately 2.1 million people in the United States have an opioid use disorder. In 2015, the last year that we had complete national statistics, 91 people a day died from an overdose of opioids, including prescription pain medication, heroin and/or fentanyl, resulting in over 33,000 deaths in 2015 alone. In Massachusetts, 1,900 people died of an overdose in 2016, and that is up from 742 just from 2012.

In addition to addiction and death, we know injection drug use associated with this epidemic has been linked to dramatic increases in viral hepatitis across the country along with local outbreaks of human immunodeficiency virus (HIV). A recent analysis done by the CDC showed that there are at least 220 counties, mostly in Appalachia, that are at significant risk for another outbreak similar to the one that we saw in Scott County, Indiana, two years ago.

Over the past few years, we have seen the emergence of synthetic opioids like fentanyl. The CDC estimates that overdose deaths attributed to synthetic opioids other than methadone increased by over 72 percent from 2014 to 2015. Reports from the DEA as well as State law enforcement indicate that these deaths have been associated with law enforcement seizures testing positive for fentanyl. This increase is not a result of prescribing fentanyl, which indicates this is largely illicitly manufactured. Domestic law enforcement seizures have increased by 426 percent

[1] The prepared statement of Mr. Botticelli appears in the Appendix on page 146.

from 2013 to 2014. Analysis was limited to those States, like Ohio, that have excellent or very good reporting which means that overdose deaths are reported with the specific drug involved. Twenty-six States reported statistically significant increases from 2014 to 2015 with States in the Northeast and Midwest experiencing the highest increases.

A recent analysis of overdose deaths in Massachusetts showed that deaths involving fentanyl rose from 32 percent in the 2013–14 period to 72 percent in the first half of 2016.

Fentanyl is often mixed with heroin and cocaine with or without the user's knowledge, usually without. As we have seen in some high-profile deaths, it also can be disguised as prescription pain medication and again taken without the users knowing that it contains fentanyl. The supply, as we have discussed, appears to be largely illicitly manufactured in China, either directly shipped to the United States, via both open and dark web sources, or shipped to Mexico where it gets mixed in with heroin before transport to the United States.

I will not go into detail for lack of time, but I think you all know the Administration's response to these efforts, and underpinning all of those efforts is ensuring people who need treatment have timely access to high-quality care, including medication-assisted treatment.

The Affordable Care Act contributed to perhaps the greatest expansion of treatment by ensuring substance use disorder treatment was one of the 10 essential benefits that Medicaid expansion plans and marketplace plans had to cover. It also ensured that those benefits be offered on par with the Federal Mental Health Parity and Addiction Equity Act.

Again, for lack of time, I will not go into detail, but I am very proud of the accomplishments that we were able to make with Congress in terms of the passage of the Comprehensive Addiction Recovery Act (CARA), rescinding the Federal ban on the programmatic aspects of syringe service programs. We accomplished a lot in our time together here in Washington. But we still have a long way to go.

So I will focus the remainder of my remarks on what I think are recommendations as we look on how we deal with fentanyl.

Continuing to enhance our intelligence and information gathering on the manufacturing and distribution of fentanyl is critical. And while I was very appreciative of the intelligence community's (IC) call for better information, there are still many unanswered questions. I was very happy to hear that the Director of National Intelligence (DNI) looked at synthetic opioids as a major threat. Quite honestly, I was very frustrated during my time at ONDCP that I did not know we had fentanyl and things like carfentanil until we saw local outbreaks in the United States. Our intelligence community is too good for us to be caught unaware in terms of what is coming at us.

Since fentanyl is much harder to detect and can present a hazard to State, Federal, and local law enforcement, we need to promote better ways to expand current drug-testing technology and continue to develop detection capabilities.

We need to continue to provide fact-based handling instructions to law enforcement, Border Patrol, and others who may come in contact with fentanyl.

We need to continue our engagement with China and press them for additional action to schedule fentanyl analogs and to take down illicit manufactures and shippers.

There is also a significant amount of variability of standard testing of fentanyl, with law enforcement, criminal justice systems, coroners and medical examiners, and treatment programs. They need to incorporate fentanyl into their drug-testing panels.

With public health experts, we need to develop and distribute informational material on how users can minimize their overdose risk in areas where fentanyl might be present.

We need to expand the use of Naloxone by anyone who is in a position to witness or reverse an overdose. Because of the potency of fentanyl and what appears to be a pattern of drug users injecting alone, the period of time we have to reverse an overdose has shortened.

We also need the Federal Government to deploy rapid response teams to our communities like we do with other diseases so that communities have the investigatory tools that they need to examine some of these outbreaks and the causes behind it.

We need to expand syringe service programs and other programs that engage active drug users to promote safer injecting, distribute Naloxone, and minimize overdose risk.

Most importantly, we need to preserve the coverage gains made through the Affordable Care Act, particularly Medicaid expansion and other Federal grant programs. Even with these provisions, timely access to quality care remains an issue for many, particularly in rural communities.

Thank you for your time, and I look forward to your questions.

Senator PORTMAN. Thank you. Dr. Horton.

TESTIMONY OF TERRY L. HORTON, M.D.,[1] CHIEF, DIVISION OF ADDICTION MEDICINE, AND MEDICAL DIRECTOR, PROJECT ENGAGE, CHRISTIANA CARE HEALTH SYSTEM, WILMINGTON, DELAWARE

Dr. HORTON. Thank you. Thank you, Chairman and Senator Carper.

First, I would like to say I think this issue of addressing fentanyl is important. Fentanyl certainly exacerbates any issue I have to attend to at the hospital in trying to help individuals get into care. It just creates a rapid spiraling of addiction, much more so than we would see otherwise.

In Delaware, 25 percent of our individuals who die from drug overdose have fentanyl in their blood at the time of death, so when we look at the potential for damage in our State if the presence of fentanyl reaches the levels in Massachusetts, I think there is going to be a real catastrophic increase in the coming year.

Having said that, as someone who sits in a hospital, works in an inpatient setting and in the emergency room and clinics, I want to share some of the lessons I have learned over the past 25 years.

[1] The prepared statement of Dr. Horton appears in the Appendix on page 152.

This is a horrific epidemic. It strikes across the board. I take care of young mothers who have given birth, high school kids who are pole vaulting champions and wrestling champions, grandparents, couples, people of all races, all ages. What they share is a horrific addiction. Their brains have changed. Their motivational circuits have been distorted. And when they stop using the drugs, they have this new onset of withdrawal, a withdrawal that is really like primal misery. Withdrawal is like a wall that prevents them from moving through that wall to go on to care. They will stay outside of that care and avoid it at all costs because they cannot manage the withdrawal, they cannot go through that wall to the other side where there is care.

That is our reachable moment. That is also what we can leverage. And we have done that in the hospitals, and we have done that in jails. So when someone is in a hospital and they can no longer be on the outside, and they are desperate to avoid withdrawal, we can address their withdrawal and we can treat it aggressively with medications like Suboxone. We have been able to leverage that reachable moment and get them into treatment.

Two-thirds of the people that I see in the hospital are very agreeable to go into long-term care. Two-thirds. They do not come into the hospital looking for that care. They have an infected leg or an infected heart, but they use that opportunity to get into drug treatment. It is really remarkable. Two-thirds of individuals I see are actively looking to go into drug treatment when I offer it and I address their withdrawal and begin treatment.

Of those individuals, remarkably, nearly 80 percent show up to their community care provider when I have inducted them on to Suboxone or methadone in the hospital. So the hospital is a reachable moment. And of those individuals, 70 percent are there in treatment a month later. So what I am telling you is that when individuals who are addicted to opiates, who come into our hospital system, it is a reachable moment to address their withdrawal, and we can use that leverage to get them into treatment—and they stay there. If you are on drug treatment, if you are on medicines like Suboxone, which block opiates, and you use opiates, you are not going to overdose. This is really about safety. I tell each of my patients every day when I see them in the clinic—yesterday I had clinic, and this is what I said: "Take your Suboxone today and tomorrow, and those days we do not have to worry about you overdosing." It is a pretty simple, straightforward safety message.

Having access to that care and medication is really critical to what I am trying to do as a doctor: to help individuals get into care and stay in care so they do not overdose and they do not die. And we are pretty fortunate. In Delaware, we have been able to expand outpatient slots for primary care—or for substance abuse care really—by the thousands. When I identify an individual in the hospital, I have no difficulty getting them into care the next day in a community setting. It has to be that contiguous, or I lose them and they relapse.

So it is remarkable that I am able to do that, but I am able to do that because that care is available, and that care is completely and wholly dependent on Medicaid. Without Medicaid, that care would collapse.

And so, I can tell you what I am really fearful of. I am fearful that I know how to address this opiate epidemic, I know how to treat the patients that I have who are addicted to heroin and to other drugs. I know how to get them into a safe place, but I am fearful that I will lose the tools and the medicines I need to keep them safe. And I am really fearful that some of the cuts that have been proposed will completely gut the system that I rely on to treat my patients and keep them alive and help them get to a better place.

So basically I am saying, please, it is critical. Do not take away my ability to treat my patients and keep them safe. They depend on me, and I am depending on you to really preserve the system of care that I have been able to work with and make improvements to in order to care for my patients. Without it, I think this war is lost.

Senator PORTMAN. Thank you, Dr. Horton. Chief Synan.

TESTIMONY OF THOMAS SYNAN, JR.,[1] CHIEF OF POLICE, NEWTOWN, OHIO, POLICE DEPARTMENT

Chief SYNAN. Thank you, Chairman Portman and Ranking Member Carper, along with the Subcommittee, for giving me this opportunity to discuss this very important topic of how synthetic drugs such as fentanyl and carfentanil are destroying the lives of loved ones and our communities. In my 24 years of law enforcement, I have never seen a substance cause such damage and devastation with its death rates that have risen to levels higher than car accidents and homicides combined. I have witnessed the power of drugs in my small community watching an entire family from the mother to her three sons wiped out. Three brothers, an entire generation gone because of drugs, the last two brothers due to heroin.

Events such as this led us to form the Hamilton County Heroin Coalition at a time when we were calling this an epidemic, with an average of 20 to 25 overdoses and one to two deaths a week, an epidemic. In July 2016, I received a call from the Greater Cincinnati Fusion Center, a part of Homeland Security, a center that was originally designed after the 9/11 attacks for law enforcement to share intelligence on potential terrorist situations which could be analyzed and shared with local, State, and Federal law enforcement along with the public. Recognizing the centers ability to analyze data and share it quickly among various agencies, we adapted its use for heroin, tracking overdoses, locations, and intelligence that could track trends on the street.

At 10 p.m., that call told me, "Tom, there is a new drug on the street called carfentanil." I asked, "What is carfentanil?" The response was, "We are not sure; it is used to knock out large animals." I replied, "Like a pig?" And he responded, "No. Elephants."

We passed this information on to the coroner and the Hamilton County health commissioner trying to obtain as much information as we could to try to figure out what the introduction of carfentanil on our streets would mean. What we learned about this drug was frightening: it is at the top of the fentanyl/opiate chain, potentially used in some chemical weapons, a drug not intended for humans,

[1] The prepared statement of Chief Synan appears in the Appendix on page 157.

so powerful that the equivalent of two grains of salt had the potential to kill a human. This drug, 10,000 times more powerful than heroin, was now on our streets leading us to issue a public warning due to concerns not only for the user but first responders, hospitals, treatment centers, and the public—all who could unknowingly be exposed to this extremely dangerous synthetic. We were so concerned for the safety of law enforcement that we recommended stopping field testing of heroin, which is a process needed to develop probable cause to arrest a person for heroin, because the officer's safety was the priority over enforcement. This warning has reached other States such as Georgia and Florida who have also stopped this practice to ensure the safety of their officers. With all the dangers already facing law enforcement, this danger which could be undetected until it was too late was a danger that concerned the most hardened police veteran and led police administrators to modify policies to protect their officers. We knew this drug was strictly controlled and monitored in the United States, and with the assistance of the DEA, we determined it was not coming from sources within the United States.

We could have never anticipated that our epidemic would reach levels more along the lines of a pandemic and become the new normal. In the week of August 19–27, 2016, an event occurred that would forever change the heroin epidemic in our area when the hardest hit, Cincinnati, experienced nearly 200 overdoses and three deaths in one week. Seeing and hearing from dealers and users alike that there was nothing on the streets other than synthetic drugs like fentanyl and carfentanil, we experienced the literal shift from the "organic" opiate of heroin to the synthetic opiate of fentanyl, all its derivatives, and carfentanil.

This shift in synthetics is testing the limits of users, first responders, the systems of government, hospitals, and the spirit of each person who, no matter drawn in by choice or necessity, is to the point of breaking. I not only witness this devastation but the determination of those same people who day in and day out try to keep up with the new normal, the new average of 50 to 70 overdoses and with four to five deaths a week. Moments of spikes where 70 overdoses occur in one weekend, 11 people die in one weekend, and multiple overdoses at the same time in the same location. At times overdoses reach nearly 40 in one day, stretching the resources of even large police and fire departments such as Cincinnati, who in one district with 20 officers had 16 on overdoses and four on shootings, causing every officer to be unable to respond to other calls. In 2012, our area had seven deaths that were fentanyl related. In just three years, that number exploded to 238 in 2015.

Heroic efforts made by many who initiated innovative programs such as quick response teams that try to connect users to treatment, the Coalition issuing Narcan to every first responder who in 19 months has used over 7,500 Narcan kits. The sheer volume of numbers has lead us to follow the mantra of the starfish parable where a young boy was walking down the beach where thousands of starfish had washed up. The young boy would pick up a starfish and throw it into the sea and go to the next one. An old man seeing this stopped the boy and said, "Young man, there are too many to

make a difference. You cannot save them all." The young boy picked up a starfish, throwing it back into the sea, replied, "I saved that one." This description we follow is beautiful in its nobility and heartbreaking in its reality, describing where we are right now with this epidemic.

But no matter how great our efforts, our initiatives, our determination, the tremendous influx of such powerful synthetics such as fentanyl—which illegal labs have altered the molecular structure into even more powerful derivatives force us to change oure beliefs in order to keep up with its power. Our coroner's office has identified at least 10 variations of fentanyl—and the current ultimate on the opiate scale of carfentanil have rendered each initiative less effective. The original two milligram Narcan we issued to over 1,000 police officers, is now obsolete and replaced with a higher concentration of a four milligram dose of Narcan, which often due to the strength of the synthetic, requires multiple doses. It is more common to hear of unconscious users taken to the hospital and placed on a constant Narcan drip in order to keep them alive.

These synthetics are now so ingrained in the user in our area that when we think the situation cannot get more difficult or cause any more fear, dealers insensitive to the damage they are causing to the user and our communities have now begun to place these synthetics in other drugs like cocaine. This will not only cause more overdoses but deaths due to the cocaine user's body not being accustomed to not only general opiates but especially ones as strong as carfentanil. Carfentanil is now so common in our drug supply, a staple in the heroin supply, is now expanding. Just a couple weeks ago, four people in Cincinnati who bought what they thought was just cocaine overdosed. Two died on the scene; two left in critical condition on Narcan drips due to that cocaine containing fentanyl and carfentanil.

Since I submitted this report last week, another person in that incident died. So three have died and one is still hospitalized at my last check.

That same week in my small community, a mother drove her 10-month-old baby into a driveway where she got out and collapsed. Neighbors called 911, brought the baby inside where the officers arrived, and the mother regained consciousness. She believed she had only purchased heroin, but was later found that she actually had been given a mixture of cocaine, fentanyl, and carfentanil. And since I submitted this report last week, two officers and I stood over the body of a 26-year-old at that same location who died from a suspected fentanyl overdose.

I commend this Committee for taking the time to hear, investigate, and look into ways to help reduce these powerful synthetics from entering our country, drug supply, and our communities. I plead with this panel to do all it can to help us by stopping this poison from even getting into the country. Although this will not stop addiction or stop every supply, each intervention that prohibits these synthetics from reaching the streets means first responders can get relief from the overwhelming numbers which has caused such stressors on them and our system. We have coined a term while working with the Ohio Attorney General's office, called "first responder fatigue."

Take this deadly ingredient from those who push these drugs on our streets so their potions become less powerful. Take this tool away from them so that the tools we are using can be given the chance to work. Reduction from these powerfully devastating synthetics would mean less people would overdose and the number of deaths would be reduced. It is never lost on us that each one of those numbers is a person who has a mother, father, brother, sister, son, or daughter who will forever grieve the loss of their loved one.

Thank you for allowing me to speak on this subject. I commend you for your compassion to want to help all of us in making the lives of those we serve better.

Thank you.

Senator PORTMAN. Thank you, Chief, and thanks to all four of your for some very powerful testimony.

I was struck by your testimony, Chief, about law enforcement and, as you said, trying to keep up with the changing drug mix and specifically the move to synthetic opioids, carfentanil and fentanyl in particular. I am thinking about how law enforcement approaches this. Now you have a situation where, through the U.S. Mail system, someone can at their post office box pick up fentanyl from China, use it as an individual, and there is no drug dealer for you to go after.

Now, some of these individuals also become drug dealers, as you said, and yet it is a different situation than being able to go after the source because the source is coming in through the U.S. Mail. You talked about tools. Earlier, we were talking to law enforcement folks, and CBP said they want the tool of being able to get advance electronic data so they can identify these packages. You also said you want to take this tool away from the traffickers, the tool of being able to ship this stuff into our communities through the mail system.

So I would ask you, given your experience and given your background in this, and seeing what is going on, would it be helpful at a critical choke point like these International Service Centers we have talked about here today to be able to stop this poison in part to be able to keep the volume down, to avoid the first responder fatigue you talked about, but in part to raise the cost, the risk to the trafficker of being caught, but also the cost of this by reducing the supply?

Chief SYNAN. Yes, Senator Portman, it would definitely help cutting off that supply. There is very little risk for the dealers right now. There is quite a bit of reward. And the problem with it coming through the mail is that it is not like in the 1980s with crack where you had major gangs that were mostly pushing the crack cocaine, and once you identified the gang, you cut the head off the snake, and the rest of it collapsed.

Here it is everywhere, with hundreds of dealers, and not necessarily in a network or sourced in one area. So it makes it very difficult for enforcement.

I do want to say, however, that I want to caution that we do not repeat history. In Ohio, we did a great job of shutting down pill mills and doctor shopping. And, inadvertently, that created part of this epidemic when we had a segment of society that was left out

there opiate dependent. And I want to be careful that we not just shut off the supply, which is an incredibly important part of this; it would give first responders that chance to breathe. But I also want to make sure that while we are doing that we still have the resources on the back end. Part of the problem we are facing with this epidemic is if you can get someone who is opiate addicted into treatment, often there is not space available. In addition, there is discussion of medically assisted treatment and the signs show that that is effective. But we also need doctors and nurses and we need the facilities. So not only is that choke point important, but we also need to work on the issue of having those people who are addicted get long-term care in order to reduce the demand. In my belief, once we reduce demand then we will reduce supply.

Senator PORTMAN. That is a great point, and I was impressed with Dr. Horton's health care system that he has the ability to take somebody who is in need of treatment, and within 24 hours get them into treatment, which, frankly, is not the case in many places in Ohio, particularly in our rural areas. We have a real issue with the availability of treatment, and longer-term recovery, which, as you know, I have been focused on because I think that leads to better results. I think the law enforcement system can lead to better results, too, by supporting our drug courts more, as we do. I know you are involved with that as well.

Dr. Gilson, you talked about what you are facing, and specifically you talked about the forensic pathologists being just overwhelmed. You and I talked a little about this prior to the hearing as well. One thing you said to me was that at a death scene where someone had overdosed from fentanyl, your people sometimes find a package, literally a package from China at the death scene. Again, I think this is just an extraordinary change from what you are used to with cocaine or, for that matter, with heroin coming over land and being sold at the street corner in Cleveland, Ohio. I was struck by that.

Can you talk to us for a second about what you see happening? I think, as I told you earlier, you have the best data, at least in Ohio, and for 2016, unfortunately, you were pretty accurate that there would be an increase; the number of deaths from fentanyl was 399, as I recall, or 400.

Dr. GILSON. Yes, that is true.

Senator PORTMAN. Since you do keep this accurate data on overdoses and fentanyl-related deaths, what trends are you predicting for 2017 as compared to the 399? What do you project for 2017?

Dr. GILSON. Senator, I think we are already far enough into 2017 that we can make some predictions. One is that the crisis is going to get worse. We are projecting an increase from 660 total deaths up to close to 800. I think most of that, again, is going to be driven by fentanyl, and I think the other thing that everybody in the room should be incredibly concerned about is what is going to be the impact of the analogs of fentanyl. We had 54 deaths in 2016 related to carfentanil just in my jurisdiction.

Since the beginning of 2016, we have identified at least 16 to 17 different analogs of fentanyl, and many of these, like carfentanil and 3-methyl-fentanyl, are far more potent than fentanyl. Fentanyl

is already a bad drug. What concerns me is at some point if these drugs start to replace fentanyl in our community, these numbers will take off again.

To echo kind of what the chief said, we started with diverted prescription drug medication. In about 2011, what my office saw was a transition away from prescription drugs such as oxycodone, which appeared to plateau, then heroin took off dramatically. And that was our trend up until 2015. When heroin got started, actually it looked like they were going to go down because of the Naloxone and education programs. But then we caught a tidal wave of fentanyl, another more potent drug, making 2016 a uniform disaster in Cuyahoga County. We nearly lost twice as many people. These are hundreds of people dying of drug overdoses.

If carfentanil becomes the new fentanyl in 2017, I shudder to think how much worse that can be.

Senator PORTMAN. Dr. Gilson, from your experience, is the carfentanil also coming through the mail system?

Dr. GILSON. I think, this is, again, partly what I can tell you from death scenes and partly what I can glean from the collaborations we have with particularly the Drug Enforcement Agency. Yes, my investigators by happenstance will sometimes identify computer records and/or packaging that clearly show that these drugs are coming from overseas. And the concept that a lot of these drugs are coming from China is something that our DEA liaisons completely support. The idea, too, that—and one of the Senators mentioned it earlier—maybe the drugs come to this country and then get rerouted into Mexico I think is also true, because in the heroin epidemic, the Mexican production went up dramatically to the point where they became the second largest heroin producer in the world. That distribution system is definitely in place, and I think fentanyl can follow the same distribution system.

So I do think that these are drugs that are coming from overseas, primarily from China, and are being sold in our country really almost on a basis that could be considered an act of terrorism.

Senator PORTMAN. That is an interesting comment given what we said earlier about what Mr. Botticelli said with regard to the DNI, listing it this year for the first time ever last month in his World Assessment. He put synthetic opioids into an State context. Senator Peters.

OPENING STATEMENT OF SENATOR PETERS

Senator PETERS. Thank you, Mr. Chairman. And thank you for calling this very important hearing. Opioid abuse in Michigan is growing at an alarming rate, as it is around the country, and it is important for us to get to the bottom of this and understand how we can deal with it. I appreciate your leadership on this issue over the months and years that you have been working on this. Certainly thanks to each of the panelists for your compelling testimony as well in dealing with this.

My first question really deals with the underlying substance abuse and the medical treatment necessary to treat this as a medical issue. Certainly, it is a law enforcement issue, Chief, but this is a public health issue first and foremost that we have to deal with. Whenever we are thinking about public health, we must

think about our health care policies, and in particular the Affordable Care Act with its expansion of Medicaid, which has certainly been significant in my State. Medicaid expansion has led to over 600,000 individuals now having health care coverage where they did not have it before. And part of the Affordable Care Act is coverage for mental health as well as substance abuse, which gets to the heart of this problem. Since the ACA's Medicaid expansion went into effect, I think more than 1.6 million Americans have now gained access to substance abuse treatment.

So, Mr. Botticelli and Dr. Horton, could you speak to how individuals enrolled in Medicaid are using the program and whether or not we are seeing an actual impact on folks who are suffering from substance abuse problems?

Mr. BOTTICELLI. Sure. Thank you, Senator. One of the longstanding issues with substance use is access to treatment. You would think I would know how to do this by now. What we have sought for a long time is that when national surveys look at why people are not able to access treatment, not having adequate access to insurance coverage, and being underinsured are some of the biggest reasons. And you are right, the Affordable Care Act I think did a number of things as it related to increasing access to care and made substance use disorder treatment and mental health treatment one of the essential health benefits that were required by Medicaid expansion and by ensuring that those benefits were on par with other medical benefits.

We have seen some remarkable results as it related to increased access to care under the Affordable Care Act, and I think your point about particular the Medicaid expansion population, which we knew had higher prevalence of substance use disorders in the general population. So we have seen remarkable results, and quite honestly, remarkable results in those States that have been dramatically impacted by this epidemic like West Virginia, Kentucky, New Hampshire, and Massachusetts. We have seen an incredible increase in people's ability to access care to do that.

I just want to make two quick points. The other important point here is that people with substance use disorders often have comorbid mental health, and, quite honestly, other health conditions. So it is not just accessing care for their substance use disorder. They need care for their hepatitis. They need mental health coverage.

And the last thing I will say is I really worry about not just people losing coverage, but the stability of our treatment infrastructure. Some of these folks can tell you that these programs operate on very thin margins, and I worry that we are even going to have a treatment infrastructure for those remaining people who can access CARA if they are not able to bill insurance.

Thank you.

Senator PETERS. Anybody else? Dr. Horton.

Dr. HORTON. Yes, thank you. As I mentioned, in our system we have developed some very unique partnerships with community providers. We now screen 30,000 admissions to our medical hospital, the largest in Delaware, identify those who are opiate dependent quickly around withdrawal, and treat that, and they are agreeable and go into care as outpatients in the community.

That care is predominantly Medicaid, so our largest community provider program called Connections has the largest footprint in the State, and developed that footprint because they had a reliable funding stream.

Now, it is not only a funding stream that cares for Medicaid patients. It covers all patients. They are really a quality provider. But the bulk of their revenues—what allows them to exist—is that they have a reliable revenue stream. And because of that, I am able literally—and as I said, my record is actually 12 hours—to identify somebody and get them into treatment in the community on a medicine like Suboxone. And I can do that because the individual is covered. For the most part, that coverage is Medicaid. If Medicaid goes away, that collapses, and, frankly, the substance abuse infrastructure in Delaware collapses. So while I will identify individuals in the hospital, I will not have anywhere to send them. They will leave the hospital. They will relapse within hours to days, and they will be back in the hospital. And actually we will return to the days of the revolving door after they have, astronomical cost of caring for these individuals at places like my hospital and health system and we will never attend to the root cause issue.

The big difference these days is the volume of heroin. It used to be once upon a time individuals used one, two, five bags a day. Now it is bundles. Each bundle is 13 bags, 50 bags a day. And I really think of it as Russian roulette where, instead of bullets, it is bags of heroin. If any of those bags has fentanyl in it, that person dies. It is amazing.

So we are in the middle of all this and because I have access, ready access to substance abuse treatment on demand, I am able to make a difference. And I am clear that those individuals who are taking their Suboxone are not overdosing. I know because they come in week after week.

Senator PETERS. Thank you. Chief, you are——

Dr. GILSON. I am sorry, Senator. Can I add a different perspective on this, too?

Senator PETERS. Yes, please.

Dr. GILSON. We do not track it specifically. But we go out to respond to death scenes and I think one of the most heartbreaking things we see is an individual who has been seen in an emergency department within weeks to sometimes days for a drug overdose who now is dead of a drug overdose. These are the people Dr. Horton does not see. They do not make it back to treatment. They die, and we do not have the capacity in my county to send these people when we have their captive attention—they have just nearly died—to treatment. We send them back on the street, like Dr. Horton said, to try and see if they can work something out.

Anything like Medicaid expansion being eliminated that limits people's access to health care, I cannot see any good coming from that in this crisis, especially with its mortality.

I am sorry. Thanks for the time.

Senator PETERS. I appreciate those comments. Now, Chief, you are at the front lines. Thank you for your service on the front lines. I would assume you would concur.

Chief SYNAN. Absolutely. Law enforcement, I am very proud of my colleagues who have taken the lead on this. But the problem

is we are taking the lead on something that really is a public health issue. You are taking law enforcement, who is taking programs like quick response teams, trying to get addiction specialists out there. Narcan, we have become paramedics. It is not uncommon for officers to take users to treatment.

So it is well outside of our realm to be doing this issue, but for us, we have now become somewhat addiction specialists. And for law enforcement to talk about that, we should not be decreasing Medicaid. That tells you how important this is to us, because, again, in order to reduce that demand, which would in turn reduce that supply, we have to get people into treatment. And one of the programs that our teams are doing out there in the Hamilton County area is signing people up for Medicaid to try to get them into that treatment.

These are individuals who are walking with that user to try to get them into treatment, and if Medicaid is gone, that would have a significant impact. It is already difficult enough. It is not uncommon for us to find a user, call numerous treatment facilities, be told there is a bed open, drive them up there, to find out that bed is gone. So it is difficult enough. Taking away Medicaid would make it even more difficult. And like I said, we would be spinning our wheels.

We are already like a mouse on a wheel trap spinning as it is. Taking away the tools is just making it more difficult, and we will continue to dig ourselves in a hole.

Senator PETERS. Thank you for your testimony, all of you. I appreciate it.

Senator PORTMAN. Thank you, Senator Peters.

I am going to turn the gavel over to my colleague——

Senator CARPER. Big mistake.

Senator PORTMAN [continuing]. And ask the Ranking Member to conduct his final questions and then close this out. Again, I want to thank the four of you for being here and for your work every day. All four of you are in the trenches, on the front lines. Thank you for helping to reverse this tide, which, unfortunately, right now is moving in the wrong direction.

Thank you, Senator Carper.

Senator CARPER [Presiding.] Mr. Chairman, before you walk out, let me just say, I will say this to your face, not behind your back. Thank you for your sustained, continued leadership on this. Maybe we can use the work, the effort that you have led, along with Amy Klobuchar and others last year, and to this year on CARA and other initiatives. If we can work that well across the aisle on an important issue, maybe we can somehow, particularly on the piece of making sure if folks show up at a hospital and they are ready to get treatment that they actually have access to treatment, how important that is. We have got to focus our attention on that as well. But thank you so much.

I want to come back, Dr. Horton—I know this has been mentioned before. Explain to the folks maybe not just here in this room but around the country who might be following this, how is it in Delaware, when somebody shows up at a hospital, they have had an overdose, and they will only be there for a brief moment, min-

utes, hours, when they are ready to go, they are ready to start treatment—and the opportunity and reachable moment will be lost.

Dr. HORTON. Yes.

Senator CARPER. And within 24 hours or so, we oftentimes have the ability to place them in treatment.

Dr. HORTON. Yes.

Senator CARPER. How are we able to do that in Delaware and not in other States? Why is that? Does it have anything to do with Medicaid expansion?

Dr. HORTON. Yes, because that was the access. In order to put someone into treatment, I have to have a treatment to put them into, and that treatment is primarily the result of Medicaid expansion and programs like our largest program, Connections, developing those outpatient slots because they had revenue that could be relied upon. Without that revenue, the treatment system would not exist.

We were able to leverage reachable moments. There are many more than just the hospital. So we are actually thinking about how do we partner with our colleagues or EMS and police to find those other reachable moments. The lockup, for example, is where an individual is so fearful going into that primal misery that they will agree to go into treatment. But you have to have those partnerships. You have to have that coordination.

In the emergency room, when someone is being admitted to the hospital, they are there, and it really was more about having the institution accept that this was an issue and then moving forward to implement standardized care pathways. And, we are good at that. We are good at creating electronic health record mechanisms to screen and then algorithms to treat, and we had the wherewithal. So it was a natural place to do those approaches, and they worked, and they can now be replicated. By that, I mean identify individuals quickly around this issue of withdrawal, address the withdrawal aggressively and use that as the lever to move them into care. Most of the patients are very interested in it, and as I said, two-thirds of my patients are willing to go into treatment, and most of them show up at the back end.

Our question really is, well, what about the lockup? Can we have the same sort of results where someone had been arrested, usually of petty crimes, breaking into a garage, such as I am told by our colleagues in New Castle County, the police departments are trying to struggle with this. They have actually come up with their own programs on their own called Hero Helps.

Senator CARPER. Thank you for that. I would think of what Dr. Horton has described, a best practice and the ability to, when folks show up at a hospital and they are ready for treatment, we get them into treatment. Maybe each of you could give us one other quick example of a best practice that the rest of us could learn from and implement. Michael, do you want to go first?

Mr. BOTTICELLI. Sure. Actually, this was an area that we focused on at the White House by bringing some good best practice. I will give you an example at Boston Medical Center. We opened what I believe is the first opioid urgent care center in the country. So, folks who either came in through the emergency department or were identified sometimes coming into the community could walk

in and we have dedicated staff, some peers, and recovery coaches who are able to work with them, to get a bed and access to care which is not easy, unfortunately. And so they work to make sure that people have the care that they need.

But I have to say, because this is really important, Massachusetts I still believe has the lowest uninsured rate in the country. So it is not an issue for staff at Boston Medical Center in the emergency department or in any other facility. And we have a generous Medicaid benefit.

Senator CARPER. OK.

Mr. BOTTICELLI. So the opioid urgent care center I think is something that is worth looking at.

Senator CARPER. Great. Thank you. Chief.

Chief SYNAN. I would also have to go along the same track. In Hamilton County, we are trying to get the hospitals to work with us and allow those people to go in as patients. Again, we are looking at this from a law enforcement aspect, which is not going to solve the problem, or is not going to be the answer.

But part of the problem we are also facing from the front-end line is also those people who do not want to get into treatment, which is a significant amount of people. So there is a hurdle not just going to jail or to the hospital, but how do we get them into those treatment facilities? If we had opiate centers, how would we get them there? So that is one of the challenges we are facing in Hamilton County that we are trying to overcome. If we could take them to a medical system where they could go to a hospital, start receiving medically assisted treatment, and if we started treating this like a brain injury or an illness, like it is defined, as a chronic illness, then I think we would have a better solution.

Senator CARPER. Thank you, Chief. Dr. Gilson.

Dr. GILSON. Thank you, Senator. A lot of ideas come to mind, and these guys——

Senator CARPER. Just give me one. Just give me one really good one.

Dr. GILSON. I think one of the things that we have to do is use the information that can be gleaned from people who die of overdoses to design intervention strategies. We saw 40 percent of the people who came to my office during the heroin phase of this epidemic had been incarcerated within two years or they had been in treatment within two years. I send each of the people leaving jail or treatment facilities a letter spelling out risk reduction strategies: Do not use by yourself. Do not go back to the same dose.

There is a tremendous amount of public health information to be gleaned by medical examiner systems, which, if we can take the burden off of the epidemic crushing these systems, could be potentially used to design very effective intervention strategies.

Senator CARPER. All right. Good. Thank you for each of those, and I am going to close, but before I do, let me just add another thought or two and then turn it over to Senator Peters, and he will close it out.

We want to thank you again for being here. For those with whom you work and represent, we thank them, too. Every now and then we have hearings that are illuminating. It is rare that we have a hearing that is both illuminating and terrifying, and this is really

both. And it really is, as I said at the beginning an "all hands on deck" moment. I am more convinced than ever as we wrap this up.

When Bettina Tweardy Riveros was my deputy legal counsel in my last term as Governor, one of the things that I was asked to do is be the founding vice chairman of something called the American Legacy Foundation. The American Legacy Foundation was created out of the 50-State tobacco settlement where the tobacco industry provided a lot of money to each of the States for a period of 25 years, still does. They also provided about $1 billion or $2 billion to create something called the American Legacy Foundation, which developed a truth campaign, which was probably the most effective campaign we have seen in this country's history in terms of convincing young people, if they were using tobacco, to stop, and if they had not started, not to start.

I realize it is not an entirely comparable parallel here, but we have not talked at all about messaging. I think in the back of my mind messaging has got to be a part of all those other silver BBs—I talked about earlier. No silver bullet, but lot of silver BBs. One that I would not—given what we have accomplished with the American Legacy Foundation and the truth campaign, messaging is one I would not dismiss.

Finally, I mentioned to the first panel and will say it to you as well. We will be asking questions for the record, and I will be asking for, again, a short list of things we ought to be doing, a sense of urgency, and ask you to come back with those ideas. You can repeat some of the things you said. That would be fine. But I think you could feel a real sense of urgency on this side of the dais, and I am sure we feel it from your side as well. Thank you all for what you are doing. We are in this together. Let us go forward together. God bless you. Thank you. Senator Peters.

Senator PETERS. First, I want to concur with all your comments. Thank you, Senator Carper, for one final question. Going back to the root causes—and I appreciated your response on how we have to make sure we have health insurance and Medicaid available for substance abuse counseling and treatment.

But there is also compelling evidence that prescription opioids are really one of the key drivers for what we are seeing here. Dr. Gilson, I know in your testimony it struck me that you mentioned in your county, of individuals who had been prescribed a controlled substance within two years of their death, over half of them had prescription opioids that led to this.

And so, just in a final question: are we aware of other sorts of treatments that we should be prescribing so that we can stop what appears to be perhaps overprescription of opioids to patients who then become addicted to them, that we need to have different types of treatments, and thinking about how we practice medicine, and are there impediments to preventing that? What should we be thinking about going forward in trying to basically stop the pipeline that starts with some prescription drugs?

Dr. GILSON. Thank you, Senator, for the question. I think that you have really hit the genesis of the problem, the nail on the head exactly. The culture in medicine tended toward overprescribing of opiate pain medications for chronic pain. The scientific support for

that was minimal, and that, unfortunately, became a standard of practice that I think has created a large opiate-addicted population.

If we gave prescription pain medication to everyone in this room, they would become addicted to prescription pain medication. They would become addicted to opioids. We have created a substantial large addicted population through the use and abuse of prescription pain medication. That is absolutely, inconvertibly true. And how we get back from that I think is that we have to start the reeducation of our medical community. We have to put much stricter guidelines on people prescribing pain medication.

I am sympathetic to people who have chronic pain, but if it is an effective treatment that creates an unnecessary and really detrimental consequence, that is not a good treatment, and we should hold accountable the people who promoted that idea. It was not very well documented, and I am really ashamed to say that the part that the medical community played in this crisis is not stopping. I still have lots of anecdotal information of people getting a month's worth of Vicodin after they get teeth pulled, with refills. We have to stop that, turn that flow off.

But I think Dr. Horton and other folks here said we have a population of people who already are suffering from that over-liberal prescription. We cannot turn our back on them. They are going to be with us for a while. And treatment does work, and I think the ways that we improve treatment will be more effective for that.

Mr. BOTTICELLI. During my time at ONDCP, I think, we worked with the CDC on comprehensive guidelines. I think some of the issues that we heard in terms of non-opioid therapies, the challenges I think are changing the culture of just giving a prescription. But I think the other issues that we heard is insurance reimbursement for things like physical therapy and acupuncture, and often even mental health therapy that can really help. So that was an issue that we have really got to take a look at in terms of those challenges.

I will say that we have had some good evidence in States that have really robust prescription drug monitoring programs. I think we have seen some good data on the reduction in prescription drug overdose deaths where physicians had to register and they had to check each and every time. And so I know many States have moved to mandatory registration and mandatory checks because it seems like that works.

You often get pushback from physicians, and I understand that sometimes they are busy. But my response was we are 15 years into this epidemic and I do not think it is unreasonable for a physician to take a modicum of education and to check the prescription drug monitoring program. We are losing too many people.

Senator PETERS. All right. Thank you. Thank you so much. I appreciate your testimony.

Dr. Horton, I am sorry. Were you going to say something?

Dr. HORTON. Only that in our State I think we have been able to implement some of those measures around the Prescription Monitoring Program (PMP), use of that, and really ratchet up regulations for prescribers. And it is a small State, so we are able to make these kind of changes, and we are starting to see that cultural change. So there is hope about being able to attend to it.

As far as treatment for prescription drugs, in many ways the genie is out of the bottle. Yes, most of the patients I attend to were exposed to prescription drugs, but now most of them are using heroin. We are actually starting to see—two epidemics. The prescription drug epidemic has not gone away, so those measures need to continue, reduce the exposure. But now we have a heroin epidemic as well.

Mr. BOTTICELLI. If I could just add one more thing, because I think it is important.

Senator PETERS. Please.

Mr. BOTTICELLI. Because Congress supported this. If you talk to Dr. Nora Volkow and the folks at the National Institutes of Health (NIH), they will tell you that actually we need to do a better job at researching non-opioid pain medications. I think one of the barriers is looking at what the administration proposed in terms of NIH reductions. I think you really put a significant damper on NIH's research capabilities and to come up with non-opioid, non-addictive prescriptions for pain medication. I think it undercuts what Congress passed as part of the 21st Century Cures Act.

Senator PETERS. Thank you so much. I appreciate it.

Senator CARPER. Well, that is a good note to end on. We have a lot of good ideas. Some of them we have heard before. My preacher at our church likes to say—he knows he is preaching to the choir, but he says, "Even choirs need to be preached to." So we appreciate you introducing to us a number of good practices, best practices, new ideas, but also some, especially the last one, that just make a whole lot of sense.

Again, our thanks to all of you for coming, for the work that you and your colleagues are doing. The hearing record will remain open for 15 days for any additional comments or questions by any of our Subcommittee Members. And, with that, this hearing is adjourned. Thank you so much.

[Whereupon, at 12:47 p.m., the Subcommittee was adjourned.]

APPENDIX

1

STATEMENT OF CHAIRMAN ROB PORTMAN
U.S. SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
Stopping the Shipment of Synthetic Opioids:
Oversight of U.S. Strategy to Combat Illicit Drugs
MAY 25, 2017

This hearing will come to order. [gavel]

I've called this hearing to address a crisis in our communities.

And it's getting worse, not better.

Our country is gripped by an opioid epidemic.

It's a crisis that doesn't discriminate and can be found in every corner of my state.

Earlier this month, Police Officer Chris Green in East Liverpool, Ohio suffered a fentanyl overdose following a routine traffic stop.

He noticed white powder in the car and took the necessary precaution of wearing a mask and gloves during the arrest.

When he was back at the police station, he noticed a small amount of powder on his shirt and brushed it off with his bare hand.

From that mere exposure to his fingers, he passed out from an overdose.

Officer Green was given one dose of Narcan on the scene, which is a drug used to reverse the effects of opioid overdose.

But Officer Green needed *three more doses* of Narcan at the hospital to revive him.

Fentanyl is a powerful drug that is killing Americans and putting our first responders at risk.

It is 30-50 times more powerful than heroin and 100 times stronger than morphine.

A lethal dose of fentanyl can be as little as two milligrams.

The number of Americans overdosing on fentanyl and its analogues has increased dramatically over the past few years.

Earlier this month, Director of National Intelligence Dan Coats included these synthetic opioids in his World Wide Threat Assessment, noting that deaths had increased 73% from 2014 to 2015. Sadly, that death toll continues to climb.

In Cuyahoga County, Ohio alone, fentanyl was responsible for 394 overdose deaths in 2016 (out of a total of 608 drug overdoses).

And this year is worse.

Dr. Thomas Gilson, the Cuyahoga Medical Examiner we will hear from this morning, is projecting 581 fentanyl-related deaths out of 850 total fatal drug overdoses this year.

Many of these deaths are due to mixing fentanyl with heroin and other drugs, leaving the user with no idea what they are taking.

An example of this is a new opioid cocktail referred to as "gray death."

According to reports, gray death includes a mixture of heroin, fentanyl, carfentanil (an elephant tranquilizer), and U-4770, another highly potent synthetic opioid.

Heroin is the weakest drug in that entire mix.

This opioid cocktail is available on the street for $10 to $20.

Even though these drugs are selling for cheap, fentanyl has a high profit margin, making it appealing to the criminal drug dealer.

The Drug Enforcement Agency (DEA) estimates a kilogram of fentanyl can be purchased from a Chinese supplier for a few thousand dollars.

A kilogram of fentanyl could be used to make hundreds of thousands of pills with profits in the millions.

Bottom line, we need to stop the flow of illicit fentanyl.

Unbelievably, it comes through the U.S. mail.

According to U.S. law enforcement and drug investigators, China is the primary source of deadly fentanyl in the United States.

While some fentanyl is smuggled into the United States from Mexico and Canada, it is primarily being shipped here, directly from factories in China.

It appears most of the fentanyl produced in China is intended for export to our communities.

And there are a number of Chinese-based websites ready to ship.

A google search for "fentanyl for sale" produces a number of websites where the drug – and many others – appear to be readily available.

On one website, you can purchase a gram of fentanyl for $250, but it says "the more you buy, the less you pay" offering discounts for larger volumes.

To ease any concern about whether the purchaser would receive his order, the website guaranteed discreet shipment "with undetectable and careful packaging."

While shipment was available to any number of countries, the website knew its audience and offered express delivery to the United States.

Many of these websites are so sure you will receive your shipment you are guaranteed another if the original is somehow seized by law enforcement.

Several websites we reviewed made clear they exclusively used Express Mail Service or "EMS" as their courier.

EMS is the international postal service offered by members of the Universal Postal Union or UPU.

Packages delivered through EMS are passed to the United States Postal Service when they enter the United States.

Our shared goal must be to stop these drugs from exploiting our own streams of mail into our country.

Following 9/11, Congress identified weaknesses in international shipping standards as a significant problem and made clear that requiring advanced electronic data would make our country safer.

But when Congress first legislated on this issue, it did so in a way that left a gaping loophole.

The Trade Act of 2002 mandated that commercial carriers provide advanced electronic information that could be used to identify certain packages being shipped into the United States.

In that 2002 legislation, Congress asked the Secretary of Homeland Security and Postmaster General to decide if the Postal Service should be subject to the same requirement.

To date, no determination has been made, and our country is less safe as a result.

As such, the difference between the information that private commercial carriers are required to provide is very different from the Postal Service, but both serve the same function: delivering packages.

At the same time, the Postal Service handles a much higher volume of international packages than the commercial carriers combined.

Prior to any shipment arriving in the United States, commercial carriers are required to electronically provide advanced data to law enforcement, including Customs and Border Protection with basic information about the shipment, including

- the shipper's name and address;
- the name and address of the person receiving the package;
- a description of the contents;
- piece count;
- weight; and
- value of the contents.

This information is transmitted to CBP and 47 other federal agencies at the National Targeting Center.

Based on this information, CBP targets suspect shipments for additional scrutiny and selects the packages it wants to inspect when they arrive in the United States.

Commercial carriers are also charged $1 per package by CBP which most commercial carriers pass on to the shipper.

None of this applies to the Postal Service.

All international packages shipped through the Postal Service are routed through five international service centers, with the New York center at JFK airport receiving overwhelmingly more packages than any other.

How the packages are processed is completely different at each center.

For the most part, CBP is tasked with identifying packages or shipments it wants to inspect and the Postal Service locates those packages or shipments and presents them to CBP.

However, it isn't that easy.

Due to the hundreds of thousands of packages handled by USPS, the Postal Service is left to manually sort through large shipments trying to identify what CBP is looking for.

All internationally shipped packages are already required by the Universal Postal Union to have certain information attached to them including the:

- sender;
- recipient;
- a detailed description of the contents;
- weight;
- and value.

The problem is the information is not electronic or transmitted in advance, rendering it essentially useless.

The UPU has indicated it will require member countries to place a barcode on every package starting in 2018.

However, the shipper will not be required to load any electronic information on that barcode until 2020.

Realistically, the target date to implement this requirement is closer to 2022, but there's no guarantee it will even happen by then.

For 15 years, the Postal Service has been on notice of the need to collect advanced electronic information about its packages.

We can't wait any longer; Americans are dying every day from these poisonous drugs that are flowing into our country right now. We have to stop it.

The Postal Service is trying to use electronic information at JFK to help CBP identify packages.

In that pilot program, the Postal Service is providing advanced electronic data to CBP for packages that weigh less than 4.4 pounds (or "ePackets").

Once the Postal Service shares the information, CBP uses that information to identify the packages it wants to inspect.

The Postal Service then locates and presents those selected packages for inspection.

While this is a step in the right direction – after nearly 15 years of inaction – the results to date are lacking.

In December 2016, the Inspector General found:

- the Postal Service failed to present all of the packages CBP selected for inspection; and
- a substantial number of ePackets lacked any advance electronic data associated with it.

I understand the Postal Service has taken steps to remedy the issues of presenting packages to CBP for inspection and I look forward to hearing the details today.

But without advanced electronic data, we'll continue to miss a significant portion of the packages.

Further, this pilot program is only happening at one location.

At the other four centers the Postal Service is stuck sifting through millions of packages trying to find a needle in a haystack.

We can't continue like this.

We need more advanced electronic data, and we need it now.

I've been working in a bipartisan way to solve this problem.

Which is why I introduced legislation, the STOP Act, aimed to improve the advanced information that the Postal Service for international mail.

We've now got 16 cosponsors in the Senate, eight Democrats and eight Republicans.

In the House, Congressman Pat Tiberi of Ohio and Richard Neal of Massachusetts, Republican and Democrat, have introduced companion legislation and they now have 128 cosponsors.

Our focus today is getting input from this panel of witnesses so we have a clear understanding from all of the key stakeholders as we move forward.

I look forward to hearing from our witnesses today.

Opening Statement of Ranking Member Tom Carper

PSI Hearing: Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs

May 25, 2017

- **Thank you, Mr. Chairman, for calling this important hearing today. I appreciate your continued focus on our country's opioid crisis, which has had deadly consequences for our friends, neighbors, and loved ones in communities across the country.**
- **I also appreciate our focus today on learning more about at least one of the ways these drugs are getting into our communities, and what we can do to stop them.**
- **I look forward to hearing from our witnesses on the first panel to better understand the processes used by the Postal Service, private shippers, and CBP to screen**

international mail shipments and to identify and stop potentially illicit packages.

- **I also look forward to learning more about where the coordination between shippers and federal agencies is working well, while identifying areas where we need to push for improvements.**
- **Joining in today's discussion is the Postal Service which, in partnership with CBP, is our first line of defense in preventing the flow of illegal drugs and contraband into our country.**
- **As some of you may recall, protecting and improving the mail system in this country has been one of my biggest priorities as a member of this Committee. The Postal Service is vital to our economy and is the lynchpin of a trillion dollar mailing industry. Yet the agency is facing**

insolvency if Congress does not act in the coming months to pass comprehensive postal reform.

- **Doing this will free up billions of dollars that the Postal Service can use not only to invest for the future and improve customer service, but also shore up mail security.**
- **It's worth noting that, despite the financial uncertainty facing the Postal Service, its inbound international package volume has grown significantly in the past three years. In fact, it's nearly doubled, growing from 150 million pieces in 2013 to more than 275 million in 2016.**
- **There's no question that handling this increased volume – in addition to the increase in domestic packages we're seeing – is putting a strain on already stretched resources.**

- **Unlike private carriers, the Postal Service is required to deliver all mail it receives from foreign posts in a timely manner. This is due to our membership in the Universal Postal Union, which sets international mailing standards. It also ensures that we can send mail ourselves to friends, family, and business partners overseas.**
- **The State Department represents the United States at the Universal Postal Union and is also here today to discuss our involvement in this key organization. I look forward to hearing from our Postal Service and State Department witnesses about our commitment to promoting the exchange of advanced electronic data among the Union's 192 member countries as a means of combatting the shipment of drugs and other illegal goods.**

- **While all packages are screened initially by CBP before being presented to the Postal Service, CBP can, and often does, target packages for additional screening.**
- **CBP, which is also joining us today, can target packages based on the country of origin or on scans done by the Postal Service. Recently, the Postal Service and CBP have been working closely together on a pilot program that allows CBP to use advanced electronic data on small packages from China arriving at JFK Airport.**
- **While the Postal Service provides other countries with advance electronic data about mail originating in the United States, we don't always get that same information from other countries. This makes it harder for CBP to do its job as packages arrive here. The pilot program at JFK is a rare exception, so I hope we can learn today**

whether there are any recommendations to improve and expand this program.

- **Private carriers, like UPS -- which is also joining us today -- already provide CBP with advanced electronic data on packages destined for our country. Unlike the Postal Service, private carriers have integrated, automated systems in locations around the world and can refuse to accept a package at origin that does not contain any shipping manifest data. Hopefully, learning how this process is yielding success in interdicting shipments of illicit drugs can help us cover the gaps exploited by smugglers.**
- **I also look forward to identifying methods that Congress can embrace to ensure that federal agencies, as well as our state and local partners, have the resources they need to combat the opioid crisis on the ground.**

- **Specifically, I am eager to hear from our witnesses on the second panel, each of whom serve on the front lines of the nation's opioid epidemic in various capacities, from law enforcement, to medical doctors, and addiction experts. These witnesses will give us first-hand perspectives of the challenges we face in fighting opioid addiction, and the strategies that have proven effective, particularly in Delaware and Ohio, and nationwide.**
- **While I look forward to a discussion of ways to reduce Americans' access to and use of synthetic opioids, this is only part of the equation. We must not lose sight of the need to also focus on the root causes of our nation's considerable demand for drugs. Until we do that, the crisis will only continue to worsen and smugglers will continue to look for and find ways around the defenses we put in place to block the supply of dangerous drugs.**

- **Today's opioid crisis is arguably the worst in American history. According to the Centers for Disease Control, over 33,000 Americans suffered an opioid-related death in 2015. My home state of Delaware has not been immune. According to Delaware's Division of Forensic Science, there were 222 overdose deaths in 2014, 228 in 2015, and 308 in 2016. Those numbers are staggering. Unfortunately, they are even worse in some communities in Ohio and elsewhere across the country.**

- **Substance abuse is a complex problem with consequences for everyone, and we cannot pay attention only to the symptoms of the problem without trying to address the underlying causes.**

- **We know that overdose deaths are preventable, so as the crisis worsens, we need to work together to provide critical and robust funding to help save lives.**
- **I think it is important to note in closing that access to health care plays a pivotal role in combatting addiction. Unfortunately, current proposals to repeal the Affordable Care Act threaten to undermine much of the recent bipartisan progress in addressing the nation's opioid epidemic and strengthening our nation's mental health system.**
- **As we know, Medicaid is the single largest payer of substance abuse services in the nation, paying for one-third of all medication-assisted treatments. Current plans to repeal Medicaid expansion and add program caps will only make this opioid crisis worse, as millions**

will be at risk of losing coverage for substance abuse prevention, treatment, and recovery services.

- **Going forward, I look forward to working even more effectively with our colleagues on both sides of the aisle to address the underlying causes of the opioid epidemic and learning how we can bring about substantial, lasting change.**

Testimony of:

Gregory D. Thome
Director, Office of Specialized and Technical Agencies
Bureau of International Organization Affairs
Department of State

to the

U.S. Senate
Homeland Security and Governmental Affairs Committee
Permanent Subcommittee on Investigations

on

"Stopping the Shipment of Synthetic Opioids:
Oversight of U.S. Strategy to Combat Illicit Drugs"

May 25, 2017

Washington, DC

Chairman Portman, Ranking Member Carper, members of the Subcommittee, thank you for the opportunity to appear today to discuss the issue of illicit drugs, including synthetic opioids, in international mail. I want to highlight the efforts the State Department is taking to improve our information flows and awareness of items manifested for domestic recipients. The supply side of the synthetic opioid crisis presents a complicated picture with multiple pathways for these drugs to enter the country. In addition to the shipments that find their way into the United States from across our land borders and through express delivery services, illicit fentanyl and other illicit drugs also enter the country through international mail, typically in small shipments purchased on-line by individual consumers. The Department of State is aware that these small shipments pose unique challenges to U.S. Customs and Border Protection (CBP) -- challenges that the exchange of advance electronic information (AEI) can help mitigate. Consequently, the Department works closely with CBP and United States Postal Service (USPS) to take steps, at the global level, to increase the availability of AEI for international mail. And we are committed to helping enhance CBP's ability to interdict illicit drugs in this channel.

Before discussing these efforts, I should explain that the Postal Accountability and Enhancement Act of 2006 identifies the State Department as the lead agency for international postal policy. The main forum for our work is the Universal Postal Union (or UPU). The UPU is an intergovernmental organization of 192 countries that have committed to delivering one another's mail on the basis of reciprocity.

The UPU Congress, and its forty-member Postal Operations Council (or POC), write and adopt the *Acts of the Union*, which are the rules of the road for international mail exchange. At the UPU Congress of 2012, the United States was successful in securing amendments to the UPU Convention that committed each member state to adopt and implement a security strategy that includes complying with the requirements for providing AEI.

And at the most recent UPU Congress in 2016, the United States was re-elected to the POC and was selected as co-chair of the POC Committee on Supply Chain. This committee oversees all UPU work on customs, security, transportation and standards. The United States also chairs that Committee's Standing Group on Postal Security. These leadership roles position us extremely well to ensure that high priority security issues -- especially AEI -- move forward as quickly as possible. And we have made very significant progress toward that goal.

With active participation and technical input by the United States, the UPU cooperated with the World Customs Organization to develop an electronic system to allow for the capture, transmission, and receipt of AEI. In February of last year, the POC adopted a new regulatory framework for the exchange AEI and a Roadmap for AEI implementation. The United States now leads the steering committee coordinating the work required to reach the Roadmap's milestones, which include final adoption of the technical messaging standard for item-level data – which we expect at this fall's POC meeting.

As significant as these achievements are, they are only part of the picture, and there are significant obstacles to overcome. The main impediment to widespread exchange of AEI is the very limited ability of most postal services to collect and transmit it. The UPU Business Plan adopted in 2016 calls for all postal services to have the capability to exchange item-level data by the end of 2020.

The technical ability to exchange this data does not, however, translate directly into the ability to collect and enter it. Many post offices in rural areas of the developing world do not have Internet connectivity or even reliable sources of electricity, which makes collection and transmission of data for postal items extremely difficult. Even in developed countries, some postal services have been slow to invest in the needed infrastructure for item-level electronic data exchange -- and few, if any, countries now have the ability to provide it for 100% of their mail requiring customs declarations.

Our approach has been to support the UPU to provide capacity building that enables AEI. The UPU is devoting approximately half of its cooperation budget over the next four year to a project designed to position postal services in developing countries to obtain this capacity. And the major focus of this program is AEI.

We will continue to support and encourage these efforts but recognize that rapid acceleration of investment in, and use of, electronic data for customs and security will also be driven by the business needs of postal operators themselves. Increasingly, postal operators see that delays caused by customs processing are a major impediment to growth in the use of the international mail for e-commerce transactions. Exchange of AEI is the only solution to this problem. Consequently, while once the United States was a voice in the wilderness calling for AEI, we are now leading a chorus of countries – developing and developed – that are calling for AEI exchange.

Another significant development with implications for AEI is the decision of the last UPU Congress to launch the Integrated Product Plan (IPP), which aims to modernize the UPU's product offerings with an eye toward e-commerce. This far-reaching effort has clear benefits for the customs processing of mail. Phase 1, which will commence in January of 2018, will introduce a new division of mail products into items containing documents and those containing goods. This split will facilitate compliance with customs requirements, including AEI. Phase 1 also entails a requirement for mail items containing goods to have a UPU standard bar code label, which is a critical enabling condition for AEI.

Furthermore, regulations approved by the POC last February will allow members to impose requirements for AEI on items containing goods, provided they take into account whether the requirements they are imposing can be met by those to whom they apply. The thinking behind the regulation was that demanding something that is impossible as a condition for delivering

another country's mail is the same as refusing to receive it at all. Such requirements would undermine the reciprocity that is at the heart of the UPU.

In conclusion, I would like to highlight that, as work on the UPU Roadmap for AEI progresses and IPP implementation proceeds, the number of countries able to provide AEI and the proportion of their mail stream that it covers will continue to grow. I assure the Subcommittee that the Department of State will spare no effort in working to accelerate this process.

Thank you Mr. Chairman. I look forward to answering your questions and those of other members of the Subcommittee.

UNITED STATES POSTAL SERVICE

Statement of Robert Cintron
Vice President, Network Operations
United States Postal Service
Before the Permanent Subcommittee on Investigations of
The Homeland Security and Governmental Affairs Committee
United States Senate
May 25, 2017

Good morning, Chairman Portman, Ranking Member Carper, and members of the Subcommittee. Thank you, Chairman Portman, for calling this hearing on the country's problem with fentanyl and other synthetic opioids.

My name is Robert Cintron, Vice President, Network Operations, for the United States Postal Service. I oversee the Postal Service's national distribution network, including international operations. To simplify, as a piece of mail moves from origin to destination, I oversee the middle portion—after mail has been collected at a Post Office or has been picked up by a mail carrier, up until it has been sorted, transported and is ready to be sent out for delivery.

The Basics of International Mail Processing

In the current process, inbound international mail from foreign postal operators arrives by plane at one of our International Service Centers (ISCs)[1]. It arrives in large bags packed in containers designed to fit in the cargo holds of aircraft, though larger packages can often be loose in those containers. After an initial bulk screening by U.S. Customs and Border Protection (CBP), inbound international items are unloaded at ISCs and individual mail bags and receptacles receive an initial receipt scan by the Postal Service. At this point, items requested by CBP are presented to CBP for further inspection.

For those items for which Advance Electronic Data (AED) are furnished, CBP has an enhanced ability to target items for inspection. AED includes the sender's full name and address (including full business name), the recipient's full name and address, the stated content description, unit of measure and quantity, weight, value, and date of mailing.

Once CBP has completed its inspection and assessed any applicable duties and taxes, those items that are cleared are released to the Postal Service for processing and delivery.

[1] The U.S. Postal Service operates five ISCs that send and receive international mail shipments. These include facilities in New York NY, Miami FL, Chicago IL, San Francisco CA, and Los Angeles CA.

The Role of CBP and USPIS

Congress has given CBP the responsibility and authority to screen items at the first point of entry into the United States. At entry, CBP has the authority to open and inspect all inbound items without a warrant to identify prohibited items.

While the Postal Service has the responsibility to process and deliver inbound international mail, its law enforcement branch, the U.S. Postal Inspection Service (USPIS), investigates mail-related crime and works closely with other law enforcement agencies, including CBP. If the USPIS suspected that an item contained contraband, it would generally need to present probable cause to a federal judge and secure a search warrant before opening an incoming international mail piece that is within a class sealed against inspection.

The USPIS recently added dedicated resources to the DHS National Targeting Center with CBP & Homeland Security Investigations (HSI). USPIS resources were also placed at the DEA Special Operations Division to share intelligence and conduct enforcement operations both domestically and internationally. The USPIS also partners with High Intensity Drug Trafficking Area (HIDTA) Task Forces, Organized Crime Drug Enforcement (OCDETF) Task Forces and the Office of National Drug Control Policy (ONDCP).

Every law enforcement agency brings value and potentially vital information to bear to help identify major drug traffickers. Information can originate from the local level with an arrest, a tip from an informant, or interdiction initiatives that lead to a seizure. For success in thwarting the international drug trade, cooperation and teamwork between law enforcement agencies is critical. Information sharing is an invaluable asset at the importation and street level, and everywhere in between.

The Growth of AED

The Postal Service has been a leading proponent of AED. Since the enactment of the Trade Act of 2002, the United States and a number of other industrialized countries have improved technical capabilities to provide AED. Today, the Postal Service collects AED for more than 90 percent of its outbound international mail and receives AED for 40 to 50 percent of inbound mail.[2] To put this in perspective, comparing data from FY 2015 to the present, AED for inbound international mail has increased from approximately one percent to its present range, between 40 and 50 percent.

The increase in the percentage of inbound items with AED is expected to continue to grow, especially as more countries develop their capacities. The Postal Service currently receives data on a substantial amount of inbound shipments, including those originating in China.

[2] Volumes measured exclude letter- and flat-shaped letter post items and military mail.

The New York ISC Pilot Program
The Postal Service is continuing to coordinate with CBP to enhance our current operational processes and equipment. The Postal Service began a pilot program in mid-2015 at the New York ISC to use inbound AED to facilitate more advance targeting by CBP.

The Postal Service provides AED to CPB that can be used to review and target specific mail pieces prior to arrival at the ISC. CBP identifies the individual target items, which the Postal Service holds from the inbound receptacle and presents to CBP for inspection.

With the lessons learned from the pilot, the Postal Service is actively working with CBP to expand this approach to other ISCs.

Bilateral and Multilateral AED-Sharing Agreements
In an effort to expand even further the provision of AED for international inbound volume, the Postal Service is prioritizing obtaining AED from the largest volume foreign postal operators, which collectively account for over 90 percent of all inbound volumes.

The Postal Service is leveraging AED on outbound package shipments to incent foreign postal operators to provide AED in bilateral and multilateral relationships, including China, Korea, Hong Kong, and Australia. Posts from other countries have entered into voluntary data sharing agreements with the Postal Service to facilitate the exchange of AED (including Canada, France, Germany, and Spain). Additionally, the Postal Service is testing with other foreign postal operators the ability to exchange AED.

Through multilateral organizations, the United States has been a leading advocate for the exchange of AED. For example, through the Kahala Posts Group (KPG), an organization comprised of several large volume postal operators, the Postal Service has shared AED best practices, helped develop a data sharing agreement, and encouraged other posts to collect data and commit to targets. The Postal Service did the same through the International Post Corporation (IPC), an organization composed of postal operators of mainly industrialized countries. Additionally, the Postal Service has advanced a proposal to adopt item-level AED among the PRIME multilateral group, a group comprised of dozens of postal operators with a focus on small, tracked packets.

Actions Through the Universal Postal Union
Further, the Postal Service works closely with the United States Department of State, which has lead responsibility for representing the United States Government in the Universal Postal Union (UPU), the 192-member international organization charged with facilitating the exchange of mail among member countries through treaty agreements. At the UPU, United States initiatives have included sponsoring proposals for AED requirements with supporting features like mandatory barcodes, and have contributed to the UPU memberships' increase in adoption and implementation of AED messaging and

security standards.

Status of USPSOIG Action Plans

While the preceding provides an overview of the accomplishments and challenges associated with international mail, the United States Postal Service Office of Inspector General (USPSOIG) has issued three key documents over the past two years related to the specific handling of inbound international mail.

The first, from September 3, 2015, was a Management Alert focused on the Handling of Inbound International Mail at one of the ISCs, which made four recommendations. The first recommendation was to enhance the system application for automation. The Postal Service agreed and had already started on the initiative prior to the OIG's recommendation. The Postal Service is updating software and procuring new equipment to address this recommendation.

The second recommendation was to coordinate with CBP to clarify its inspection requirements and establish a process to ensure compliance. The Postal Service agreed with the recommendation and created a draft memorandum of understanding (MOU) at the national level that would be followed by establishing local MOUs with each ISC and CBP facility. A draft national MOU was provided to CBP in April 2016. We understand that the draft is currently under review; however, it should be noted that the Postal Service and CBP continue to work together to improve work methods and processing procedures.

The third recommendation requested that the Postal Service provide recurring training to employees to ensure they remain current with the proper processes for handling and presenting mail in accordance with CBP requirements. The Postal Service agreed, and has provided quarterly service instruction for ISC employees. This recommendation has been closed.

The fourth recommendation was to ensure scanned data are accurate, complete and reliable. The Postal Service agreed to review scan requirements for all mail categories to ensure the scanning process represents the physical movement of mail and is streamlined for reliability. The Postal Service is actively working with OIG to finalize and close this recommendation by June 2017.

On September 21, 2016, the USPSOIG issued a Management Alert focused on Inbound International Mail Operations at another International Service Center. Two recommendations were made. The first recommendation was to establish a MOU with CBP to state CBP's mail presentation requirements; the draft is under review as noted above.

The second recommendation was that the District Manager communicate proper procedures to provide oversight to ensure compliance. The Postal Service agreed. The Standard Operating Procedure (SOP) was reviewed, revised and re-issued. This

recommendation has been closed.

On December 30, 2016, the USPSOIG issued an Audit Report regarding the U.S. Postal Service Handling of Inbound International Mail at one of its ISCs. Two recommendations were made. The first recommendation was for the Postal Service to implement certain controls with four key components. Three of the four items are complete, and with respect to the last item, the Postal Service drafted a proposal and is in the process of reviewing it with stakeholders. The target date for completion is August 2017.

The second recommendation was to take actions to obtain AED from foreign postal operators, such as requesting it in future bilateral agreements. The Postal Service agreed. As previously mentioned, the Postal Service has various initiatives underway to facilitate the exchange of AED, including multilateral and bilateral agreements. The Postal Service currently has four bilateral agreements in effect that require AED, additional countries are sending AED under voluntary data sharing agreements, and another set of countries are in the process of testing AED with the Postal Service. The Postal Service is in the process of finalizing the documentation to submit to USPSOIG for closure.

The STOP Act

While the Postal Service agrees with the goal of the STOP Act to increase AED, the STOP Act's blanket requirement that international mail streams from all countries must immediately include AED is impractical. Compliance with the STOP Act would require the suppression of inbound mail to the United States. The Postal Service would be compelled to refuse to accept mail from many countries. The blocking of inbound mail destined for the United States could also lead other countries to block outbound mail originating in the United States.

The STOP Act would also impose enormous new costs upon the Postal Service – costs of approximately $1.2 to $4.8 billion over ten years have been estimated based on our understanding of the current language. Notably, the Postal Service would immediately have to pay a new customs fee on most inbound mail items (except small letters and large-value dutiable items), but, under current international law, the Postal Service would be unable to charge most customers to recoup that cost. Other mostly unrecoverable costs would include paying for CBP's expenses at International Service Centers, lost contribution due to volume suppression, and penalties for false or missing customs data, even when the Postal Service is not at fault. Saddling the Postal Service with billions of dollars of new costs would not improve the security of America's borders; it would limit the Postal Service's resources to help make such improvements to the international mail network.

Unlike private companies, the Postal Service must provide universal service throughout U.S. territory. In addition, as the designated postal operator of the United States, the Postal Service is obligated to accept and deliver letter and parcel post from nearly every country in the world. However, the Postal Service cannot set the postage prices paid by foreign shippers, and also cannot unilaterally set the rates for letter post and parcels (except certain expedited items) paid by foreign postal operators for delivery within the U.S. Further, the Postal Service does not control the induction of foreign mail destined for the United States, so it cannot control the collection and transmission of AED abroad.

By contrast, private shipping companies can not only pick-and-choose the most lucrative markets to serve and products to offer, but they also can charge foreign mailers prices to cover customs processing costs and can control the collection of customs data needed to transmit AED. By purporting to impose "parity" on international mail, the STOP Act would instead undermine the Postal Service's ability to compete with private shippers that are not similarly situated.

The Postal Service supports requiring AED for foreign-origin mail. However, unlike the STOP Act, the Postal Service recommends targeting individual countries based on their capacity to provide AED and their relative security risks.

Conclusion

In conclusion, the Postal Service understands and shares the concerns about illegal drugs and contraband entering the U.S. through the mail. We are committed to partnering with CBP to enhance CBP's ability to target synthetic opioids and other illicit drugs from entering the country.

As it has done throughout its history, the Postal Service is committed to taking all practicable measures to ensure our nation's mail security, and provide the American public the best, most efficient service possible. Again, thank you for this opportunity to testify, and I look forward to your questions.

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TESTIMONY OF

ROBERT E. PEREZ
Executive Assistant Commissioner
Office of Operations Support

U.S. Customs and Border Protection
Department of Homeland Security

For a Hearing

BEFORE

U.S. Senate
Homeland Security and Governmental Affairs
Permanent Subcommittee on Investigations

ON

"Stopping the Shipment of Synthetic Opioids:
Oversight of U.S. Strategy to Combat Illicit Drugs"

May 25, 2017
Washington, D.C.

Introduction

Chairman Portman, Ranking Member Carper, and distinguished Members of the Subcommittee. Thank you for the opportunity to appear today to discuss the role of U.S. Customs and Border Protection (CBP) in combating the flow of dangerous synthetic opioids, particularly illicit fentanyl, into the United States.

Since 2014, there has been an escalation of fentanyl use in the United States. Fentanyl is a synthetic opioid drug that depresses the central nervous system and respiratory function to alleviate pain without the loss of consciousness. In its pure powder form, fentanyl is approximately 50-100 times more powerful than morphine. At first glance, it is often mistaken for other drugs which appear as white powders such as cocaine or heroin.

As America's unified border agency, CBP plays a critical role in the Nation's efforts to keep dangerous synthetic drugs like fentanyl out of the hands of the American public. Interdicting drugs at and in between our Ports of Entry (POEs), leveraging targeting and intelligence-driven strategies, and working with our partners to combat Drug Trafficking Organizations (DTOs) are key components of our multi-layered, risk-based approach to enhance the security of our borders. This layered approach reduces our reliance on any single point or program, and extends our zone of security outward ensuring our physical border is not the first or last line of defense, but one of several.

Fentanyl Trends, Interdictions, and Challenges

Interdicting illicit drugs, particularly synthetic opioids, is both challenging and complex. The majority of U.S. trafficked illicit fentanyl is produced in other countries such as China, and is principally smuggled through international mail facilities, express consignment carrier facilities (e.g., FedEx and UPS), or through POEs along the Southern land border.

In Fiscal Year (FY) 2016, CBP officers and agents seized or disrupted more than 3.3 million pounds of narcotics across the country[1] including approximately 46,000 pounds of methamphetamine and approximately 4,800 pounds of heroin. CBP seizures of fentanyl remain relatively small compared to heroin, but have significantly increased over the past three years, from approximately 2 pounds seized in FY 2013 to approximately 440 pounds seized in FY 2016. Fentanyl is the most frequently seized illicit synthetic opioid, but CBP has also encountered various types of fentanyl analogues.[2] .

Fentanyl is also smuggled into the United States from China and other countries. DTOs and individuals purchase powdered fentanyl online and can access open source and dark web marketplaces for the tools needed for manufacturing. Fentanyl, pill presses and binding agents are then shipped into the United States primarily using the U.S. Mail or express consignment couriers,

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[1] FY 2016 Border Security Report, U.S. Customs and Border Protection, https://www.cbp.gov/sites/default/files/assets/documents/2016-Dec/CBP-fy2016-border-security-report.pdf

[2] These include: acetylfentanyl, butyrylfentanyl, beta-hydroxythiofentanyl, para-fluorobutyrylfentanyl, pentanoylfentanyl, alpha-methyl acetylfentanyl, para-fluoroisobutyrylfentanyl, para-fluorofentanyl, carfentanil, furanylfentanyl, and most recently benzodioxolefentanyl, acrylfentanyl, and methoxyacetylfentanyl.

such as FedEx, UPS, and DHL. We assess these transactions made over both the open and dark webs and comprised of smaller quantities of fentanyl (less than 1 kilogram) will likely continue in FY 2017. Based on increased flow and improved detection capabilities, CBP anticipates that both heroin and fentanyl seizures will rise over FY 2017.

U.S. law enforcement suspects that there are also some clandestine fentanyl production labs present in Mexico that likely obtain production chemicals from China. Heroin is often spiked with fentanyl to increase drug potency, or fentanyl is mixed with adulterants and sold as "synthetic heroin." This practice stretches the product of DTOs, increasing profits. The practice also increases the safety risk to heroin users, who are sold heroin of unpredictable strengths and compositions. Additionally, mixtures are primarily exploited on the Southwest Border, making it more challenging for CBP to pinpoint exactly how much fentanyl is seized at the border.

In the mail and express consignment environments, DTOs and individual purchasers move fentanyl in small quantities to try to evade detection. CBP operates within nine major International Mail Facilities (IMF) inspecting international mail arriving from more than 180 countries, but is challenged in interdicting fentanyl and other synthetic drugs by a lack of advanced manifest data which would aid in targeting shipments, and challenged by the sheer volume of mail and the hazardous nature of various types of synthetic drugs. Due to the lack of advance data, the processing of inbound international mail is primarily manual, requiring CBP Officers to sort through large bags or bins of parcels. This manual process, again coupled with the tremendous volume of inbound mail to the United States, creates a daunting task for CBP.

Despite these challenges in the mail environment, CBP officers continue to utilize experience and trained intuition to target suspect packages for inspection. On April 20, 2017, CBP Officers working at the IMF in Chicago, Illinois intercepted a package from China destined for LaFayette, Indiana that was not manifested and had no declared value. CBP Officers selected the package for further examination due to prior seizures utilizing similar packaging. A physical examination of the package revealed 2.27 pounds of a fentanyl analogue.

In the land border environment, CBP uses the same drug-interdiction methodology to seize fentanyl arriving from Mexico as it uses to detect other illicit drugs. However, the detection of fentanyl remains challenging due to limited field testing capabilities and the myriad of fentanyl analogues on the market. Just as the illicit drug manufacturers seek to outpace the law with new drug analogues, new drug analogues can come and go faster than the canine training needed to detect these emerging drugs. Currently, all suspect substances must be sent to CBP's Laboratories and Scientific Services Directorate (LSSD) for identification.

CBP Resources and Capabilities to Detect, Target and Interdict Fentanyl

CBP, with the support of Congress, has made significant investments and improvements in our drug detection technology and targeting capabilities. These resources, along with enhanced information sharing and partnerships, are critical components of CBP's ability to identify and deter the entry of dangerous illicit drugs in all operational environments.

CBP's National Targeting Center (NTC)

Global trade and travel continue to increase in pace and threats to the United States and our allies continue to evolve. Adversaries are always attempting to exploit vulnerabilities in global travel and supply chains. The NTC is the entity within CBP where advance data and access to law enforcement and intelligence records converge to facilitate the targeting of those travelers and items of cargo which pose the highest risk to our security. The NTC employs a layered enforcement strategy taking in large amounts of data, and using sophisticated targeting tools and subject matter expertise to analyze, assess, and segment risk at every stage in the trade and travel life cycles. As the focal point of that strategy, the NTC leverages classified, law enforcement, commercial, and open-source information in unique, proactive ways to identify high-risk travelers and shipments at the earliest possible point prior to arrival in the United States.

CBP's NTC – Cargo (NTC-C) Narcotics Targeting team addresses illicit narcotics smuggling on a global scale through an aggressive targeting and analysis program, identifying narcotics smuggling schemes in all modes of inbound transportation. NTC-C has the lead role for CBP of identifying global trends and patterns in the narcotics trade and in responding accordingly. NTC-C narcotics analysts have identified numerous smuggling trends and combatted DTOs by successfully identifying shipments of drugs, pill presses, and precursor chemicals.[3]

To bolster its targeting mission, the dedicated men and women of the NTC collaborate with critical partners on a daily basis including U.S. Immigration and Customs Enforcement – Homeland Security Investigations (ICE-HSI), the Drug Enforcement Administration (DEA), the Federal Bureau of Investigation, other members of the Intelligence Community, and the United States Postal Inspection Service (USPIS). Moreover, NTC works in close coordination with several pertinent taskforces including the Organized Crime Drug Enforcement Task Force, the High Intensity Drug Trafficking Areas, and the Joint Interagency Task Force-West, as well as the Department's Joint Task Force-West and Joint Task Force–Investigations.

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[3] The two main materials that are used to produce fentanyl, NPP and ANPP, are federally regulated. However, other precursor chemicals used to produce fentanyl are currently non-regulated and have legitimate uses. CBP has the authority to seize precursors if they can be identified as having illicit end-uses, including the production of illicit drugs. CBP targets precursor chemicals transiting the United States with destinations to Mexico and other countries. When these shipments are identified through interagency collaboration as having illicit end-uses, the shipments are offloaded for further inspection and enforcement action by external agencies such as the DEA and ICE-HSI.

In addition to targeting illicit substances directly, CBP also targets related equipment such as pill presses and tablet machines. DEA regulates pill press/tablet machines. Additionally there is an ICE Diversion Coordinator assigned to the DEA Special Operations Division (SOD) who oversees the investigations of pill press/tablet machine imports being diverted for illicit uses. The Diversion Coordinator works closely with the NTC to identify and target individuals importing and diverting pill press/tablet machines to produce fentanyl and other synthetic drugs. In FY 2014, 24 pill press/tablet machines were seized by CBP, and the number increased to 51 in FY 2015 and 58 in FY 2016.

Non-Intrusive Inspection Equipment

CBP's Office of Field Operations (OFO) utilizes technology, such as non-intrusive inspection (NII) x-ray and gamma ray imaging systems, and Fourier Transform Infrared Spectroscopy (FT-IR) equipment to detect the illegal transit of synthetic drugs hidden on people, in cargo containers, and in other conveyances entering through POEs, and at international mail and express consignment carrier facilities. Since September 11, 2001, NII technology has been a cornerstone of the CBP multi-layered enforcement strategy. As of May 1, 2017, 304 Large-Scale (LS) NII systems are deployed to, and in between, our POEs. In FY 2016, LS-NII systems were used to conduct more than 6.5 million examinations resulting in more than 2,600 seizures and over 163,128 kilograms (359,636 pounds) of seized narcotics.[4]

Laboratory Testing

Due to the risk of unintentional exposure and subsequent hazardous drug absorption and/or inhalation, the testing for the presence of fentanyl is best executed in a laboratory by trained scientists and technicians. Expedited analysis can have a turnaround time of a day or two; however, the turnaround time for non-expedited samples can take up to two months.[5] LSSD has adequate laboratory technology and resources to test for fentanyl and its analogues. CBP's most effective means of performing fentanyl detection in the field is its triage program which is deployed at the IMFs and Express Courier Consignment Facilities (ECCF). The triage program utilizes ruggedized FTIR equipment whose data is transmitted to scientific personnel to provide presumptive results within one business day. LSSD is working to expand the field testing program, along with the scientific assets and personnel who are able to provide real time chemical composition determinations.[6]

The composition and size smuggled packages seized at the Land Ports of Entry (LPOE) are different than those at the ECCFs and IMFs. The narcotics seized at the IMFs and ECCFs usually have a purity of greater than 90 percent, while the purity of seizures along the Southwest border average around 7 percent controlled substance content due to DTO's practice of mixing fentanyl with other substances. Additionally, DTOs continually adjust their operations to circumvent detection and interdiction by law enforcement, quickly taking advantage of technological and scientific advancements and improving fabrication and concealment techniques. Smugglers use a wide variety of tactics and techniques for concealing drugs. CBP Officers regularly find drugs concealed in body cavities, taped to bodies (body carriers), hidden inside vehicle seat cushions,

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[4] Recent specific examples include: On May 8, 2017, CBP Officers at the Port of San Ysidro, California, discovered 23.99 pounds of fentanyl and 23.90 pounds of methamphetamine concealed in the spare tire of a privately owned vehicle. On April 26, 2017, CBP Officers at the Port of Nogales, Arizona, seized 23.15 pounds of fentanyl concealed within the dashboard of a privately owned vehicle.

[5] Routine samples are treated as non-expedited. Samples that are treated as expedited are samples that are destined for controlled deliveries, have an impending court date, person or persons under arrest or detention, or generally having a very good reason to be placed in the front of the line.

[6] LSSD has provided reachback on 5,299 submissions during FY 2015, and 8,384 submissions for FY 2016. Since the inception of the program, LSSD has triaged 20,158 submissions within a business day and has generated many controlled deliveries because of the rapid turnaround.

gas tanks, dash boards, tires, packaged food, household and hygiene products, in checked luggage, and concealed in construction materials on commercial trucks.

Accordingly, different techniques and instrumentation are used to detect illicit drugs at the different venues. At the IMFs and ECCFs, the data is transmitted to LSSD for interpretation, without the instrument providing an analysis directly to the officer, while at the LPOEs, the instruments provides a read out to the officer and agents. The low purities of fentanyl found along the Southwest border, the detection limits of the instruments, and the instrument's ability to correctly interpret chemical spectra at these low levels, all add to the difficulty of detecting fentanyl in this environment.

Canines

Canine operations are an invaluable component of CBP's counternarcotic operations. CBP deploys approximately 1,227 Concealed Human and Narcotic Detection Canine teams at and between our Nation's POEs. Synthetic opioids present unique challenges to canine teams due to the potency of the drug and the associated danger to the health and safety of the canines and their handlers. Thus, CBP's LSSD has been conducting special research to determine the detection and identification of signature odor profiles for fentanyl compounds. The relevant CBP components are working together to conduct a pilot course to assess the feasibility of safely and effectively adding fentanyl as a trained odor to OFO's deployed narcotic detection canine teams. The project will continue through the remainder of FY 2017, with evaluations conducted at scheduled benchmarks.

Advance Information, Targeting, and Information Sharing

Substantive and timely information sharing is critical in targeting and interdicting shipments as well as individuals who move drugs and illicit merchandise from the POEs to their destinations throughout the United States. CBP contributes to the whole-of-government effort to identify and disrupt sophisticated routes and networks used by DTOs for the smuggling of illicit drugs by sharing critical information on individuals and cargo with investigative and intelligence partner agencies.

An important element of CBP's layered security strategy is obtaining advance information to help identify shipments that are potentially at a higher risk of containing contraband. Under the *Security and Accountability for Every Port Act* or *SAFE Port Act of 2006*, (Pub. L. No. 109-347), CBP has the legal authority to collect key air and maritime cargo data elements provided by air, sea, and land commercial transport companies (carriers) — including express consignment carriers and importers. This information is automatically fed into CBP's Automated Targeting System, an intranet-based enforcement and decision support system that compares cargo and conveyance information against intelligence and other enforcement data.

CBP is working to implement the same effective module in the international mail environment. USPS receives mail from more than 180 countries, the vast majority of which arrives via commercial air or surface transportation. As discussed above, inbound international mail inspections are largely conducted by hand. The international mail system is not integrated and

there are few opportunities for foreign postal administrations to provide advance manifest data to USPS (which may then be passed on to CBP).

Hence within the mail environment, CBP Officers must rely on intelligence, selectivity, risk management, and physical or X-ray examinations to carry out their enforcement mission. CBP and the USPS have been conducting an advance data pilot on express mail and e-packets from some countries. CBP and USPS continue to work together to improve this metric to meet both agencies' performance expectations, and CBP continues to work with the USPS and the United Postal Union to address the issue of electronic advanced data.[7]

Because of the complex tracking used by express consignment carriers, when CBP identifies a high risk shipment in the express consignment environment, it has the ability to place an electronic hold and to notify the carriers that a particular parcel needs to be presented to CBP for inspection. The major international air shipping carriers have a tracking number system that allows them to pull these parcels for inspection when they are scanned into the computer system as arriving at their particular air hubs.

Operational Coordination

CBP works extensively with our Federal, state, local, tribal, and international partners and provides critical capabilities toward the whole-of-government approach to address drug trafficking and other transnational threats at POEs and along the Southwest border, Northern border, and coastal approaches. Our targeting, detection and interdiction efforts are enhanced through special joint operations and task forces conducted under the auspices of multi-agency enforcement teams. These teams are composed of representatives from international and Federal law enforcement agencies who work together with state, local, and tribal agencies to target drug and transnational criminal activity, including investigations involving national security and organized crime. We noted some of NTC's key partnerships above, and of note as of April 2017, the NTC has two permanent USPIS employees working within the NTC narcotic targeting units under a recent Memorandum of Understanding (MOU).

CBP continues to collaborate and strengthen ties with investigative partners from the USPS, ICE, and DEA. CBP is sharing information with these agencies and conducting joint enforcement

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[7] Per Transportation Security Administration (TSA) regulation, international mail destined for the United States is considered air cargo and, as a result, is subject to all existing security controls. These security controls, which include screening for explosives and other unauthorized incendiaries items in accordance with TSA regulations and security program requirements, are applied outside the United States prior to transporting international mail on aircraft regulated by TSA. These requirements are not dependent on advance electronic manifest data, as provided by express consignment operators and other participants in the Air Cargo Advance Screening (ACAS) pilot program.

Upon arrival in the United States, all international mail requested for inspection by CBP is turned over to CBP by USPS. CBP screens all international mail for radiological threats, x-rays all international mail packages presented by USPS, and physically examines those deemed to be high-risk. Although this process is largely manual and labor intensive, CBP is able to identify items that pose a risk to homeland security and public safety while facilitating legitimate mail.

initiatives including intelligence-driven special operations designed to identify and disrupt drug smuggling at the border. CBP is also actively working with DEA's Special Operations Division to link foreign synthetic drug mail shipments and suppliers to domestic distribution networks in furtherance of investigative cases and to identify new shipments.

For example, in January 2017, CBP Officers at the John F. Kennedy (JFK) International Airport, International Mail Facility, partnered with ICE-HSI, DEA, U.S. Food and Drug Administration, U.S. Fish and Wildlife Service, and the U.S. Consumer Product Safety Commission to launch "Operation Mail Flex." This five-day joint operation targeted and interdicted illicit fentanyl and other opioids shipments that posed a health and safety risk to consumers. Operation Mail Flex focused on express consignment carrier packages originating in China and Hong Kong. This successful operation resulted in the seizure of 2.4 kilograms (5.31 pounds) of fentanyl and 134 other controlled substances. It also resulted in the seizure of 1,297 non-compliant imports and provided law enforcement officers with the opportunity to conduct eight controlled deliveries to unsuspecting drug smugglers.

DTOs are known to use legitimate commercial modes of travel and transport to smuggle drugs and other illicit goods. Therefore, CBP also partners with the private sector to provide anti-drug smuggling training to carriers to assist CBP with stopping the flow of illicit drugs; to deter smugglers from using commercial carriers to smuggle drugs; and to provide carriers with the incentive to improve their security and drug smuggling awareness. Participating carriers sign agreements stating that the carrier will exercise the highest degree of care and diligence in securing their facilities and conveyances, while CBP agrees to conduct site surveys, make recommendations, and provide training.

Officer Safety

Fentanyl presents a significant safety threat to CBP Officers. Explicit instructions, including to canine handlers, have been distributed to the field regarding the safe handling of fentanyl. Additionally, in response to the upsurge in the use of heroin (which is increasingly cut with fentanyl) across the nation and increased seizures at POEs, in October 2015, CBP completed Phase 1 of a pilot program to train and equip CBP Officers with naloxone, a potentially life-saving drug for the treatment of opioid overdoses. During Phase I, CBP Officers, at seven participating POEs[8] received training in recognizing the signs and symptoms of an opioid overdose, administering naloxone, and were certified as CPR instructors. In February 2016, CBP initiated Phase 2 of the Naloxone Initiative Pilot Program, expanding the pilot to an additional eight POEs and deploying 602 dual-dose Narcan Nasal Spray® kits to the field.[9] The naloxone program has also expanded to LSSD to help protect its scientists both in its main and satellite laboratories. CBP was the first Federal law enforcement agency to implement such a program.

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[8] Phase 1 Naloxone Pilot Program POEs include El Paso; Laredo; Fort Lauderdale International Airport; John K. Kennedy International Airport; San Luis: San Ysidro; and Seattle/Blaine.
[9] Phase 2 Naloxone Pilot Program POEs include Miami Int'l/Miami Seaport; Boston; Buffalo; Detroit; Newark; Chicago; Houston Int'l/Houston Seaport; and Dallas.

Conclusion

With continued support from Congress, CBP, in coordination with our partners, will continue to refine and further enhance the effectiveness of our detection and interdiction capabilities to combat transnational threats and the entry of fentanyl and other dangerous synthetic drugs into the United States. We will continue to work with our law enforcement partners to improve the efficiency of information sharing, guide strategies, identify trafficking patterns and trends, develop tactics, and execute operations to address the challenges and threats posed by DTOs to the safety and security of the American people. CBP will continue to work with USPS and USPIS to improve interdiction in the mail environment through improved advanced data, and other security best practices at the nation's International Mail Facilities.

Chairman Portman, Ranking Member Carper, and distinguished Members of the Subcommittee, thank you for the opportunity to testify today. I look forward to your questions.

Hearing before the
Permanent Subcommittee on Investigations
Committee on Homeland Security and Governmental Affairs
United States Senate

Oral Statement

Stopping the Shipment of Synthetic Opioids:
Oversight of U.S. Strategy to Combat Illicit Drugs

May 25, 2017

Tammy Whitcomb
Acting Inspector General
United States Postal Service

Good morning Chairman Portman, Ranking Member Carper, and members of the subcommittee. Thank you for inviting me to discuss our work on inbound international mail.

First, let me provide some context. We started examining this area two years ago after we received complaints that the Postal Service was not presenting mail to Customs and Border Protection (CBP) for screening as required. After looking into it, we determined audit work was needed. Given our role as the Office of Inspector General for the Postal Service, we focused on the Postal Service's procedures and its coordination with CBP. We did not review CBP's operations, although we did talk to CBP staff to gather information.

Also, both CBP and the Postal Service provided information used in our reports. They considered some details sensitive and requested redactions in the public versions that we posted on our website.

Inbound international mail primarily enters the postal system at five International Service Centers (ISCs) around the country. Generally, all inbound international mail is subject to inspection by CBP, and the Postal Service must present for inspection all the mail that CBP requests.

The Postal Service received 621 million pieces of inbound international mail in fiscal year (FY) 2016. Almost half were packages. The growth of e-commerce

has caused inbound package volume to nearly double since FY 2013, creating challenges for managing this flow of traffic. More than half of the package volume is from ePackets — small tracked packages under 4.4 pounds.

Given the growth of international package flows to the Postal Service, there is a need to find more effective ways to manage inbound traffic. Some foreign posts send the Postal Service advance electronic customs data, which includes information on the sender, addressee, and contents of the mail piece. This data helps both with processing and inspecting inbound mail.

International postal regulations are beginning to change in recognition of the importance of posts providing advance electronic customs data. The Postal Service can also require this data through bilateral agreements it makes with foreign postal operators. However, our audit work found instances of bilateral agreements where the Postal Service had not requested this advance customs data.

Since November 2015, the Postal Service has been piloting a joint initiative with CBP in New York. CBP is integrating its data systems with the Postal Service's systems to use advance data to target packages for inspection. The Postal Service and CBP intend to expand this pilot to new locations before the end of the fiscal year.

We have issued five reports on inbound international mail operations since September 2015 and found several problems with the presentation of inbound packages to CBP:

- First, Postal Service employees sometimes began processing packages before arrival scans had been input into the system. This could result in pieces missing customs screening or in the acceptance of inappropriate or unknown shipments.
- Second, problems with scanning during processing into and out of customs meant that the Postal Service could not always determine whether a package was in CBP's custody or its own.
- Third, and most significant, at times, the Postal Service just did not present packages to CBP for inspection when requested. Instead, the packages were processed directly into the mailstream.

These failures occurred for several reasons including human error and electronic system problems. An additional factor is that the Postal Service and CBP do not have a formal written agreement regarding the appropriate procedures.

To address our findings, we have made 11 recommendations in areas such as enhancing systems, providing employee training and oversight, improving scanning data, ensuring items are presented to CBP, requesting advance electronic customs data from foreign posts, and coordinating with CBP to establish a formal agreement regarding presentation requirements. The Postal

Service agreed with these recommendations, and has taken sufficient action to close five of them. Six recommendations are still outstanding — including establishing a formal agreement with CBP.

Ensuring the safety and security of inbound international mail is a critical challenge for the Postal Service and CBP. More effort is needed to quickly fix problems in the current process and to make sure CBP receives as much electronic customs data as possible. My office will continue to monitor this issue, and we will work with our colleagues at the Department of Homeland Security Office of Inspector General on any related work they conduct.

TESTIMONY OF
NORM SCHENK
VICE PRESIDENT,
GLOBAL CUSTOMS POLICY & PUBLIC AFFAIRS
UNITED PARCEL SERVICE, INC.

BEFORE THE
U.S. SENATE
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENT AFFAIRS
PERMANENT SUBCOMMITTEE ON INVESTIGATIONS
WASHINGTON, DC
MAY 25, 2017

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INTRODUCTION

Thank you, Chairman Portman, Ranking Member Carper, and distinguished members of the Committee. I appreciate the opportunity to appear before you today to discuss how providing the necessary data to law enforcement and other government agencies can help target contraband and weed out bad actors seeking to import dangerous goods and counterfeit items into the United States through international shipments.

Mr. Chairman, my presence here today, the Thursday before Memorial Day weekend, is quite literally déjà vu. I provided similar testimony on this very same day 17 years ago, in the year 2000, to the House Subcommittee on Criminal Justice, Drug Policy, and Human Resources. The hearing then was titled "Drugs in the Mail: How Can It Be Stopped?" For that hearing, I was asked to do the same thing that this Committee asked me to do today – walk through the processes that UPS follows to supply advanced data to U.S. Customs and Border Protection that will enable them to screen for high-risk packages being imported into the United States.[1]

Unfortunately, since 2000, the problem of importing illicit goods into the United States has only grown worse. Enabled by the Internet, bad actors are getting smarter and smarter, using every avenue available to send illicit goods into the United States. Back in 2000, the issue of illicit drugs in the mail was centered on amphetamines and ecstasy. Today, the threat is Fentanyl and high-tech opioids, of which a few grains can kill you. And the volume of parcels coming into the United States has increased substantially, particularly from foreign Posts, which now send almost 90% of packages into this country. Fortunately, law enforcement techniques have improved, creating more robust processes that better enable detection and screening of illicit imports.

UPS

With over 434,000 employees delivering more than 19 million packages and documents every day in over 220 countries and territories around the world, we work hard to be United Problem Solvers. At UPS, our business processes are complex and our technology advanced, but our objective is simple: to ensure world-class service for our customers. While providing this first-rate service internationally, we work closely with U.S. Customs and Border Protection (CBP), at our own expense, to comply with and even exceed existing legal requirements. The key to making this work is the advanced electronic data we provide which enables CBP and 47 other government agencies to target high-risk inbound shipments and screen them out of the network. In addition to weeding out shipments from potential terrorists, containing illicit drugs or other potentially dangerous products, this advanced electronic data can also be used to screen for counterfeit products and contraband. Not only does UPS supply the advanced electronic data, but we also apply technologically advanced network capabilities that enable us to locate any suspect package in our system at any given time so it can be retrieved and tendered to legal authorities for additional screening.

[1] For my 2000 testimony, see https://www.youtube.com/watch?v=k_sWEwJQUKc and scroll to 1h46m.

BUSINESS PRACTICES

Restricting the access of illicit, dangerous and counterfeit goods within the UPS network is a top priority for our company, especially given the need to ensure efficient, cost-effective and secure global supply chains. Every day, express delivery service (EDS) providers carry millions of shipments and, despite ongoing efforts, illegal goods make it into the system.

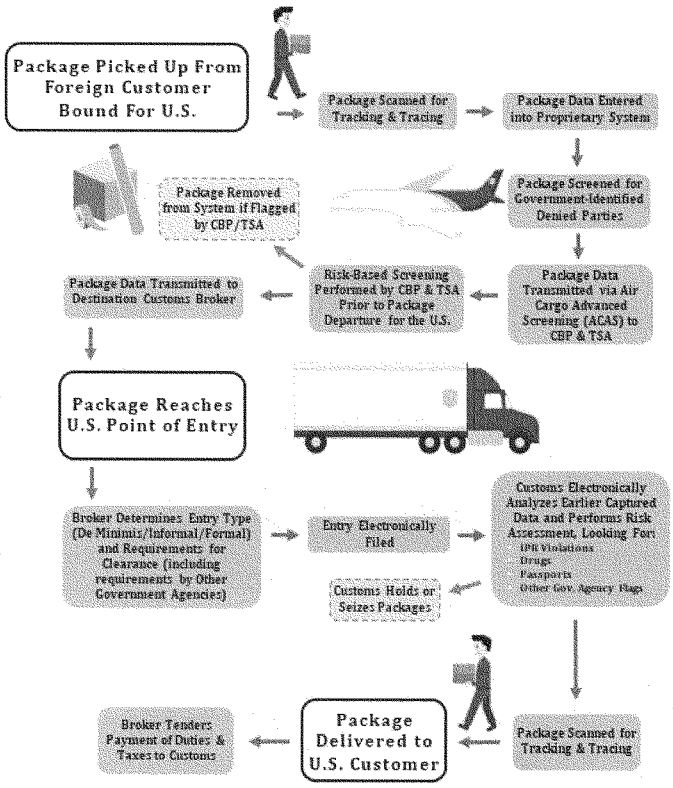
UPS and other private EDS companies engage regularly with customers and governments to ensure, as best we can, that our network around the world only carries legitimate and legal products. However, there are practical limits to what we and other EDS providers can do day-to-day: first, we are not the originators of information about shipments, and limitations exist on the quantity and quality of information that we can obtain from customers; second, we and other EDS providers have little expertise in identifying counterfeit or pirated goods; and, third, we are not law enforcement agencies, which means we are subject to rules on national data protection and commercial information confidentiality. These limitations underscore the importance of information-sharing and collaboration between all involved parties to prevent illicit and counterfeit goods from entering our system.

Effective enforcement requires a risk-based, prevention approach, based on transparency within and among networks and active cooperation among stakeholders. For packages destined in the United States, UPS, at its own expense, cooperates in the following ways:

- Transmit advanced electronic shipment information prior to arrival, which enables CBP and 47 other government agencies to perform risk assessment and target shipments for further examination.
- Perform Denied Party Screening on all shipments to ensure all parties to the transaction are not subject to sanctions, embargoes or State Department watch lists.
- Employ Track and Trace technologies which allows a package to be removed from its normal processing flow and given to authorities for further examination if they identify the package as suspicious.
- Allocate adequate facilities and equipment on our premises to CBP which provides an optimum location to filter through and identify suspect shipments.
- Provide CBP with available, relevant, and legally disclosed information on shippers and consignees responsible for particular shipments identified as containing prohibited goods.
- Close accounts of customers publicly identified by CBP as repeat offenders.
- Develop creative methods such as the voluntary abandonment seizure program to support the local CBP officer

The graphic below walks you through a specific package entering the country and what UPS does every step of the way.

EDS Secure Supply Chain Process Overview



THE IMPORTANCE OF ADVANCED ELECTRONIC DATA

The most important component of package screening is the use of advanced electronic data for risk assessment. In May of 2000, when I testified before the House Government Oversight Committee on how UPS provides advanced data to help federal agencies combat illegal drug trafficking, there were about 21 million package shipments entering the United States annually – about 10 million through the private sector which were accompanied by advanced electronic data, and 11 million through the international mail system which did not have any electronic data. Even 17 years ago, it was clear that Customs and other federal agencies could not manually screen packages that were not accompanied by advanced data – purely because of volume – and that the most effective way of interdicting bad shipments was through the use of advanced electronic data.

In 2010, following a thwarted terrorism attempt, CBP requested that another data set be submitted for extremely high-risk packages, called Air Cargo Advance Screening (ACAS), which is submitted before a plane departs a foreign country so a suspect package can be intercepted and removed from the network. UPS and other private sector carriers voluntarily submit this data in recognition of its importance to transport and public safety, and we anticipate that CBP will formalize the requirement in the next few months.

By 2016, the volume of packages entering the United States has increased many times over: the U.S. Department of Homeland Security reported that, in 2014, CBP processed approximately 340 million parcels arriving via foreign postal operators, most without electronic data. In 2016, foreign posts likely sent over 400 million packages into the United States, and the volume is rapidly growing. It is also estimated that around 50 million packages enter the U.S. through private carriers, like UPS, all with electronic data.

UPS and other private express carriers use advanced electronic data to manifest shipments on a package-level basis, transmit these manifests to customs and provide critical screening data to law enforcement to counteract illicit trade. The requirement that information be electronically presented in advance allows CBP to effectively target any cargo that may need to be held for further examination prior to the arrival of the vessel, aircraft or other conveyance, which thereby enables legitimate cargo to move smoothly through the chain of commerce.

We have been using electronic data for years, even before it was required by the Trade Act of 2002, to provide CBP with item-level detail about each and every shipment entering the country. This data consists of seven data points:

- The sender's name and address;
- The recipient's name and address;
- The value of the contents;
- A description of the contents; and,
- The piece count for the shipment.

This not only helps us reduce the potential for dangerous goods entering the U.S. through our system, but also aids in meeting manifesting compliance requirements, ensuring payment of duties and fees and expediting clearance through customs.

Advanced data is the cornerstone of effective risk assessment and the key for all pre-clearance of shipments. Advanced data is also made possible primarily via the electronic (read: nearly instant and paperless) transmission of shipping manifests and security information like the shipper's name and security record, the good's country of origin, and so on.

It is important to note that UPS and other express carriers obtain and submit data from all foreign countries, both developed and developing, where we do business. We even require the data through subcontractors in countries where we work, if we do not have a physical presence there, as a high-risk package can be sent from anywhere at any time. Fortunately, with today's advancements in mobile technology, operators in even the most remote countries have the ability to gather and transmit data necessary to better protect our borders.

CONCLUSION

Effective information-sharing is the cornerstone for a collaborative approach. The processes I have laid out in my testimony are imperative to ensuring safety and security and preventing illicit and counterfeit goods from entering into the United States. Advanced electronic data, combined with the ability to locate and retrieve high risk packages, helps to reduce instances of repeated violations and to stop the movement of dangerous and illegal goods. Enforcement needs to be universally applied across the globe to prevent bad actors from circumventing the rules by shipping their illicit goods through non-compliant supply chains, such as foreign Postal operators'. A package is a package is a package, regardless of who imports it, and, for the system to be effective in protecting our borders, advanced data and brokerage processes that enable the location and retrieval of high-risk packages need to be applied to all parties that import goods into the United States.

Thank you for your attention to this important initiative.

CUYAHOGA COUNTY
MEDICAL EXAMINER'S OFFICE
Thomas P. Gilson, M.D.
11001 Cedar Avenue
Cleveland, Ohio 44106
A National Association of Medical Examiner's (N.A.M.E.) accredited office.

EMBRGOED UNTIL Thursday, May 25th 2017 12:30 PM

TESTIMONY OF:
DR. THOMAS P. GILSON, CHIEF MEDICAL EXAMINER of CUYAHOGA COUNTY
HEARING OF U.S. SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS of the Senate Committee on Homeland Security and Governmental Affairs
SUBJECT: PUBLIC HEALTH EMERGENCY STEMMING FROM OPIATE/OPIOID CRISIS

Good morning,

My name is Thomas P. Gilson and I am the Medical Examiner of Cuyahoga County. Thank you for allowing me to be here today to speak on this critical subject.

If I were to tell you that a major catastrophe that would kill tens of thousands of people in the U.S. this year, how would FEMA respond? How much money, people and resources would be put into action in response? If this catastrophe was allowed to happen again, with even more fatalities, how many hearings would be called to determine what went wrong in the response? The Opiate Crisis is a slow moving mass fatality event that occurred last year, is occurring again this year and will occur again next year. Each year getting worse than the previous. Cuyahoga County will see approximately 800 drug related deaths in 2017, an increase from the most devastating year we have ever had in 2016. Nearly 90% will be due to opiates and opioids of some kind: Prescribed pills - from which this crisis originated and grew out of, heroin, fentanyl or some new fentanyl analog. It is a nationwide public health emergency which is simply out of control. Ohio seems one of the hardest hit states but the Appalachian, Mid-Atlantic and New England states seem particularly hard hit.

In fall 2011, my office alerted our County Executive of an alarming trend of rising heroin-related deaths. In the subsequent months and now years, we partnered with our Sheriff, Cleveland Police, the US Attorney's Office, the County Prosecutor, the ADAMHS Board and our Board of Health to launch a community initiative to study and combat this public health crisis. Quickly, partners were added to include the major medical institutions Cleveland Clinic, University Hospitals and MetroHealth Hospital and the Free Clinic and set in motion some important pieces: Drug Drop-off boxes in 50+ police stations, Naloxone distribution (DAWN program) run out of the MetroHealth Medical Center as well as at the Free Clinic and Board of Health, warning letters to released inmates who were at greater overdose risk due to their abstinence (while incarcerated) as well as those patients leaving treatment centers, the creation of the Heroin Death Review Committee and the Heroin Summit held at the Cleveland Clinic in November 2013. Law enforcement also created specialized task forces that work with our medico-legal death scene investigators to begin investigations earlier and our Regional Forensic Lab works to provide highly accredited, timely and efficient scientific testing. Prosecutors at the County and Federal level are now levying much stiffer charges that target dealers. All of this work continues to implement a community-wide and community-based strategy that was the result of the Summit.

TESTIMONY OF:
DR. THOMAS P. GILSON, CHIEF MEDICAL EXAMINER of CUYAHOGA COUNTY
HEARING OF U.S. SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS of the Senate Committee on Homeland Security and Governmental Affairs
SUBJECT: PUBLIC HEALTH EMERGENCY STEMMING FROM OPIATE/OPIOID CRISIS

When a heroin overdose occurs, individuals typically fall asleep and breathe more and more shallowly until, at last, they stop altogether. During this progression, the dying sequence can be by the heroin antidote, naloxone, which was made more readily available in Ohio and is an immediate first step in saving lives and should be applauded. Cuyahoga County and MetroHealth Medical Center partnered in 2013 to distribute naloxone by prescription as was then allowed by Ohio law and currently have documented nearly 1000 overdose reversals. Police departments, under a pilot program started in 2014 but in earnest last year, have documented another 300 reversals. These are individuals who did not have to make a final trip to my office. The introduction of fentanyl and even more potent analogs like carfentanil, a large animal tranquilizer, have diminished the efficacy of naloxone. Several doses may now be required and the time window for administration is greatly shortened. This is a fundamental reason for the catastrophic rise in mortality in 2016.

Research conducted by the Cuyahoga County Medical Examiner's office in collaboration with medical, law enforcement and forensic partners indicates that nearly 600 people died of heroin related overdoses over three years in Cuyahoga County (2012-14) and some promising intervention points should be considered. At least 72% of all our heroin related deaths in 2012 - 2014 had been prescribed a controlled substance within two years of their death, over 50% of those for opioids. This is a significant number of people who are:

a) Already in the health care system;
b) Already have a physician; and
c) Have more ready access to treatment options and other diversion and prevention measures

Also from our 2013-2014 overdose deaths, 27% were 'doctor shopping' – by definition, saw more than five (5) different doctors within one year to obtain pain medications. The now mandatory use of OARRS, Ohio's prescription drug monitoring program, by physicians prior to any pain medication prescription should help eliminate this possibility. This simple step may save hundreds of lives a year in Cuyahoga County alone.

As a final example of the valuable information we have gleaned from our detailed review of these unfortunate deaths, it is notable that many of these individuals who have died have been in contact with the legal system and/or the drug and alcohol treatment programs. There is a tremendous need for education and these are opportunities we need to maximize for messaging. It would be naïve to think that education and messaging efforts would be effective if we do not address the need for adequate treatment options once the message has been delivered. People can recover from drug addiction with appropriate support.

And while data and information are critical in helping to determine effective strategies, it has been particularly inspiring to see the sense of community urgency and responsibility that has brought together experts from prevention, treatment, law enforcement and prosecution together like never before for this single purpose - to save lives.

At this time, however, local resources have been exhausted. The Death Investigation System and local Forensic Labs are now facing double digit caseload increases annually, personnel shortages, equipment breakdown and failure and costly and complex processes to identify, catalog, standardize and confirm an ever changing menu of substances known as novel synthetic opioids – the fentanyl analogs.

While we have interacted well and successfully with federal partners at our local level – US Attorney, DEA, FBI, HIDTA, it is clear that the supply and delivery of these drugs to our community is nearly unabated and treatment options are severely limited. Our community has added millions to the effort for the past several years. Our estimates, however, are that there are enough people in our county, dependent on opioids, to fill our football stadium every year. And that our basketball arena could be filled for the number who switch over to heroin or fentanyl, EVERY YEAR.

That used to be a largely Caucasian majority, upwards of 85% of all victims. That however is now changing. With seemingly purposeful intent, cocaine is now being mixed with fentanyl and it's analogs in an effort to introduce these drugs into the African American population. Cocaine had been the only drug that victims were predominately African American. The covert introduction of fentanyl into the cocaine supply has caused a rapid rise in fatalities and in 2017, the rate of African American fentanyl related deaths has doubled from 2016.

The strategies to combat this crisis is not a matter of innovative creation but of sheer will, cooperation and adequate resources. The will and cooperation we have in Cuyahoga County. The resources are being depleted and overwhelmed. Treatment beds need to be opened and adequately funded. Our County Executive in cooperation with the Mayor of Cleveland and our local Alcohol and Drug Board has created an additional $1.5 million to help fund treatment. The IMD exclusion for Medicaid reimbursement must be lifted. The bill currently offered by Chairman Portman and Ohio colleague Senator Sherrod Brown will more than double the number of available beds. Interdiction agreements with China, Mexico and Canada need to be strengthened and delivery of these substances through US Postal Service or other delivery services needs to be squeezed off.

Further, there is a national crisis in death investigation. My field of specialty, forensic pathology, is in dire need. Less than 500 forensic pathologists practice in the United States. Currently, 28 different offices across the United States are seeking to hire forensic pathologists. As the oldest training program in existence, our office is one of only 35 in the country. Our program graduates 1 or 2 doctors a year in a system that only produces a few dozen new forensic pathologists annually. It is essential that additional support be given to these training programs as well as incentives for doctors to enter this field.

All of these actions are beyond the ability and authority of local counties like ours. We need your continued and renewed assistance, resources and commitment in all phases of this fight: Prevention, Education, Treatment, Enforcement and Recovery.

Thank you for your time and consideration. I am happy to answer any questions that I can.

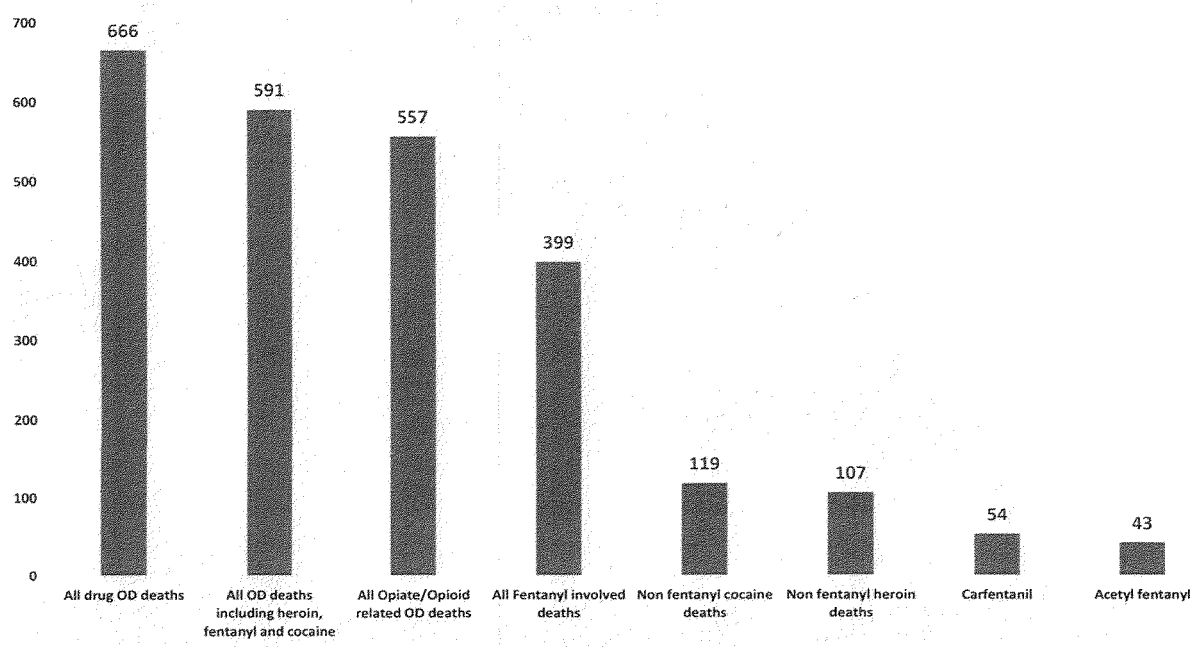
2016

FINAL DRUG DEATHS REPORT

CUYAHOGA COUNTY MEDICAL EXAMINERS OFFICE
DR. THOMAS P. GILSON, MD

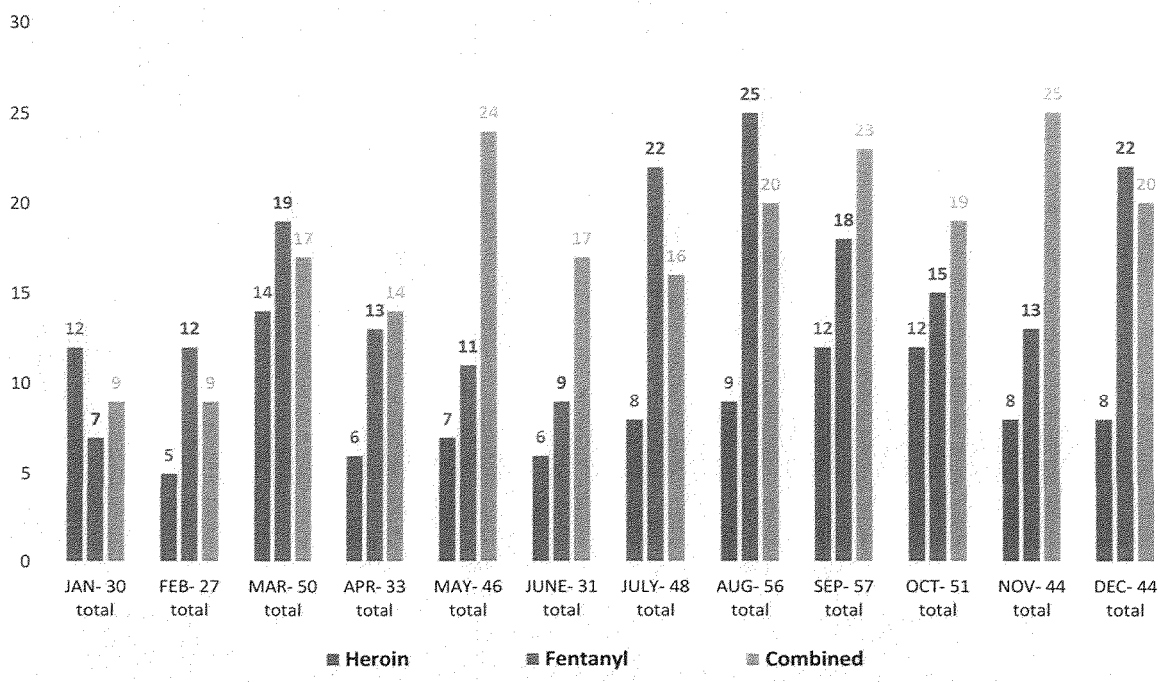
CCMEO 2016 Fentanyl involved deaths

Notes: All analogues are included in total fentanyl-involved deaths and there is overlap between categories



Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

CCMEO 2016 Fentanyl & Heroin Related Deaths, by Month



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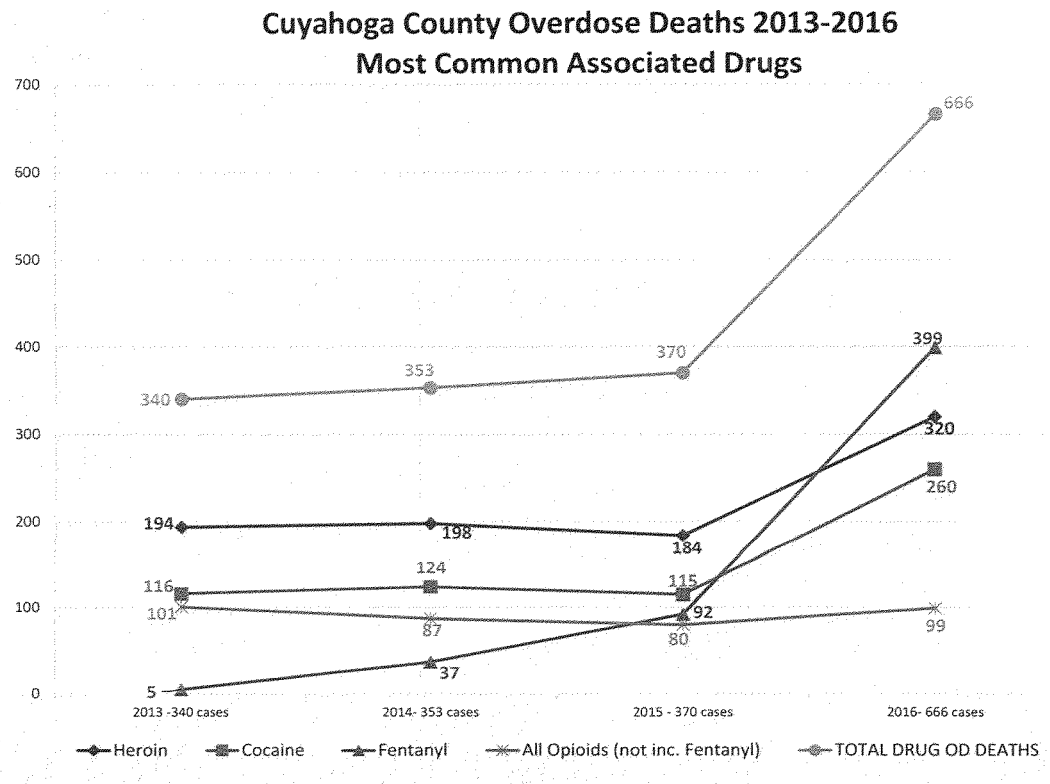
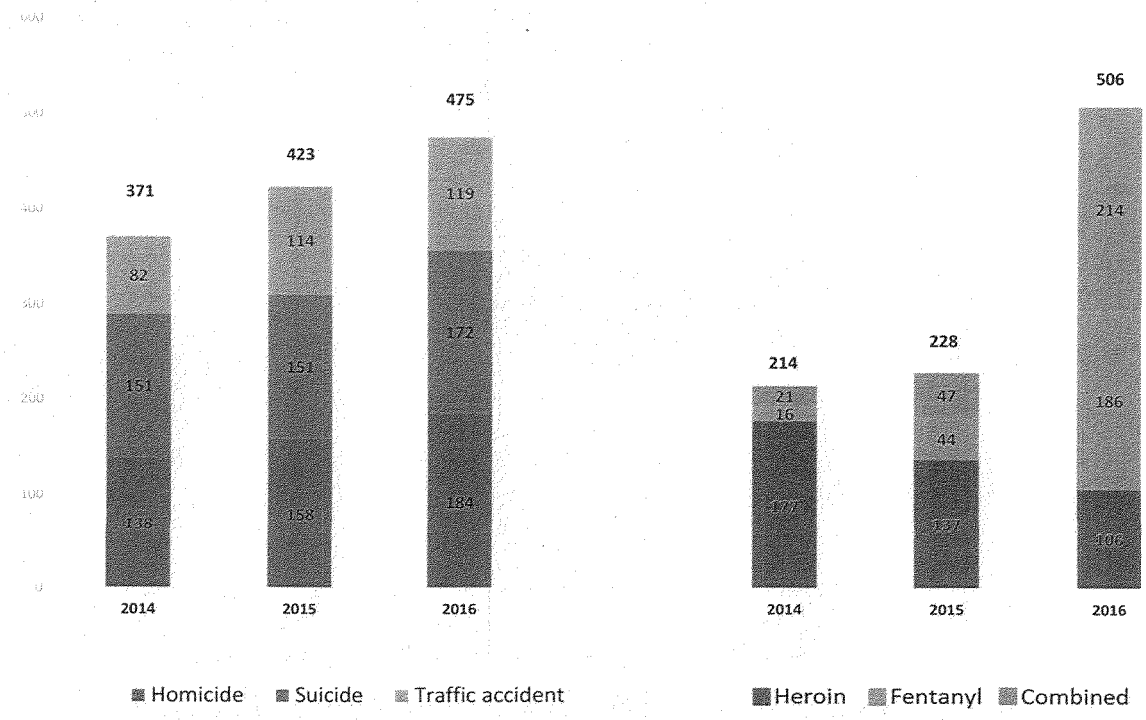


Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

CCMEO Comparison Violent Deaths vs. Heroin/Fentanyl 2014-2016



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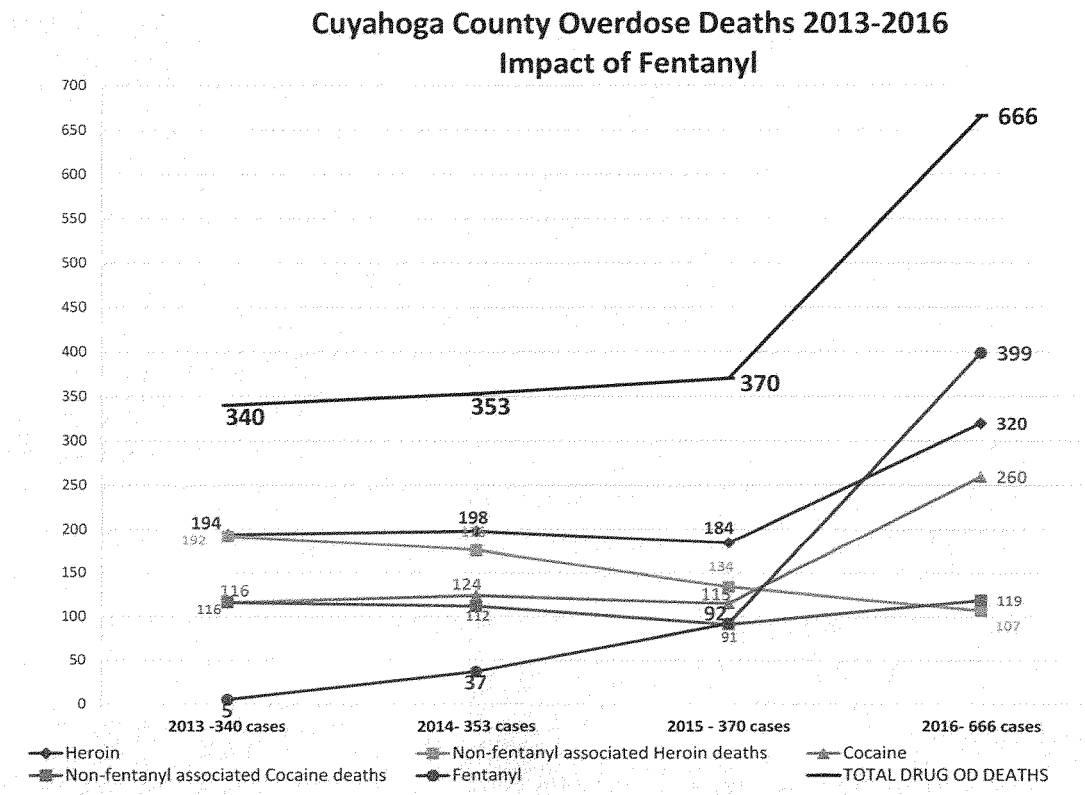
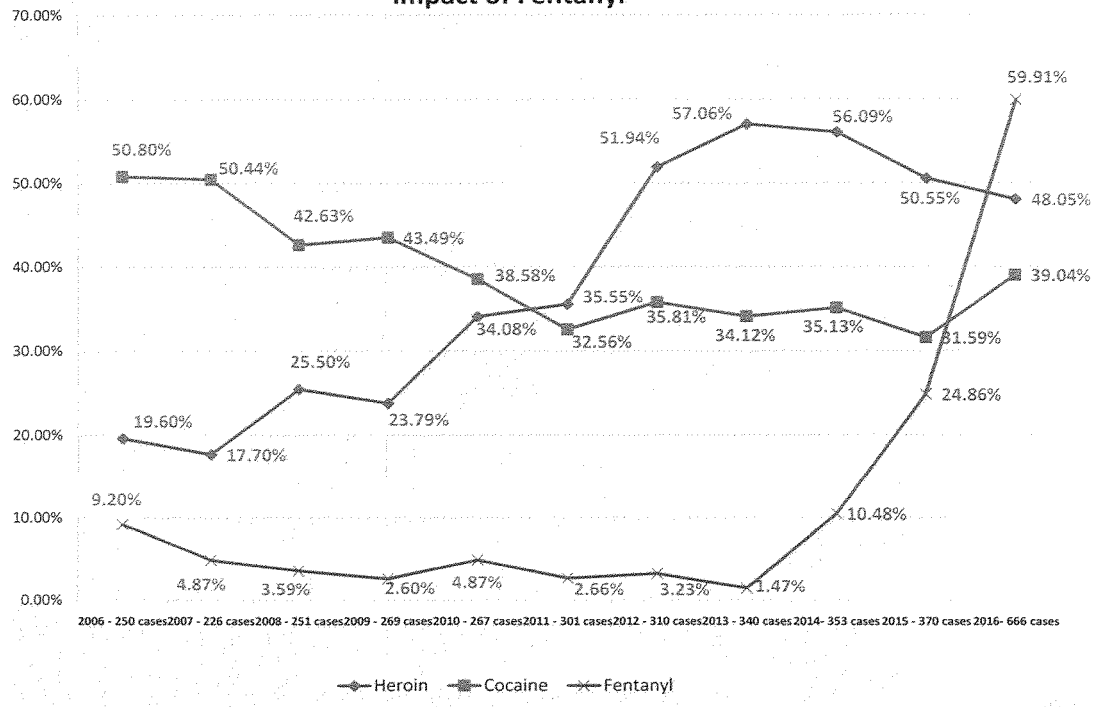


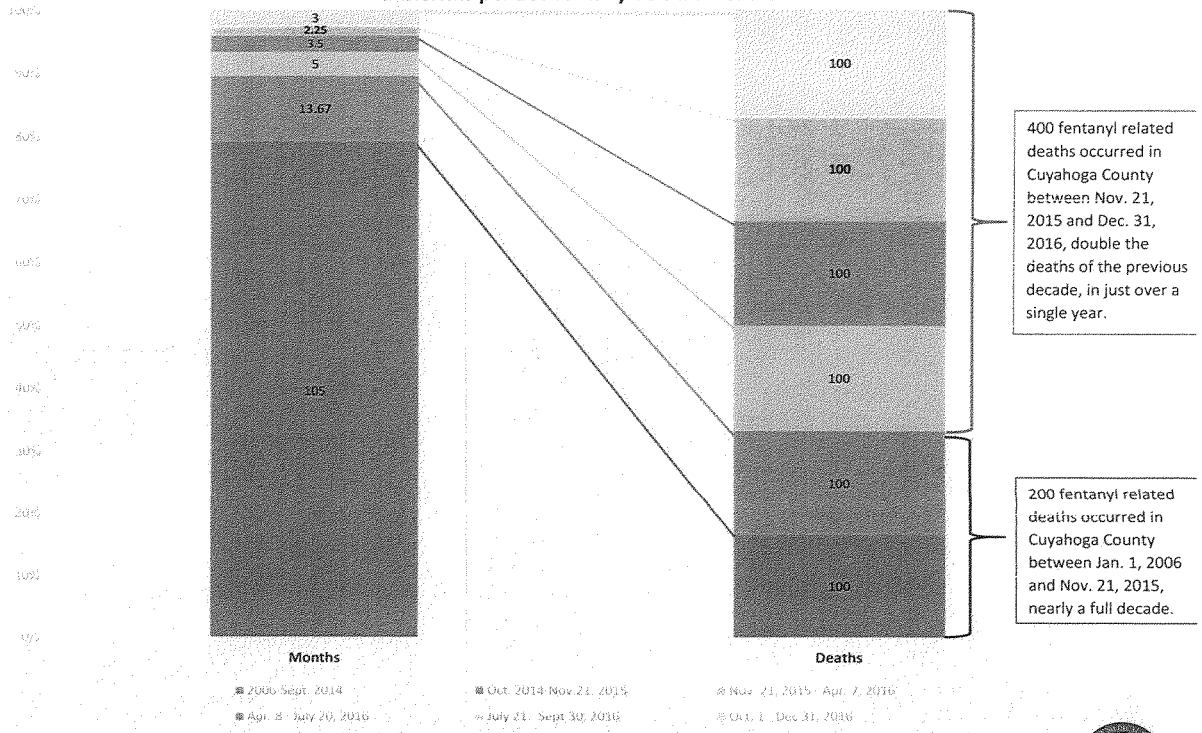
Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

Cuyahoga County Overdose Deaths 2006-2016, Drug By % Impact of Fentanyl

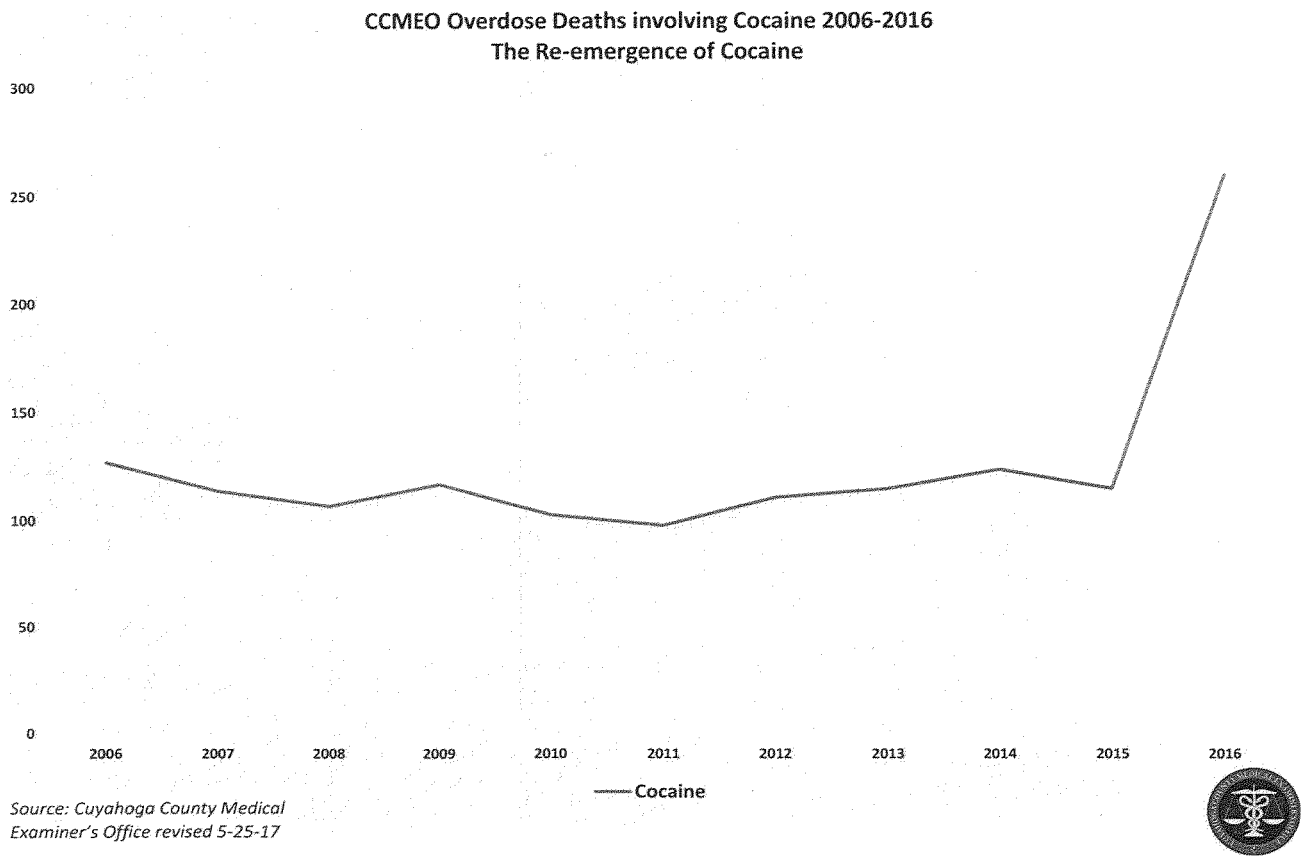


Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

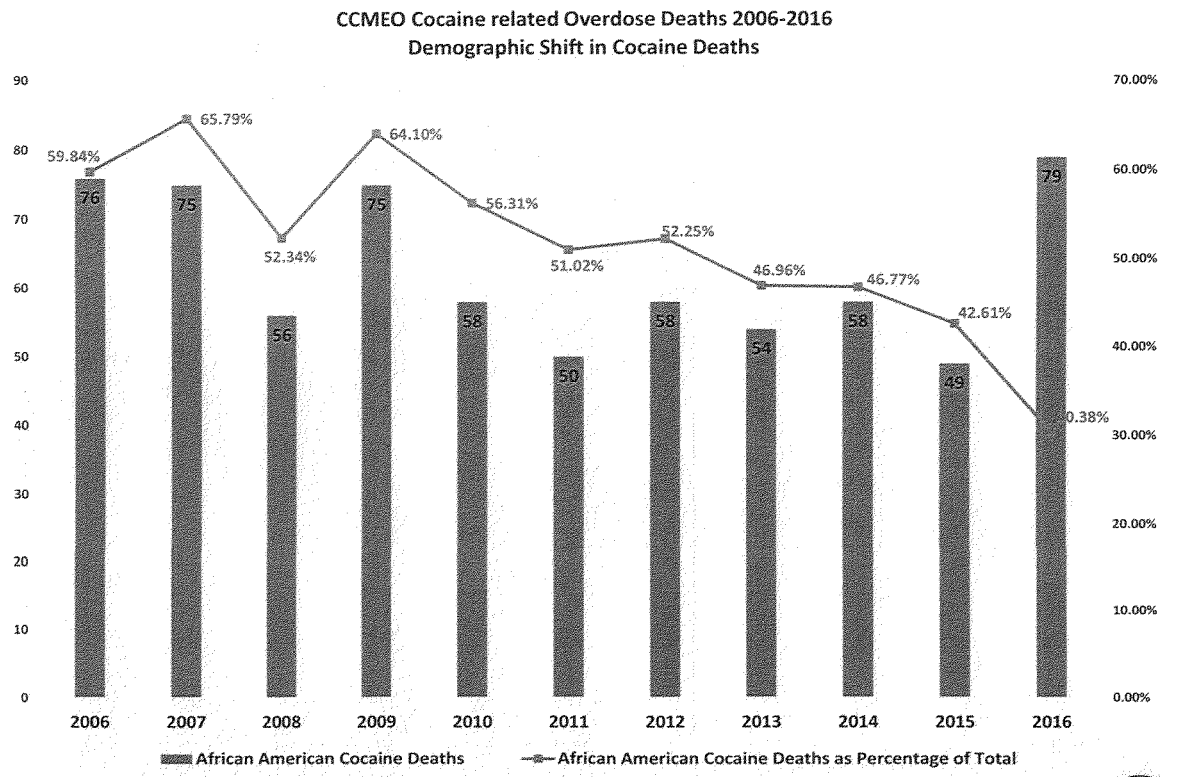
Cuyahoga County Fentanyl Deaths 2006-2016
Months per 100 fentanyl related Deaths



Source: Cuyahoga County Medical Examiner's Office revised 5-25-17



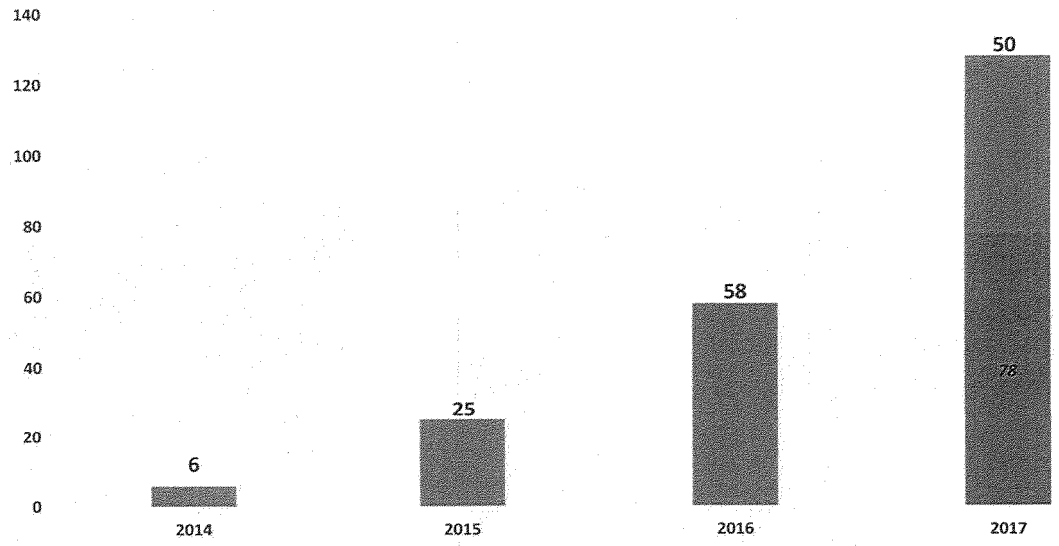
Source: Cuyahoga County Medical Examiner's Office revised 5-25-17



Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

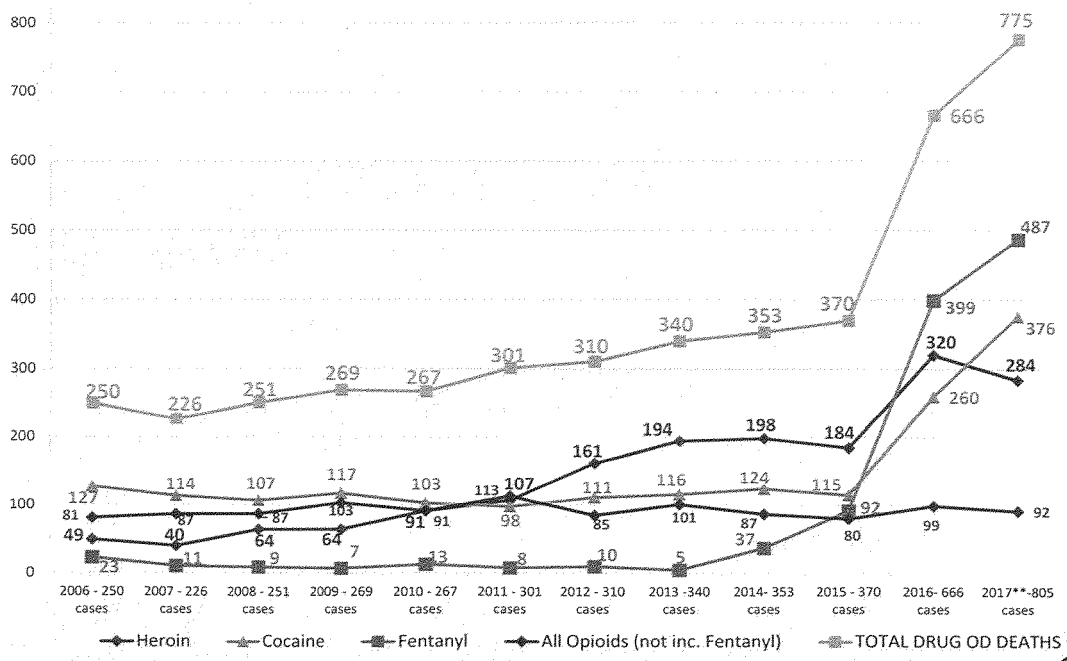
CCMEO Fentanyl-related fatalities among African Americans 2014-2017*

(Blue - Projected for remainder of year as of May 9, 2017)



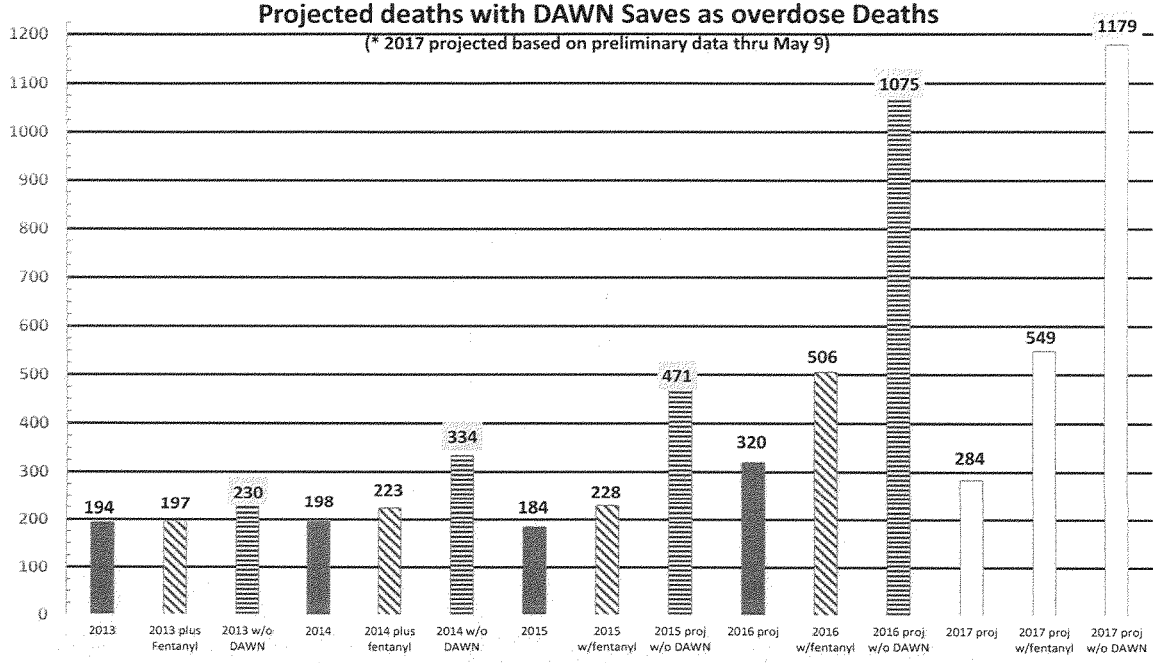
Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

Cuyahoga County Overdose Deaths 2006-2017*
Most Common Drugs
Where We Are Headed (*projected based on ruled cases as of May 9)



Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

Cuyahoga County Heroin/Fentanyl Related Overdose Deaths 2007-2017*
Projected deaths with DAWN Saves as overdose Deaths
(* 2017 projected based on preliminary data thru May 9)



Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

2016 DEMOGRAPHIC ANALYSIS - SUMMARY

FENTANYL	TOTAL	Fentanyl	Fentanyl + Heroin	Fentanyl + Cocaine	Fentanyl + Heroin + Cocaine
	399	117	141	68	73
		29.32%	35.34%	17.04%	18.30%

						Res			Inc				Age				
Male	Female	White	Black	Other	Hispanic	CLE	Sub	OU	CLE	Sub	OU	?	<18	19-29	30-44	45-60	60+
292	107	337	61	1	11	181	172	46	187	157	9	46	3	89	150	125	32
73.18%	26.82%	84.46%	15.29%	0.25%	2.76%	45.36%	43.11%	11.53%	46.87%	39.35%	2.26%	11.53%	0.75%	22.31%	37.59%	31.33%	8.02%

HEROIN	TOTAL	Heroin	Heroin + Fentanyl	Heroin + Cocaine	Heroin + Cocaine + Fentanyl
	320	72	141	34	73
		22.50%	44.06%	10.63%	22.81%

						Res			Inc				Age				
Male	Female	White	Black	Other	Hispanic	CLE	Sub	OU	CLE	Sub	OU	?	<18	19-29	30-44	45-60	60+
228	92	283	36	1	8	138	145	37	136	128	6	38	3	68	116	102	31
71.25%	28.75%	88.44%	11.25%	0.31%	2.60%	44.81%	47.08%	12.01%	44.16%	41.56%	1.95%	12.34%	0.97%	22.08%	37.66%	33.12%	10.06%

COCAINE	TOTAL	Cocaine	Cocaine + Heroin	Fentanyl + Cocaine	Cocaine + Fentanyl + Heroin
	260	85	34	68	73
		32.69%	13.08%	26.15%	28.08%

						Res			Inc				Age				
Male	Female	White	Black	Other	Hispanic	CLE	Sub	OU	CLE	Sub	OU	?	<18	19-29	30-44	45-60	60+
184	76	181	79	0	4	145	82	33	141	79	5	35	5	42	77	104	32
70.77%	29.23%	69.62%	30.38%	0.00%	1.54%	55.77%	31.54%	12.69%	54.23%	30.38%	1.92%	13.46%	1.92%	16.15%	29.62%	40.00%	12.31%

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

2016 DEMOGRAPHIC ANALYSIS - FENTANYL

FENTANYL	TOTAL	Fentanyl	Fentanyl + Heroin	Fentanyl + Cocaine	Fentanyl + Heroin + Cocaine
	399	117	141	68	73
		29.32%	35.34%	17.04%	18.30%

	Male	Female	White	Black	Other	Hispanic	Res CLE	Res Sub	Res OU	Inc CLE	Inc Sub	Inc OU	?	Age <18	19-29	30-44	45-60	60+
	292	107	341	58	0	11	177	175	47	182	160	11	46	3	89	150	125	32
	73.18%	26.82%	85.46%	14.54%	0.00%	2.76%	44.36%	43.86%	11.78%	45.61%	40.10%	2.76%	11.53%	0.75%	22.31%	37.59%	31.33%	8.02%

	Male	Female	White	Black	Other	Hispanic	Res CLE	Res Sub	Res OU	Inc CLE	Inc Sub	Inc OU	?	Age <18	19-29	30-44	45-60	60+
Fentanyl	93	24	100	17	0	5	44	62	11	50	51	5	11	0	26	44	37	10
	79.49%	20.51%	85.47%	14.53%	0.00%	4.27%	37.61%	52.99%	9.40%	42.74%	43.59%	4.27%	9.40%	0.00%	22.22%	37.61%	31.62%	8.55%
Fentanyl + Heroin	101	40	128	13	0	5	54	71	16	57	65	3	16	1	32	55	44	9
	71.63%	28.37%	90.78%	9.22%	0.00%	3.55%	38.30%	50.35%	11.35%	40.43%	46.10%	2.13%	11.35%	0.71%	22.70%	39.01%	31.21%	6.38%
Fentanyl + Cocaine	49	19	53	15	0	1	42	14	12	41	17	3	7	1	10	28	20	9
	72.06%	27.94%	77.94%	22.06%	0.00%	1.47%	61.76%	20.59%	17.65%	60.29%	25.00%	4.41%	10.29%	1.47%	14.71%	41.18%	29.41%	13.24%
Fentanyl + Heroin + Cocaine	49	24	60	13	0	0	37	28	8	34	27	0	12	1	21	23	24	4
	67.12%	32.88%	82.19%	17.81%	0.00%	0.00%	50.68%	38.36%	10.96%	46.58%	36.99%	0.00%	16.44%	1.37%	28.77%	31.51%	32.88%	5.48%

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

2016 DEMOGRAPHIC ANALYSIS - HEROIN

HEROIN	TOTAL	Heroin	Heroin + Fentanyl	Heroin + Cocaine	Heroin + Cocaine + Fentanyl
	320	72	141	34	73
		22.50%	44.06%	10.63%	22.81%

Male	Female	White	Black	Other	Hispanic	Res CLE	Res Sub	Res OU	Inc CLE	Inc Sub	Inc OU	?	Age <18	19-29	30-44	45-60	60+
228	92	283	36	1	8	138	145	37	136	128	6	38	3	68	116	102	31
71.25%	28.75%	88.44%	11.25%	0.31%	2.60%	44.81%	47.08%	12.01%	44.16%	41.56%	1.95%	12.34%	0.97%	22.08%	37.66%	33.12%	10.06%

	Male	Female	White	Black	Other	Hispanic	Res CLE	Res Sub	Res OU	Inc CLE	Inc Sub	Inc OU	?	Age <18	19-29	30-44	45-60	60+
Heroin	53	19	63	8	1	1	31	33	8	35	24	3	10	1	9	28	19	15
	73.61%	26.39%	87.50%	11.11%	1.39%	1.39%	43.06%	45.83%	11.11%	48.61%	33.33%	4.17%	13.89%	1.39%	12.50%	38.89%	26.39%	20.83%
Heroin + Fentanyl	101	40	128	13	0	5	54	71	16	57	65	3	16	1	32	55	44	9
	71.63%	28.37%	90.78%	9.22%	0.00%	3.55%	38.30%	50.35%	11.35%	40.43%	46.10%	2.13%	11.35%	0.71%	22.70%	39.01%	31.21%	6.38%
Heroin + Cocaine	25	9	32	2	0	2	16	14	4	18	14	0	2	0	6	10	15	3
	73.53%	26.47%	94.12%	5.88%	0.00%	5.88%	47.06%	41.18%	11.76%	52.94%	41.18%	0.00%	5.88%	0.00%	17.65%	29.41%	44.12%	8.82%
Heroin + Cocaine + Fentanyl	49	24	60	13	0	0	37	28	8	34	27	0	12	1	21	23	24	4
	67.12%	32.88%	82.19%	17.81%	0.00%	0.00%	50.68%	38.36%	10.96%	46.58%	36.99%	0.00%	16.44%	1.37%	28.77%	31.51%	32.88%	5.48%

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

2016 DEMOGRAPHIC ANALYSIS - COCAINE

COCAINE	TOTAL	Cocaine	Cocaine + Heroin	Fentanyl + Cocaine	Cocaine + Fentanyl + Heroin
	260	85	34	68	73
		32.69%	13.08%	26.15%	28.08%

	Male	Female	White	Black	Other	Hispanic	Res CLE	Res Sub	Res OU	Inc CLE	Inc Sub	Inc OU	?	Age <18	19-29	30-44	45-60	60+
	184	76	181	79	0	4	145	82	33	141	78	4	37	5	42	77	104	32
	70.77%	29.23%	69.62%	30.38%	0.00%	1.54%	55.77%	31.54%	12.69%	54.23%	30.00%	1.54%	14.23%	1.92%	16.15%	29.62%	40.00%	12.31%

	Male	Female	White	Black	Other	Hispanic	Res CLE	Res Sub	Res OU	Inc CLE	Inc Sub	Inc OU	?	Age <18	19-29	30-44	45-60	60+
Cocaine	61	24	36	49	0	1	50	26	9	48	20	1	16	2	5	16	46	16
	71.76%	28.24%	42.35%	57.65%	0.00%	1.18%	58.82%	30.59%	10.59%	56.47%	23.53%	1.18%	18.82%	2.35%	5.88%	18.82%	54.12%	18.82%
Cocaine + Heroin	25	9	32	2	0	2	16	14	4	18	14	0	2	1	6	10	14	3
	73.53%	26.47%	94.12%	5.88%	0.00%	5.88%	47.06%	41.18%	11.76%	52.94%	41.18%	0.00%	5.88%	2.94%	17.65%	29.41%	41.18%	8.82%
Fentanyl + Cocaine	49	19	53	15	0	1	42	14	12	41	17	3	7	1	10	28	20	9
	72.06%	27.94%	77.94%	22.06%	0.00%	1.47%	61.76%	20.59%	17.65%	60.29%	25.00%	4.41%	10.29%	1.47%	14.71%	41.18%	29.41%	13.24%
Fentanyl + Heroin + Cocaine	49	24	60	13	0	0	37	28	8	34	27	0	12	1	21	23	24	4
	67.12%	32.88%	82.19%	17.81%	0.00%	0.00%	50.68%	38.36%	10.96%	46.58%	36.99%	0.00%	16.44%	1.37%	28.77%	31.51%	32.88%	5.48%

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

AGENCY IMPACTS – AUTOPSIES (By month and doctor)

2014	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
	21.6	21.9	21.9	15.6	17.3	20.9	29	10.9	25	18.6	21	15.9	239.6
	0	0	0	0	0	0	0	6	29	29	29.3	31.6	124.9
	27.1	12	18.6	17	27.4	18.3	7.3	24.7	13.7	14.4	17.3	16.9	214.7
	24.4	33	17	20.1	12.6	25.4	27.1	17.7	19.7	14.9	13.4	19.4	244.7
	6.7	14.9	8.3	10.4	17	7.7	24.9	15.4	13.3	11	10.3	18.1	158
								27	18	21	19	22	107
	21.7	11	15.1	27.7	29.7	18.1	25.1	18.6	26.3	16	15.7	18	243
	26	25	18.3	22.3	20	2.3							113.9
	26.3	20.9	19.6	20.4	18.6	20.4	29	16	10.6	27.1	14.9	13.1	236.9
TOTAL	**153.8**	**138.7**	**118.8**	**133.5**	**142.6**	**113.1**	**142.4**	**136.3**	**155.6**	**152**	**140.9**	**155**	**1682.7**
2015	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEPT**	**OCT**	**NOV**	**DEC**	**TOTAL**
	28.3	10.3	25.3	15.1	18.4	17	33.4	23.6	18.6	28.3	22.4	14.9	255.6
	26.3	21.1	23.6	27.4	34	31.3	29.1	25.4	20	23.7	19.7	18.6	300.2
	18.9	11.4	19.3	13.7	24.3	16.1	19.1	22.7	19.6	8.1	18.4	25.3	216.9
	26.4	24.1	20.7	10.9	25	31	22.3	28.6	22.3	27.4	20.7	18.7	278.1
	12.1	8.6	13.9	19.9	10.4	17.9	9.6	5	15.7	12.9	9	24.4	159.4
							17	23	20	22	21	20	123
	24	20	21	26.1	22.6	17.7	0.9						132.3
							25	23	14	19	21	24	126
	16.7	22.6	18.4	26.1	19.3	28.4	18.4	19.4	25.6	25	24	11.3	255.2
	22.4	20.9	12.7	11.3									67.3
TOTAL	**175.1**	**139**	**154.9**	**150.5**	**154**	**159.4**	**174.8**	**170.7**	**155.8**	**166.4**	**156.2**	**157.2**	**1914**
2016	**JAN**	**FEB**	**MAR**	**APR**	**MAY**	**JUN**	**JUL**	**AUG**	**SEPT**	**OCT**	**NOV**	**DEC**	**TOTAL**
	23.4	11	26.6	18.9	22.7	35.1	33.9	32	28.1	29.7	35.3	29.1	[illegible]
							23	27	22	31	21	26	150
	22.4	26.3	22.1	20.6	32.3	31.3	27.4	37.9	26.1	29	23.7	36	[illegible]
	26.4	8	22.9	14.9	37.6	25.4	0	37.6	20.1	18.9	22.7	18.3	252.8
	16.1	29	29.3	19	9.3	38.1	40.6	39.6	33.4	30.7	32.9	19.4	[illegible]
	9.3	11.3	12.9	17.1	24	11.6	29.1	21.4	13	25	15.4	37	227.1
	26	26	32.3	29.4	15.6	0	0	0	0	0	0	0	129.3
	24.4	29.9	28.9	22.7	22.1	0.9	0	0	0	0	0	0	128.9
	17	26.3	16.3	17.9	28.3	31.9	34.3	25	36.3	31.4	31.6	22	318.3
TOTAL	**165**	**167.8**	**191.3**	**160.5**	**191.9**	**174.3**	**188.3**	**220.5**	**179**	**195.7**	**182.6**	**187.8**	**2204.7**

Note: 2016 caseload increased 16.196%

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

AGENCY IMPACTS - DRUG CHEMISTRY

MEDICAL EXAMINER / CCFRSL

Drug Chemistry 2016	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Submissions	424	483	495	524	562	493	299	514	570	502	476	431	**5773**
Submissions Completed	420	400	546	397	687	494	303	518	441	595	469	414	**5684**
Completed from Previous Month/s	83	92	166	93	228	116	109	111	77	205	107	124	**1511**
Submissions Pending (Backlog)	69	69	66	220	110	57	112	119	158	119	115	106	**1320**
10 day Completion (%)	95.7	95.5	84.4	85.8	74.2	91.8	75.2	82.2	91.6	80.6	89.3	88.4	**86.23**
5 day Completion (%)	83.1	70.5	69.9	69	56.9	80	72.6	74.7	82.7	70.5	71.6	78.9	**73.37**
Average TAT	3.6	3.9	5.9	5.9	8	7.5	7.2	5.1	4.3	7.4	5.9	6.6	**5.94**
Items Processed	1412	665	1321	1056	1438	1176	988	1289	1085	1623	1228	1296	**14577**

MEDICAL EXAMINER / CCFRSL 2015

Drug Chemistry	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Submissions	436	377	489	495	373	392	400	396	467	475	415	425	5140
Submissions Completed	450	366	501	462	400	400	372	400	393	419	344	618	5125
Completed from Previous Month/s	53	42	52	38	69	46	39	67	63	137	193	273	1072
Submissions Pending (Backlog)	23	31	3	58	34	3	0	0	71	93	214	27	557
10 day Completion (%)	97	93	94	97	95	97	80	98	94	81	65	71	1063
5 day Completion (%)	82	79	87	89	85	88	36	93	69	48	43	41	840.2
Average TAT	3	4	3	3	3	3	5	3	5	6	7	9	53.9
Items Processed	863	655	968	1063	931	946	825	884	680	1164	769	1124	10872

Note: 2016 caseload increased 10.96% & items processed in those cases has increased by 34.07%.

MEDICAL EXAMINER / CCFRSL 2014

Drug Chemistry	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cases Submitted	487	489	555	600	590	578	585	609	636	548	344	478	6499
Cases Completed	436	488	593	616	577	539	639	549	503	666	453	451	6510
Cases Pending (Backlog)	71	74	0	5	6	29	11	93	188	32	21	31	
10 day Completion (%)	98	98	98	99	98	98	98	96	73	36	83	90	88.75
5 day Completion (%)	90	82	92	96	92	92	88	72	40	6	46	70	72.17
Average TAT	2.4	3.4	2.5	1.9	2.3	2.3	2.9	5.5	7.5	12.9	6.1	4	**4.48**
Items Processed	857	1135	1282	1485	1008	800	1334	1014	882	1270	975	941	12983

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

AGENCY IMPACTS - TOXICOLOGY

MEDICAL EXAMINER / CCFRSL 2016

Toxicology	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cases Submitted	291	292	308	260	292	289	289	349	305	313	304	273	3565
Cases Completed	329	260	257	246	337	271	268	348	296	275	265	261	3413
Cases Pending (Backlog)	258	300	357	378	337	358	383	388	398	448	493	511	
Avg TAT (Days) - ALL	32	31	34	37	38	34	40	41	35	43	45	43	37.75
90% Completion (Days)	59	55	55	57	60	59	59	59	59	59	59	64	58.67
Avg TAT (Days) - POS	51	44	46	49	47	48	50	51	45	54	57	56	49.83
Avg TAT (Days) - NEG	7	4	7	8	12	6	10	12	7	7	12	15	8.917

MEDICAL EXAMINER / CCFRSL 2015

Toxicology	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cases Submitted	292	255	249	279	280	270	282	292	272	276	278	258	**3283**
Cases Completed	289	271	222	362	255	269	249	324	355	301	280	310	**3487**
Cases Pending (Backlog)	302	328	280	317	395	367	441	434	366	344	350	308	
Avg TAT (Days) - ALL	27	42	23	39	45	59	35	50	52	41	35	41	**40.75**
90% Completion (Days)	58	86	58	104	118	113	82	102	90	76	62	65	**84.5**
Avg TAT (Days) - POS	45	61	46	57	65	65	56	68	63	56	55	56	**57.75**
Avg TAT (Days) - NEG	9	8	9	8	12	28	11	17	10	8	8	9	**11.417**

Note: 2016 Caseload increased 8.6%

MEDICAL EXAMINER / CCFRSL 2014

Toxicology	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cases Submitted	256	241	238	260	253	229	255	232	273	246	223	319	3025
Cases Completed	303	221	363	288	199	232	212	219	382	308	338	258	3323
Cases Pending (Backlog)	281	311	201	195	260	273	316	344	259	239	161	273	
Avg TAT (Days) - ALL	35	42	36	31	33	35	38	50	48	41	29	29	37
90% Completion (Days)	58	63	58	57	51	63	70	89	78	74	50	58	66
Avg TAT (Days) - POS	45	54	53	40	42	49	52	70	59	48	39	39	49
Avg TAT (Days) - NEG	19	15	12	7	8	16	14	13	14	10	8	7	12

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

AGENCY IMPACTS - HOMICIDES

Statistics & Records	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Homicides 2016													
City of Cleveland	10	6	6	9	10	8	14	15	15	19	17	15	144
Suburban Cuyahoga County	1	6	4	3	3	1	1	4	1	6	2	0	32
Out of County	0	0	0	1	0	0	1	0	1	0	0	0	3
Unknown	1	1	1	0	0	1	0	0	0	1	0	1	6
TOTAL	12	13	11	13	13	10	16	19	17	26	19	16	185

MEDICAL EXAMINER / CCFRSL 2015

Statistics & Records	JAN	FEB	MAR	APR	MAY	JUNE	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Homicides													
City of Cleveland	5	8	9	10	8	14	18	12	21	13	8	3	**129**
Suburban Cuyahoga County	5	4	2	3	0	1	2	0	0	2	3	3	**25**
Out of County	0	1	0	1	1	0	0	0	0	1	1	0	**5**
Unknown	0	0	0	0	0	0	0	0	0	0	1	0	**1**
TOTAL	10	13	11	14	9	15	20	12	21	16	13	6	**160**

Note: Represents increase of 25 homicides (+15 in Cleveland, +7 in suburbs and -2 Out of County, +5 unknown incident origin) in 2016

2014													
City of Cleveland	8	8	6	8	14	9	6	5	12	12	15	5	108
Suburban Cuyahoga County	3	1	3	3	0	4	1	0	1	4	0	2	22
Out of County	1	1	0	0	0	0	0	1	0	0	0	1	4
Unknown	0	0	0	1	1	0	1	0	0	0	0	1	4
TOTAL	**12**	**10**	**9**	**12**	**15**	**13**	**8**	**6**	**13**	**16**	**15**	**9**	**138**

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

WHAT WE KNOW

Fentanyl Substances

	Date 1st Encountered
Acetylfentanyl	2/10/16
Furanylfentanyl	3/7/16
Butyrylfentanyl	3/23/16
Beta-Hydroxythiofentanyl	3/23/16
U-47700	5/9/16
4-ANPP	8/2/16
Para-Fluorofentanyl	8/29/16
Meta-Flurorfentanyl	8/29/16
Carfentanil	September 2016
Valeryl Fentanyl	10/25/16
Acrylfentanyl	11/7/16
para-Chloroisobutyryl Fentanyl	11/7/16
para-Fluorobutyryl Fentanyl	**1/17/17**
ortho-Fluorobutyryl Fentanyl	**1/17/17**
meta- Fluorobutyryl Fentanyl	**1/17/17**
Isobutyryl Fentanyl	**2/16/17**
Fluoroisobutyryl Fentanyl	**2/16/17**
Methyoxyacetylfentanyl	**4/19/17**

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

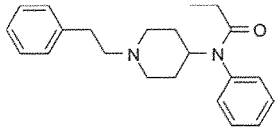


Figure 1 Fentanyl molecule

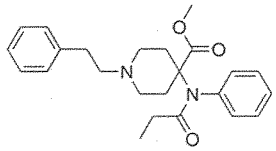


Figure 2 Carfentanil molecule

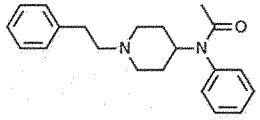


Figure 3 Acetyl fentanyl molecule

Comparison of Heroin Overdose Deaths: Cuyahoga County, OH	2012 Overall Deaths, N=160	2013 Overall Deaths, N= 194	2014 Overall Deaths, N=198
INCIDENT INFORMATION, n(%)			
Using drugs with others	19 (11.9%)	23 (11.9%)	15 (7.8%)
Others present but not using	94 (58.8%)	113 (58.3%)	127 (64.1%)
EMS response	152 (95.0%)	191 (98.5%)	188 (95.0%)
Naloxone administered	36 (22.5%)	54 (27.8%)	59 (29.8%)
Paraphernalia present	81 (50.6%)	103 (53.1%)	99 (50.0%)
BACKGROUND INFORMATION, (%)			
Previous illicit drug use	129 (80.6%)	185 (95.4%)	158 (79.8%)
Intravenous drug use	78 (48.8%)	120 (61.9%)	63 (31.8%)
Period of abstinence	46 (28.8%)	60 (30.9%)	33 (16.7%)
Veteran	---	23 (11.9%)	5 (2.5%)
Level of Education	---	---	HS 99 (50%) None 47(23.7%) Some40(20.2%)

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

Comparison of Heroin Overdose Deaths: Cuyahoga County, OH	2012 Overall Deaths, N=160	2013 Overall Deaths, N= 194	2014 Overall Deaths, N=198
Previous medical treatment	75 (46.9%)	125 (64.4%)	62 (31.3%)
Previous mental health history	---	88 (45.4%)	94 (47.5%)
Previous detoxification treatment	49 (30.6%)	93 (47.9%)	59 (29.8%)
Previous incarcerations	29 (18.1%)	78 (40.2%)	44 (22.2%)
Previous arrests	32 (20.0%)	83 (42.8%)	46 (23.2%)
Previous other legal contact (parole)	23 (14.4%)	73 (37.6%)	29 (14.7%)
Enrolled in Drug Court	---	6 (3.1%)	2 (1.0%)
OARRS report on file	---	141 (72.7%)	143 (72.2%)
History of doctor shopping	---	51 (36.2%)	26 (22.2%)
Pharmacy shopping (new)	---	---	16 (13.8%)
RECOMMENDATIONS, n(%)			
Education	97 (60.6%)	145 (74.7%)	126 (63.6%)
Project DAWN	96 (60.0%)	120 (61.9%)	113 (57.1%)
OARRS	---	51 (26.3%)	31 (15.7%)

Source: Cuyahoga County Medical Examiner's Office revised 5-25-17

CUYAHOGA COUNTY HEROIN PLANNING TIMELINE

2011

December 2011

Internally began assembling data for heroin related overdose deaths

2012

January 2012

Plain Dealer reporter Donna Miller requests data for heroin related overdose deaths

January 13, 2012 – Medical Examiner's Office officially states a "statistically significant upward trend" in heroin related deaths.

CCMEO contacts ADAMHS Director William Denihan, Board of Health and Craig Tame at US Attorneys Office.

February 2012

CCMEO issues first community specific report on heroin related deaths to Garfield Hts. Police

March 2012

CCMEO toxicologist Claire Naso issues abstract for first "academic" look at heroin problem in Cuyahoga County.

CCMEO develops presentation on heroin research for use for Police Chiefs briefing

March 21, 2012 - CCMEO issues first statistical report on heroin deaths
First article in Plain Dealer appears

Maps created 2009-2011 cases, identified growing trend in women and suburban use

Begin coordination with Board of Health Opiate Taskforce

July 2012

Begin first cross-check of heroin deaths and jail records

August 2012

Begin to get first indications of data from other parts of the U.S. Numbers indicate Cleveland/Cuyahoga ranks quite high especially for population size.

Pre-planning meeting for Heroin taskforce; Inclusion of Sheriff and Cleveland Police

September 2012

Begin collection of taskforce interventions in other communities

Naloxone distribution, Poison Death Review targeted as strategies

Heroin taskforce planning meeting hosted

September 26, 2012 – County Executive Press Conference- Heroin initiative announced
Naloxone distribution w/Metro announced
Drug drop box w/ Sheriff
2012 Mid-Year statistical report
CCMEO led PDR committee
At risk target populations – Young people, justice system, treatment

October 2012

State ODADAS given CCMEO reports and briefed
County Council provided briefing presentation by Medical Examiner

October 2012 – January 2013

2012 heroin case file preparation for review

2013

February 2013

February 26, 2013 - First formal meeting of Poison Death Review Committee

Toxicology presents at AAFS ***"In Vitro Formation of Acetylmorphine from Morphine and Aspirin in Gastric Contents and Water"***

March 2013

2012 Heroin Overdose final stats released by CCMEO

HIDI protocol development begins with CCSO, CPD and CCPO; HEAT alerts begin

Project DAWN begins distribution of naloxone

First CCMEO heroin bulletin (13-156) produced and distributed through Fusion Center

April 2013

PDR 2012 report issued

Medical Examiner sends Prevention Letter to County Jail for inmates returning home

November 2013

2013 Mid-Year PDR report issued

November 18, 2013 – CCMEO issues statement regarding 6 deaths over a single weekend due to suspected heroin overdoses.

November 21, 2013 - Heroin Summit held at Cleveland Clinic

Preliminary HIDI protocols completed; training begins

December 2013

CCMEO releases second heroin bulletin

2014

January 2014

Medical Examiner sends Prevention Letter to treatment centers for patients returning home.

OARRS data now made available to Medical Examiners and Coroners.

February 2014

Dr. Gilson testifies at Joint Ohio House & Senate Health Committee on Opiate Crisis in favor of HB170 for wider distribution of Naloxone.

March 2014

Fentanyl outbreak kills 3; expedited HIDI protocols implemented; March 11, 2014 HB 170 passes and goes into effect.

April 2014

Final HIDI protocols issued to local law enforcement; suburban trainings begin

July 2014

2013 Final PDR report issued

November 2014

Heroin Initiative One Year Report to Community released

A second fentanyl outbreak kills 12 in three weeks; final numbers will double from previous year

2015

January 2015

Steady fentanyl involved deaths continue throughout 2015.

November 2015

CDC Strike-team does on ground surveillance visit of Opiate crisis. Issues report in mid-2016.

December 2015

Heroin deaths actually decrease but rise of fentanyl deaths far outpace the reduction

2016

January 2016

Fentanyl now occurs in massive numbers of overdose deaths through 2016.

March 2016

2014 PDR report released

April 2016

Taskforce members meet with County Executive and Governors Opiate Taskforce regarding Opiate crisis.

October 2016

Taskforce members meet with US Surgeon General regarding Opiate crisis.

December 2016

Ends deadliest year ever in Cuyahoga County. Heroin/Fentanyl deaths outnumber traffic accidents, homicides and suicides combined.

2017

January 2017

Rise in cocaine mixtures with fentanyl now occur regularly, doubling the rate of African American deaths due to fentanyl in first quarter of 2017.

CUYAHOGA COUNTY
MEDICAL EXAMINER'S OFFICE
Thomas P. Gilson, M.D.
11001 Cedar Avenue
Cleveland, Ohio 44106
A National Association of Medical Examiner's (N.A.M.E.) accredited office.

MEMORANDUM

TO: Thomas P. Gilson, MD
Medical Examiner

FROM: Hugh B. Shannon, Administrator

DATE: May 9, 2017

RE: Cost of Heroin/Fentanyl Crisis, Fiscal Impacts to CCMEO Operations Update

INTRODUCTION

Several months ago, an outline of additional expenditures and anticipated future costs was produced to track the impacts on CCMEO operations by the current public health crisis of heroin and fentanyl related deaths. In that memo, indicated rising caseloads across the spectrum of CCMEO and the Forensic Science Lab of 10-20% in 2015 and 2016 and a projection for similar caseloads in 2017 would produce an additional $1.219 M in actual and anticipated costs from 2015 through 2017.

2016 final caseloads and costs were dramatically higher than 2015. Current projections of 2017 are even higher. Caseloads for most units are up 25-50% from 2016. Cases from inside Cuyahoga County have increased 42%, while cases from outside of Cuyahoga County have more than doubled in the first quarter of 2017 as compared to 2016. This would amount to a projected 2900 IN cases and 375 OU cases, up from 2595 and 317 respectively. This constitutes another 300+ cases, the equivalent to another full-time forensic pathologists caseload.

This is causing a further review and revision of the cost anticipation memo of October 4, 2016 as follows:

PERSONNEL

2 toxicologists (hired 2015)	$100,000 + fringes
2015-16 COST COMMITMENTS	**$100,000**
Forensic Pathologist (hired 2017)	$175,000 + fringes
Contract Pathologists	$155,000
DNA Tech upgrade to analyst	$ 10,000
DNA Tech replacement	$ 45,000 + fringes
Contract Toxicologist	$ 30,000
Anticipated 2017 Cost Commitments	**$415,000**

EQUIPMENT	
ELISA immunanalyzer (Toxicology)	$ 75,000
LC/MS (Toxicology)	$300,000
2 GC/MS (Drug Chemistry)	$175,000
2017 EQUIPMENT COST COMMITMENTS	**$550,000**
SUPPLIES & TESTING	
Drug Chemistry supplies 2015/2016	$ 30,000
(2014 $18,100; 2015 $25,912; 2016 $40,000)	
Toxicology supplies and testing 2015/16	$167,000
(2014 $57,965; 2015 $153,663; 2016 $225,000)	
2015/16 SUPPLIES & TESTING COST	**$197,000**
2017 SUPPLIES & TESTING COST COMMITMENTS	**$225,000**
TRANSPORT	
2015/16 Body transport	$142,000
TOTAL TRANSPORT COST & ANTICIPATED 2015-16	**$142,000**
2016/17	$150,000
2017/18 Anticipated (1/2 year)	$100,000
TOTAL TRANSPORT COST & ANTICIPATED 2017	**$250,000**
TOTAL COSTS AND ANTICIPATED COST COMMITMENTS 2015-2017	**$1,837,000**
2015/16	**$ 297,000**
2017	**$1,540,000**
Lab Fund	***$ 550,000***
GF	***$ 990,000***

Written Testimony of Michael Botticelli
US Senate Permanent Subcommittee on Investigations
May 25, 2017

Chairman Portman, Ranking Member Carper and members of the committee. Thank you very much for the invitation to be here today and for your leadership on this incredibly important issue. My name is Michael Botticelli and I currently the Executive Director of the Grayken Center for Addiction Medicine at Boston Medical Center and a Distinguished Policy Scholar at the Johns Hopkins Bloomberg School of Public Health. Prior to this, I was the Director of the Office of National Drug Control Policy in the Executive Office of the President.

By all accounts, the opioid epidemic is the most pressing public health issue of our time. The 2016 National Survey and Drug Use and Health estimates that approximately 2.1 million people in the US have an opioid use disorder requiring treatment.

In 2015, the last year that we had complete national statistics, 91 people a day died from an overdose of opioids including prescription pain medication, heroin and/or fentanyl resulting in over 33,000 deaths in 2015 alone. In MA, 1900 died of an overdose, up from 742 in 2012.

Since 1999, the amount of prescription pain medication sold in the US has nearly quadrupled and deaths from prescription opioids have quadrupled as well in a near perfect correlation. There is also a significant variation in the number of prescriptions by state with the highest state prescribing nearly 3x the lowest. As with national trends, states with the highest number of prescriptions had higher number of overdose deaths tied to these medications.

Diversion of legitimately prescribed opioids is a also major cause of misuse and addiction. Approximately 55% of people who misused prescription pain medication got them free from a family or friend.

Early on in this epidemic, lax state laws and regulations also contributed to "pill mills" where rogue physicians distributed millions of prescriptions for pain medication to people with no medical conditions. Prior to enforcement actions

and changes to state laws, Florida was a startling example of the proliferation of pills mills. At one point, Broward County accounted for almost 50% of the dispensed pain medication in the US.

While less of a source of diversion but nonetheless important, is the role that doctor shopping – seeking medications from multiple prescribers and/or multiple pharmacies has played as a contributor to misuse and overdose risk.

We also know that the misuse of pain medication is a significant driver in the increase in heroin use. The same national survey showed that approximately 80% of new heroin users started opioid use with a prescribed medication. It should be noted, that only a small portion of actually transition to heroin and that factors such as the low cost and widespread availability as well as the progression of the disease seem to account for this transition rather than a decrease in the availability of medications.

Injection drug use associated with the epidemic has been linked to dramatic increases in viral hepatitis across the country along with local outbreaks of HIV. A recent analysis done by the CDC showed that there are at least 220 counties, mostly in Appalachia, that are at significant risk for another outbreak similar to the one we saw in Scott County, Indiana two years ago.

Over the past two to three years, we have seen the emergence of synthetic opioids like fentanyl. Fentanyl is 50x more potent than heroin and 100x more potent than morphine. The CDC estimates that overdose deaths attributed to synthetic opioids other than methadone increased by over 72% from 2014 to 2015. Reports from the DEA as well as state law enforcement indicate that these deaths have been associated with law enforcement seizures testing positive for fentanyl. This increase is not a result of fentanyl prescribing indicating this is largely illicitly manufactured. Domestic law enforcement seizures have increased by 426% from 2013-2014. Analysis limited to those states with excellent of very good reporting which means that overdoses deaths are reporting with the specific drug involved in the death. 26 states reported statistically significant increase from 2014 to 2015 with states in the northeast and mid-west experiencing the highest increases.

A recent analysis of overdose deaths in Massachusetts showed that deaths involving fentanyl rose from 32% during the 2013-2014 period to 72% in the first half of 2016.

Fentanyl is often mixed with heroin and cocaine with or without the user's knowledge, usually without. As we have seen in some high-profile deaths, it also can be disguised as prescription pain medication and again taken without the user knowing that it contains fentanyl. The fentanyl in the supply appears to be largely illicitly manufactured in China, either directly shipped to the US, via both open and dark web sources, or shipped to Mexico where it gets mixed in with heroin before transport to the US.

The Obama Administration's response to this epidemic started at the very beginning with the release of the Prescription Drug Abuse Prevention Plan in 2010. This was a government wide response that called for action along four main pillars.

Education – ensure that every prescriber had at least some minimum training on safe and effective opioid prescribing. This area also focused on educating the public on the health risk and addiction potential from prescription pain medication

Monitoring – Reduce doctor shopping by establishing state-based Prescription Drug Monitoring Programs (PDMP) that allow prescribers and pharmacies to access a patient's prescribing histories.

Disposal – reduce the diversion of unwanted and/or unused medication by providing safe, efficient disposal opportunities.

Law Enforcement – reduce the volume of prescription pain medication through federal and state enforcement actions; close "pill mills"

Underpinning all those efforts is ensuring people who need treatment have timely access to high quality addiction treatment, particularly medication assisted treatment. It also ensured people received care for other behavioral and medical conditions. The ACA contributed to perhaps greatest expansion of treatment access by ensuring that substance use disorder treatment was one of the ten essential benefits that Medicaid expansion plans and marketplace plans had to cover. It also ensured that these benefits were offered on par with other health

services to comply with the Federal Mental Health and Addiction Equity Act. A recent HHS analysis has showed that the ACA and particularly Medicaid expansion has played a critical role in expanding access to treatment and particularly in some of the hardest hit parts of the country.

We also worked to expand access to treatment in rurally underserved areas or what I call "treatment deserts" by providing funding for community health centers to integrate addiction treatment and to expand the number of physicians who are able to prescribe. HHS raised the cap on the number of patients these doctors serve and Congress also passed legislation to expand prescribers to Physician Assistant and Burse Practitioners.

We also promoted and supported efforts to expand the use of naloxone, a safe and effective way to reverse an overdose, by law enforcement and other first responders and others who might be on a position to witness an overdose. The response to this call to action on the part of our law enforcement community has been overwhelming to say the least. We have thousands of local and state police forces administering naloxone and have saved countless lives because of their efforts.

We also supported the expansion of Sterile Syringe programs to reduce the incidence of hepatitis and HIV and to serve as a glide path into treatment. Congress saw fit to eliminate the ban on the use of federal funds for the programmatic parts of these programs. For that, I am very thankful. Following Congress' lead many states have expanded existing programs or passed laws to authorize programs.

Congress also supported these efforts over the past four years by, among other things passing the 21st Century Cures Act which allocated $1 billion over two years to enhance states' response to the epidemic and passing the Comprehensive Addiction Recovery Act and supporting some of its grant provisions. I want to thank the members of the committee and Congress for their support on these and other issues

While we still have a very long way, we are seeing some promising trends that may indicate these strategies. Over the past two years, we have seen a reduction in in the number of opioid prescriptions. In 2015, there were 17 million fewer prescriptions written.

We have also seen a reduction in prescription drug misuse among youth and young adults and a dramatic slowdown in prescription drug overdose deaths.

However, we have seen that this epidemic has evolved and so too must our approaches. This is also no time to backslide on the progress we have made. This is the time to redouble our efforts and our commitment to ending this epidemic.

As we move forward, there are some recommendations for action that I see as crucial to our efforts, particularly on fentanyl.

1. Continue to enhance our intelligence on the manufacturing and distribution of fentanyl. While I was very appreciative of the Intelligence Communities calls for better information, there are still many unanswered question on how fentanyl enters the US, particularly through US Mail and other carriers.
2. Since fentanyl is much harder to detect and can present a hazard to state, federal and local law enforcement, we need to promote ways to expand current drug testing technology and continue to develop detection capabilities
3. Continue to provide fact-based handling instructions to law enforcement, border patrol and others who may come in contact with fentanyl.
4. Continue our engagement with China and press them for additional action to schedule fentanyl analogues and take down illicit manufactures and shippers. In October 2015 China scheduled more than 100 synthetic substances including tow fentanyl analogues and in February of this year made the manufacture of many fentanyl analogues illegal
5. Since there is a significant amount of variability of standard testing of fentanyl, law enforcement, criminal justice systems, coroners and medical examiners and treatment programs need to incorporate fentanyl into their drug testing panels
6. With public health experts, develop and distribute informational material to users on how to minimize overdose risk in areas where fentanyl might be present
7. Expand the use of naloxone by anyone who is in a position to witness or reverse an overdose. Because of the potentcy of fentanyl and what appears to be a pattern of users injecting alone, the period of time we have to reverse an overdose has shortened.

8. Expand sterile syringe programs and other programs that engage active drug users to promote safer injecting, distribute naloxone, and minimize overdose risk
9. Preserve the coverage gains made through the Affordable Care Act, particularly Medicaid expansion and other federal grant programs. Even with these provisions timely access to quality care remains an issue for many, particularly in rural communities.

Written Statement for the Record

United States Senate Subcommittee of the
Committee on Homeland Security and Governmental Affairs

May 25, 2017

Terry L. Horton, MD, FACP, FASAM

Good morning, Mr. Chairman, Senator Carper, and distinguished Members of the Committee. Thank you for the opportunity to appear today. I am Dr. Terry Horton, Chief of the Division of Addiction Medicine, and Associate Physician Lead of the Behavioral Health Service Line at Christiana Care Health System in Wilmington, Delaware. I am also the founder and Medical Director of Project Engage, a nationally recognized and award winning treatment program using peer counselors integrated into health systems to help identify and transition substance use disordered patients into ongoing drug and alcohol treatment. I was appointed by former Delaware Governor Jack Markell to chair the State's recently enacted Drug Overdose Fatality Review Commission, which our State legislature tasked with reviewing all overdose fatalities in Delaware that involve prescriptions, opiates, heroin, fentanyl and other illicit drugs—and with providing elected officials with data-driven recommendations to prevent future overdoses.

Executive Summary

My prepared remarks today address four primary points, which I will address briefly in these remarks and have covered in more detail in my written statement:

(1) First, opioid addiction is a chronic brain disease that needs to be treated like other chronic diseases with evidence-based methods and medications. Without these treatments, opioid addiction is potentially lethal as witnessed by the epidemic spread of fatal overdoses across the United States. The problem is critical, urgent, and getting worse.

(2) Second, we know how to treat this epidemic. We are learning what works and we are being successful in treatment. That means we have hope, but only if our policy decisions continue to support evidence-based treatment. Not all treatment is created equally, and data overwhelmingly supports the use of long-term treatment, including the use of medication assisted therapies, which is far more effective than other methods of treatment, including detoxification alone.

(3) Third, we need to take advantage of reachable moments to connect people to treatment—including hospital admissions, law enforcement encounters, and ideally, interventions before either of those things happen. We are making great strides on that front in Delaware, including my work at Christiana Care with our Project Engage program, but we have a great deal more to accomplish.

(4) Fourth, none of the progress that we are making matters or will save lives without maintaining access to treatment—including maintaining coverage for treatment through

Medicaid, commercial insurance, and Medicare. The Medicaid rollbacks and caps as called for under the American Health Care Act recently passed by the House will mean fewer dollars for mental health services, including opioid and drug addiction treatment. Without treatment access and coverage, we have no hope of stemming the record-setting number of overdose deaths affecting all of our communities.

I. The Addiction Epidemic—Treating Addiction as a Chronic Brain Disease

I want to speak today to the human element of the opioid crisis – far more than a crisis – a new breed of health epidemic that has swept our great nation and for the first time in our country's history has resulted in a shorter average life expectancy for a significant segment of the U.S. population. In 2015, we lost 50,000 American lives to drug overdoses, surpassing the total number of deaths from AIDS at its peak in 1995.

Why is this epidemic so acute? Opioid misuse results in an acquired brain disease called addiction—a disease of your brain circuits that affects judgment, motivation, self-regulation, and decision-making. This is not about "just saying no" – as any family member of an opiate user will tell you. Opioid addiction is remarkably powerful.

I spend most of my days as a doctor providing direct treatment to members of our community who are addicted to opioids. I can assure you that this disease plays no favorites. Opioid addiction affects everyone: young and old, men and women, urban and rural populations. I have treated hundreds of patients, including a champion high school pole vaulter, a retired executive, a new mom attending college, an urban couple who have no transportation but who cobble together rides to get to their appointments. They are desperately seeking treatment and are desperate to be cured – they want out of their nightmare that is opioid addiction. At the same time they are terrified of the "primal misery" of withdrawal. I recently treated a 64-year-old grandmother with chest pain who had delayed seeking treatment because she was ashamed of her addiction and terrified of withdrawal. We were able to address her fear and treat her for both conditions. Her hospital visit for her unrelated medical need opened the door to allow us to address her addiction. She is doing well eight months later, adherent with her counseling and buprenorphine, safe from overdose, safely taking her heart medications and reconnecting with her grandchildren.

II. Effective Treatment

What I am here to tell you today is that we are learning how to address opioid addiction, critical lessons to impact this epidemic. When people are addicted to opiates, we need to keep them alive for long enough to engage with them, prevent them from overdosing, and ultimately get them into - and keep them in - the treatment that they need.

Not all treatments are created equally. We need access to effective drug treatment as an essential element of addressing the opioid epidemic and reducing associated deaths. But not just any drug treatment. Long term treatment is considered the standard of care to address addiction. Several decades of medical research has taught us that effective opioid drug treatment requires a long term approach with medication assisted therapies (MAT) such as methadone and buprenorphine,

counseling support and similar means to assist with psycho-social challenges. Medication-assisted therapy, or MAT, is considered an essential medication by the World Health Organization. Detoxification or other tapering methods are inferior and place patients in harm's way. Tapering MAT is associated with a 50% increase in drug use, 3 fold reduction in treatment retention and over 4 fold increased mortality compared to not tapering.[1] As the United States Surgeon General's 2016 report on the addiction epidemic noted:

> One of the most serious consequences when individuals do not begin continuing care after withdrawal management is overdose. Because withdrawal management reduces much of an individual's acquired tolerance, those who attempt to re-use their former substance in the same amount or frequency can experience physical problems. Individuals with opioid use disorders may be left particularly vulnerable to overdose and even death. It is critically important for health care providers to be prepared to properly assess the nature and severity of their patients' clinical problems following withdrawal so that they can facilitate engagement into the appropriate intensity of treatment.[2]

Compared to counseling alone, participation in MAT resulted in approximately a 50% reduction in overdose fatalities.[3] In a recent meta-analysis involving a review of studies of 122,885 patients, retention in MAT, including methadone and buprenorphine treatment, was associated with significant reduced risk of all-cause mortality and overdose mortality.[4]

When we provide the right treatment we can reduce drug overdose deaths. When we can lengthen a patient's time in treatment, we know we will get better outcomes. When we combine medication assisted treatment and therapy, we can win this battle that is being fought in nearly every family in our country. I know this because I am on the front line of this battle every single day, encouraging my patients, making sure that every person I am treating gets their medication every day. These are the words I say to them: "Each morning you take your buprenorphine is a day you are safe, a day you will not overdose and die". As days become weeks, our focus evolves and grows, from simple safety to learning how to negotiate the tribulations of life, to re-experiencing the simple joys of living. We can break this disease pattern, we can pull them back

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[1] Nielsen S, Larance B, Lintzeris N. *Opioid Agonist Treatment for Patients With Dependence on Prescription Opioids.* JAMA. March 2017, 317(9):967-968. DOI:10.1001/jama.2017.0001, *available at http://jamanetwork.com/journals/jama/fullarticle/2608202.*

[2] United States Department of Health and Social Services, *Facing Addiction in* America, *the Surgeon General's Report on Alcohol, Drugs and Health*, 2016, p. 4-13, *available at* https://addiction.surgeongeneral.gov/surgeon-generals-report.pdf.

[3] Nora D. Volkow, M.D., Thomas R. Frieden, M.D., M.P.H., Pamela S. Hyde, J.D., and Stephen S. Cha, M.D. *Medication-Assisted Therapies — Tackling the Opioid-Overdose Epidemic*, N ENGL J MED, May 29, 2014; 370:2063-2066. DOI: 10.1056/NEJMp1402780, *available at http://www.nejm.org/doi/full/10.1056/NEJMp1402780#t=article.*

[4] Luis Sordo, Ph.D., *Mortality risk during and after opioid substitution treatment: systematic review and meta-analysis of cohort studies*, BMJ, April 26, 2017; 357. DOI: https://doi.org/10.1136/bmj.j1550, *available at http://www.bmj.com/content/357/bmj.j1550.*

into society, we can get great outcomes – but only if we can get them into treatment and keep them in treatment.

III. Engaging at the Reachable Moment

In 2010, Dr Christopher Shanahan coined the phrase, "reachable moment" to describe that critical opportunity that hospitalization affords patients to be engaged and transitioned into addiction care.[5] At Christiana Care Health System, we are learning to rapidly identify and treat opioid withdrawal helping our patients experience reachable moments instead of leaving against medical advice only to be readmitted when they are much more ill. We have developed and implemented screening and treatment pathways and utilize embedded peer counselors, Project Engage staff who are in stable recovery and help us reach patients who are so often unreachable. It has proven a powerful combination—and our patients respond, like the 64-year-old grandmother whose hand we were able to find and grasp, helping her into recovery.

My preliminary data shows that more than two-thirds (2/3) of my patients expressed interest in, and motivation, to begin drug treatment. Of those patients, more than three-fourths (3/4) showed up for their first appointment after hospital discharge, and more than seventy (70) percent remained in community-based treatment one month later. The longer we keep them in treatment, the better outcomes we will get.

We know that many overdoses occur in the community, behind closed doors out of the reach of health providers. One effective tool to prevent overdose deaths has been the use of Narcan. In Delaware, and as I imagine is true in other states, without Narcan we may have had as much as four to five times the number of overdose deaths last year—and possibly even more. The United States Drug Enforcement Administration's data reflects 2,214 Narcan saves in Delaware from 2014-2015.[6]

But averting an overdose is not enough—especially when overdose events increasingly involve fentanyl, a synthetic painkiller that is up to 50 times more potent than heroin. In Delaware, the number of fentanyl-related deaths increased 180 percent from 2012 to 2015. In 2016, fentanyl-related deaths in Delaware increased 115 percent over 2015. Narcan has kept them alive – the next step is for us to actively partner with the law enforcement community in Delaware to determine how we can better engage with people who do not seek medical care following a Narcan episode.

IV. Preserving Treatment Access, Coverage and Funding is Critical

It is critical to keep in mind--when we discuss policy solutions to the opioid crisis-- that much of the treatment provided is covered by Medicaid. The Medicaid rollbacks and caps as called for

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[5] Christopher W. Shanahan, MD, MPH, *et al.*, *A Transitional Opioid Program to Engage Hospitalized Drug Users*, J GEN INTERN MED. Aug. 25, 2010, p. 803–808. DOI: 10.1007/s11606-010-1311-3, *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2896583/.

[6] Brittany Horn, *Narcan Becomes a Safe, Common Tool for Delaware* Police, THE NEWS JOURNAL, May 22, 2016, *available at* http://www.delawareonline.com/story/news/2016/05/22/narcan-becomes-safe-common-tool-delaware-police/84488900/.

under the House AHCA bill will mean fewer dollars for mental health services, including opioid and drug addiction treatment. Fewer people will get treatment and those who do will likely get less effective and sustained treatment. If Medicaid is reduced as proposed, we will not be able to deliver the care and treatment that we know works – it will be like having a cure for cancer that we are not able to use or a vaccine for polio that was never deployed.

In Delaware, our largest substance use disorder treatment provider first began medication assisted treatment when Medicaid covered the cost of that care; they now provide thousands of outpatient treatment slots for patients with opioid addiction—slots that are at risk of being eliminated under the House proposal.

Treatment for opioid addiction also benefits from consumer protections in the private insurance market, such as the current prohibition of underwriting based on preexisting conditions and the requirement for plans to cover essential health benefits like addiction treatment. Returning to underwriting, making coverage inaccessible or unaffordable due to preexisting conditions, and removing essential health benefits mean that individuals fighting addiction will lose health insurance when they need it the most. Instead of treating people, we will likely see the opioid epidemic get worse and more individuals falling through the cracks just as the Medicaid safety net has been weakened. A 2014 survey conducted by the Substance Abuse and Mental Health Services Administration (SAMHSA) found that a lack of health insurance and/or high health insurance costs were the second-biggest reason people with substance use disorders went without treatment.[7]

I spend my days caring for patients addicted to opioids. I am witnessing this epidemic firsthand—and I suspect some of you are as well. We see how this epidemic is devastating lives and families and killing so many people in our communities. I also know that we have treatments that are effective and that help the people we care for return to their lives and return to society. I respectfully encourage this Committee to reject any attempts to remove the Medicaid funding and insurance coverage that support treatment for so many people in my community, and so many Americans.

Thank you again for the opportunity to present this information.

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[7] "Not ready to stop using" was the most common reason (41.2%), with "no health coverage and could not afford cost" as the second reason (30.8 percent). United States Substance Abuse and Mental Health Services, *Receipt of Services for Behavioral Health Problems: Results from the 2014 National Survey on Drug Use and Health Administration*, September 2015, *available at https://www.samhsa.gov/data/sites/default/files/NSDUH-DR-FRR3-2014/NSDUH-DR-FRR3-2014/NSDUH-DR-FRR3-2014.htm. See also* Matthew Albright, *Tom Carper: Obamacare repeal could hurt drug* treatment, *The News* Journal, Mar. 16, 2017, *available at* http://www.delawareonline.com/story/news/politics/2017/03/16/drug-abuse-cuts/99257912/.

Testimony U.S. Senate Panel on Synthetics

Thomas Synan Jr.

Good morning. Thank you Chairs Senator Portman and Senator Carper along with all on this panel for giving me the opportunity to discuss this very important topic of how synthetic drugs such as Fentanyl and Carfentinal are destroying the lives of loved ones and our communities. In my 24 years of law enforcement I have never seen a substance cause such damage and devastation with its death rates that have risen to levels higher than car accidents and homicides combined. I have witnessed the power of drugs in my small community watching an entire family from the mother to her three sons wiped out. Three brothers an entire generation gone because of drugs, the last two brothers due to heroin.

Events such as this lead us to form the Hamilton County Heroin Coalition at a time when we were calling this an epidemic with an average of 20-25 overdoses and 1-2 deaths a week. In July of 2016 I received a call from the Greater Cincinnati Fusion Center a part of Homeland Security. A center that was originally designed after the 9/11 attacks for law enforcement to share intelligence on potential terrorists situations which could be analyzed and shared with local, state and federal law enforcement along with the public. Recognizing the centers ability to analyze data and share it quickly among various agencies we adapted its use for heroin. Tracking overdoses, locations and intelligence that could track trends on the street.

At 10pm that call told me, "Tom there is a new drug on the street called Carfentinal". I asked "what is Carentinal?" The response was "we aren't sure; it is used to knock out large animals". I replied "like a pig", he responded, "no elephants". We passed this information onto the Coroner and County Health Commissioner trying to obtain as much information as we could to try and figure out what the introduction of Carfetninal on our streets would mean. What we learned about this drug was frightening. The top of the Fentanyl/opiate chain, potentially used in some chemical weapons the drug not intended for humans, so powerful that the equivalent of 2 grains of salt had the potential to kill a human. This drug 10,000 times more powerful than heroin was now on our streets leading us to issue a public warning so concerned not only for the user but first responders, hospitals, treatment centers and the public; all who could unknowingly be exposed to this extremely dangerous synthetic. We were so concerned for the safety of law enforcement we recommended stopping "field testing" of heroin which is a process needed to develop probable cause to arrest a person for possessing heroin, the officer's safety the priority over enforcement. This warning has reached other states such as Georgia and Florida who have also stopped this practice to ensure the safety of their officers. With all the dangers already facing law enforcement this danger which could be undetected

until it was too late was a danger that concerned the most hardened police veteran and lead police administrators to modify policies to protect their officers. We knew this drug was strictly controlled and monitored in the U.S. and with the assistance of the DEA we determined it was not coming from sources within the U.S.

We could have never anticipated that our epidemic would reach levels more along the line of a pandemic and become the new normal. In the week of August 19-27 2016 an event occurred that would forever change the heroin epidemic in our area when the hardest hit, Cincinnati experiencing nearly 200 overdoses and 3 deaths in one week. Seeing and hearing from dealers and users alike that there was nothing on the streets than synthetic drugs like Fentanyl and Carfentinal we experienced the literal shift from the "organic" opiate of heroin to the synthetic opiate of Fentanyl all of its derivatives and Carfentinal.

This shift in synthetics is testing the limits of users, first responders, the systems of government, hospitals and the spirit of each person who no matter drawn in by choice or necessity is to the point of breaking. I not only witness this devastation but the determination of those same people who day in and day out try to keep up with the new "normal", the new average of 50-70 overdoses and 4-5 deaths a week. Moments of "spikes" where 70 overdoses occur in one weekend, 11 people die in one weekend, and multiple people overdose at the same time in the same location. At times overdoses which reach to nearly 40 in one day stretch the resources of even large police and fire departments such as Cincinnati who in one district with its 20 officers had 16 on overdoses and 4 on shootings, causing every officer to be unable to respond to other calls. In 2012 our area had 7 deaths that were Fentanyl related, in just three years that number exploded to 238 in 2015. The numbers continue to rise at an alarming rate. From January 1st of this year to April 30th our area has had almost 230 overdose deaths. In that short 4 months that number equates to half of the total deaths of 403 we saw in all of 2016.

Heroic efforts by many who have initiated innovative programs such as quick response teams that try to connect users to treatment, the Coalition issuing Narcan to every first responder who in 19 months has used over 7500 kits Narcan. The sheer volume of numbers has lead us to follow the mantra of the Starfish parable where a young boy was walking down the beach where thousands of Starfish had washed up. The young boy would pick up a Starfish and throw it into the sea and go to the next one. An old man seeing this stopped the boy and said "young man there is too many to make a difference and you can't save them all". The young boy picked up a Starfish, throwing back into the sea replied; "I saved that one". This description we follow is beautiful in its nobility and heartbreaking in its reality, describing where we are right now with this epidemic.

But no matter how great our efforts, our initiatives our determination the tremendous influx of such powerful synthetics such as Fentanyl (which illegal labs have altered the molecular structure of the Fentanyl into even more powerful derivatives which our Coroner Office has identified at least 10 variations Fentanyl) and the current ultimate on the opiate scale of Carfentinal have rendered each initiative less effective forcing us to change our beliefs in order to keep up with its power. The original 2mg Narcan we issued to over 1000 police officers now obsolete having to replace with a higher concentration of a 4mg dose of Narcan which often due to the strength of the synthetic require multiple doses. It is more common to hear of user's unconscious taken to the hospital being placed on a constant Narcan drip in order to keep them alive.

These synthetics now so engrained in the user and our area that when we think the situation cannot get more difficult, cause even more fear, dealers insensitive to the damage they are causing to the user and our communities have now began to place these synthetics in other drugs like cocaine. This will not only cause more overdoses but deaths due to the cocaine users body not accustomed to not only general opiates but especially ones as strong as Carfentinal. Carfentinal now so common in our drug supply a staple in the heroin supply is now expanding. Just a couple weeks ago 4 people in Cincinnati who bought what they thought was just cocaine all overdosed, 2 died on the scene and 2 left in critical condition on Narcan drips due to that cocaine also containing Fentanyl and Carfentinal. That same week in my small community a mother drove her 10 month old baby into a driveway where she got out and collapsed. Neighbors called 911 brought the baby inside where as officers arrived the mother regained consciousness. She believing she had only purchased heroin found that she was actually given a mixture of cocaine, Fentanyl and Carfentinal.

I commend this panel for taking the time to hear, investigate and look into ways to help reduce these powerful synthetics drugs from entering our country, drug supply and our communities. I plead with this panel to do all it can to help us by stopping this poison from even getting in. Although this will not stop addiction or stop every supply, each intervention that prohibits these synthetics from reaching the streets means first responders can get relief from the overwhelming numbers which has caused such stressors on them and our system we have coined a term working with the Ohio Attorney General called "first responder fatigue". Take this deadly ingredient from those who push these drugs on our streets so their potions become less powerful. Take this tool away from them so that the tools we are using can be given the chance to work. Reduction from these powerfully devastating synthetics would mean less people would overdose; the numbers of deaths would be reduced which for us is never lost that each of those numbers is a person. A person who has a mother, father, brother, sister, son or a daughter who will forever grieve the loss of their loved one.

Thank you for allowing me to speak on this subject and I commend you for your compassion to want to help all of us in making the lives of those we serve better.

Post-Hearing Questions for the Record
Submitted to Gregory Thome, Director
Office of Specialized and Technical Agencies
Bureau of International Organization Affairs
U.S. Department of State
From Chairman Rob Portman and Ranking Member Thomas R. Carper

"Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs"
May 25, 2017

Question 1:

How many bilateral agreements with data sharing requirements does the U.S. Postal Service currently have with foreign posts? Please provide a list, along with effective dates.
a. Are there current or future plans to enter into additional bilateral agreements?
b. What are the enforcement mechanisms available to the Postal Service if a country does not comply with one or more of the provisions agreed upon in a bilateral or multilateral agreement?

Answer 1:

The Department of State works closely with U.S. Customs and Border Protection, the U.S. Postal Service (USPS), and others to take steps to increase the availability of advance electronic data (AED) for international mail. We would refer you to the U.S. Postal Service to confirm the number and details of any contractual agreements with foreign postal entities, as USPS is best positioned to answer questions about contracts covering its commercial business and operational arrangements.

Question 2:

Does the State Department play a role in negotiating bilateral or multilateral agreements between the Postal Service and foreign posts? If not, please explain why the State Department does not participate in negotiating these agreements.

Answer 2:

The State Department is responsible for foreign policy related to international postal services, including conclusion of postal treaties, conventions, and amendments. While we coordinate closely, the U.S. Postal Service has independent authority to enter into commercial or operational contracts with foreign postal operators related to providing international postal services and other international delivery services (*See* 39 U.S. Code § 407 (d)). Such agreements are purely contractual in nature and not binding under international law. The State Department is not involved in their negotiation.

Question 3:

Please explain the working relationship between the State Department and U.S. Customs and Border Protection on Universal Postal Union (UPU) issues.

Answer 3:

The State Department enjoys a relationship of close cooperation and open communication with Customs and Border Protection (CBP) on UPU issues. The Office of Specialized and Technical Agencies in the State Department's Bureau of International Organization Affairs is the primary point of contact with the CBP on UPU policy issues, and works primarily through the Manifest & Conveyance Security Division of CBP's Office of Field Operations. An official from that division serves on the Department's Advisory Committee on International Postal and Delivery Services. CBP is frequently represented on U.S. delegations to UPU meetings, where the expertise of its officers is a valuable resource.

Question 4:

What other UPU member countries, if any, have their customs enforcement agencies participate in UPU conferences and meetings, or is the U.S. unique in that regard?

Answer 4:

The United States is unique in routinely including customs officials on its delegation. Although delegation lists in UPU meeting records are not sufficiently detailed to state categorically that no customs officials from countries other than the United States take part in UPU meetings, their participation has been rare.

Question 5:

What is the State Department's timeline for ensuring that the UPU moves forward with Advanced Electronic Data requirements?

Answer 5:

The State Department's immediate goal is for the UPU's Postal Operations Council (POC) to give final approval to a global messaging standard for Advanced Electronic Data (AED) at its meeting in October, 2017. If this messaging standard is adopted, UPU member countries can begin selectively to require AED for postal items containing goods from January 1, 2018. This coincides with the effective date of decisions of the Istanbul UPU Congress establishing a basic division between postal items containing documents and those containing goods, and a requirement for bar code labels on items containing goods. In preparation for the adoption of these standards, the POC adopted regulations in February of 2016 governing the provision of AED.

The above described measures, together with amendments to the UPU Convention adopted at the UPU Congress in Doha in 2012, establish the international legal framework for AED exchange but they do not address the fundamental underlying challenge that no postal operators are able to provide AED for 100 percent of their outbound mail containing goods while most have no current capacity to provide it at all. The UPU Business Plan for 2017-2020, which the United States voted to approve, aims for all postal operators to have the technical capability to send and receive AED by 2020. This technical ability does not automatically translate into actual data exchange for any given country's entire postal volume, since the ability of postal facilities and customers within it to collect and provide the data will also vary. For example, a particular postal service may be able to provide AED for shipments originating with large retailers in major urban areas but lack the ability to provide it for retail customers in rural areas.

Therefore, expanding the share of postal flows globally for which AED is provided will require continuous sustained effort through 2020 and beyond. We have every reason to believe that we will have it for most commercial shipments to the United States by that date. To achieve that objective, U.S. officials are leading efforts within the Postal Operations Council to ensure that the tasks identified in the UPU's Roadmap for Electronic Advance Data (i.e., AED) are carried out, while actively engaging in UPU work to define product specifications and build capacity to enable AED collection and transmission.

Question 6:

Does the State Department participate in developing a "denied persons list" for use by private express carriers or the Postal Service? If so, please describe:

a. The purpose of this list;
b. The role of the State Department or other federal agencies in its development;
c. How a person or party gets on or off this list; and
d. Whether private express carriers have access to this list.

Question 7:

Is the "denied persons list" shared with the Postal Service? If not, please explain.

Answer to Question 6 and 7:

The Department of State is not aware of a "denied persons list," and does not participate in developing such a list for use by private express carriers or the Postal Service.

Question 8:

As it relates to the Synthetic Trafficking and Overdose Prevention (STOP) Act of 2017, please provide in order of priority any proposed amendments or changes, and the rationale for each, that we should consider making to the Act.

Answer 8:

Thank you for seeking the input of the Department of State on this legislation. While we share the broad objectives of preventing the shipment of illicit materials through the international mail, we have concerns about the STOP Act's prescriptive provisions, among other things restricting the flexibility of the Executive Branch to take measures in its discretion to address these issues. We would hope to work with Congress if it proceeds through the legislative process to ensure that concerns such as this are addressed.

From Senator Heitkamp:

Question 1:

To tackle the overall problem of the shipping of illicit opioids, we need all the federal entities involved in this to be rowing in the same direction. We have three of those entities represented here today – Postal Service, Department of State, and CBP:

- Given the dramatic rise in the number of international shipments, what specific steps have been taken to ensure your agencies can work smoothly together from a technological and logistical standpoint?

- Technology is a force multiplier in tackling this problem. What are your technological needs that aren't being met?

Answer 1:

The Department of State does not have a significant operational role in combating the shipment of illicit opioids, so issues related to direct technological and logistical cooperation with the U.S. Postal Service (USPS) and Customs and Border Protection (CBP) do not arise.

The Department, in cooperation with USPS and CBP, is working at the Universal Postal Union (UPU) to accelerate efforts to exchange item-level advance electronic data (AED) for mail containing goods. Although not specifically intended to aid counternarcotics efforts, increasing AED's availability for mail could assist CBP in interdicting illicit opioids sent through the international mail.

Additionally, the State Department supports several international information sharing systems. With donor funding, including from the State Department, the International Narcotics Control Board operates two online systems to facilitate cooperation regarding international movement of controlled substances. The Precursors Incident Communication System (PICS) Online is a secure tool for enhanced communication and information sharing between national authorities on precursor incidents--seizures, stopped shipments, diversions and diversion attempts, illicit laboratories and associated equipment--worldwide and in real-time. The Pre-Export Notification (PEN) Online system enables the exchange of information to prevent the diversion of precursor chemicals, as required by the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substance. China and Mexico are participants in both systems.

Question 2:

Given that the best mode of interdiction would be to stop the shipment of these dangerous and illicit narcotics before they reach the United States. Whether that means stopping them from leaving China or other points of origin – or stopping their movement from Mexico and Canada into the U.S. after they have received shipments from foreign points of origin:

- What role – if any – do foreign law enforcement and customs officials play at the ports of departure like China? Are there interdiction strategies in place, and if so what are they and are they working?

- Are there best practices in place for country of departure interdiction methods? If so, what are they and which countries are using or have adopted these methods?

- What is the level of cooperation of customs officials and law enforcement in China and other countries once a manufacturer/distributor has been identified? How long does it take China to investigate and shut-down an identified manufacturer/distributor?

- What measures are Mexican and Canadian authorities taking to prevent the shipment of these illicit narcotics and precursors into their countries? Are we working closely with them and sharing information and intelligence on suspected shippers?

Answer 2:

The State Department is not a law enforcement agency but does engage diplomatically bilaterally and in various multilateral fora on issues related to this problem.

The United States, Mexico, and Canada are working together through the North American Dialogue on Drug Policy to develop a greater understanding of drug flows and drug threats within North America and are working closely to address them. For example we have agreed to improve cooperation by: (1) sharing results of research and analysis of heroin, fentanyl, methamphetamine, and precursor chemicals; (2) exploring ways to better track cross-border financial transfers; and (3) coordinating our messaging to countries outside of North America that impact the illicit opioid threat in our continent.

U.S. assistance to Mexico supports capacity-building of Mexican security institutions to strengthen borders and ports, and to interdict drugs, including heroin and fentanyl. Support to Mexican law enforcement agencies has augmented their ability to coordinate with U.S. law enforcement agencies along the U.S.-Mexico border, including CBP. The United States supports a project to upgrade Mexico's National Drug Control System to track legitimate precursors entering Mexico to avoid their diversion. With this updated system, Mexico will be able to electronically process import and export permits for chemicals.

Since 2015, due in part to U.S. requests, China has taken action to control 138 New Psychoactive Substances (NPS), including announcing controls on 4 new psychoactive/fentanyl-class substances effective July 1, 2017 and establishing an expedited mechanism to control other synthetic drugs that have no known medical use. Under the U.S-China Joint Liaison Group on

Law Enforcement (JLG), a high-level dialogue in which the Department's Bureau of International Narcotics and Law Enforcement Affairs, and the Departments of Justice and Homeland Security co-chair, the U.S. continues to provide China with updated lists of NPS, assigning greatest priority to fentanyl-related substances, together with relevant scientific data and samples to facilitate expediting China's control process. On May 4, 2017 the Drug Enforcement Agency's cooperation with China expanded with an understanding with China's Ministry of Public Security and National Narcotics Laboratory to meet every six months and establish a two-way exchange of technical data on emerging threats.

Question 3:

It appears that one of the arguments being made regarding USPS being unable to utilize a system similar to that of private shippers/carriers is a cost issue. I understand that other issues also complicate equalizing the shipping requirements – but cost, processes, and technology seem to be factors that USPS claims are inhibiting their efforts:

- Is this an accurate statement? If so how do we bring down the costs of compliance and technology?
- Is it possible to look at prioritizing Advance Electronic Data (AED) upgrades through a tiered system for foreign shippers – with countries like China and other high-threat level countries at the top of the list?
- Under the current methods you are using to try and address this situation – how long do you think it will take to get foreign countries utilizing AED at higher rates? Do you have any plans to try and make this process move more quickly?

Answer 3:

Cost is an issue, and not only for the U.S. Postal Service (USPS). AED-associated costs are also a factor for foreign postal operators that often have not yet purchased and adapted the systems needed to collect and exchange AED or trained staff in their use.

For private shippers, especially express consignment carriers, AED is integral to their business model. Historically, this has not been the case with postal operators who, before ecommerce emerged as a force driving changes in the composition of the mail, did not always have facilitation of rapid clearance through customs or predictability and visibility for customers as a high priority. This outlook is changing quickly, however, and postal operators worldwide see the delivery of goods purchased on-line as critical to their future viability.

If the mail will remain a channel for these goods internationally, then postal services need to better meet the needs of customers and supply chain partners, especially customs authorities and airlines. Doing so requires a transformation of their way of doing business, and most recognize that AED is essential to this transformation. As a result, postal services individually, and collectively through the Universal Postal Union (UPU) and other multilateral mechanisms and partnerships, are ramping up investment and accelerating the adoption and deployment of the needed tools for AED. For postal services in developed and many middle income countries, these investments, while substantial, are unlikely to pose a cost burden. The bigger challenge is for poorer, especially least developed, countries. In response, the UPU has initiated a series of capacity building activities and is establishing a new funding mechanism to support investments to make postal services in less developed countries "ecommerce ready." AED is a prime focus of this effort.

Prioritizing upgrades of AED is possible, and it is happening. For instance, China, through China Post, already has very significant capability to collect and transmit AED for commercial items. The U.S. can engage with China Post and with Chinese authorities to increase AED coverage for parts of the mail stream that are of greatest concern. U.S. requirements tailored to the capacity of individual sending countries would not disrupt the flow of international mail and could be implemented in a way that prioritize the information needs of law enforcement while remaining consistent with the United States' international obligations.

Using our current approach, we expect to see significantly higher levels of AED every year. USPS is incorporating AED requirements into its bilateral agreements and other commercial arrangements. There is growing participation in optional UPU services and products, such as the new ECOMPRO parcel that incorporate AED requirements. The Integrated Product Plan (IPP), the first phase of which was adopted in at the World Postal Congress in September of 2016, will modernize international postal products to meet the e-commerce challenge. AED compatibility is baked into this modernization initiative. For example, the January 1, 2018 IPP-based requirement that each package containing goods have a standard bar code attached to facilitate AED and package tracking and will lower the threshold for countries to begin exchanging item-level data. In general, the international postal system is at an inflection point where, for the first time, there is genuine acceptance that AED is the future.

As I stated in my testimony, U.S. delegations to UPU meetings will use their leadership positions in the organization to accelerate change. These positions include co-chairmanship of the Postal Operations Council Committee responsible for Customs, Security, Transportation and Standards, and leadership of the working group specifically charged with coordinating efforts to implement the UPU's Roadmap for AED implementation. We will also reach out to key countries to increase provision of AED. So, while global requirements and universal capacity to exchange AED comprehensively for all mail items containing goods are still years away, rapid progress is underway now and significant, rapid improvements for targeted flows from individual, high-priority countries are achievable.

Post-Hearing Questions for the Record
Submitted to Robert Cintron
Vice President, Network Operations Management
United States Postal Service

"Stopping the Shipment of Synthetic Opioids: Oversight of U.S. Strategy to Combat Illicit Drugs"
May 25, 2017

From Senator Heidi Heitkamp (D-ND):

1. It is impossible to have a perfect system to intercept all suspicious packages at five USPS International Shipping Centers. There are literally millions of packages at each of those facilities. But those aren't the only USPS facilities that international packages pass through before being delivered. Packages are also going to pass through a processing center or a post office.

- What can be done at the processing plant or post office level to ensure that suspicious packages are identified and checked?

Response:

Plant, post office and delivery personnel are given training and regular reviews concerning suspicious mail, such as unknown powders, liquids or substances, and emergency situations involving smoke, fumes or vapors. As part of our suspicious mail protocol, when suspicious packages or substances are identified, employees must contact the U.S. Postal Inspection Service (USPIS). Each field division has Inspectors with specialized training and equipment that allows them to respond to suspicious items and substances. These Inspectors can identify potential chemical, biological or radiological threats through the use of on-scene field screening and can often provide an immediate resolution.

Further response to this question contains information subject to FOIA Exemption 7(E) and is on file with the subcommittee.

- What gets in the way of processing plants or post offices playing a role in identifying suspicious packages? Is it a lack of technology, manpower, or something else?

Response:

Processing plants and post offices do play a role in identifying suspicious packages. The solutions identified above will provide additional capability in the domestic processing plants and post offices to intercept items placed on hold by law enforcement agencies.

2. As I understand it, when CBP identifies a USPS package that may need further inspection, sometimes USPS workers at the International Shipping Centers have to literally sort through the packages by hand in order to find them. That does not seem efficient.

- What steps need to be taken in order to improve the efficiency and effectiveness of how USPS finds the packages that need further inspection?

Response:

USPS developed the ability to identify individual hold items for CBP in 2014. In late 2015, CBP requested a more systematic approach to audit certain packet volumes. USPS rapidly developed the capability to flag entire receptacles based on individual hold items within the receptacle. The requested approach would allow CBP to target items in the receptacles based on advance electronic data (AED) and the remaining items in the receptacle would be examined as well. At CBP's request, the entire receptacles were presented to CBP. In order to assist CBP with identification of the held items in the receptacle, USPS developed a module within the international mail receiving system to identify the hold pieces by scanning the barcode identifier on each piece in October 2016.

CBP determined that if the program was expanded, CBP employees would not be able to review the receptacles and items in this manner. USPS was requested to provide only the individual hold items rather than the entire receptacles. USPS accordingly undertook to perform the sorting of the CBP targeted receptacles on a temporary basis with additional support from the Inspection Service. Each item in the receptacle was placed onto a belt and scanned to identify the hold piece by scanning the barcode identifier. USPS has now developed the ability to sort out CBP targeted items within identified bags on automated equipment to improve the efficiency of this process. The requested individual target items are now presented to CBP under the current process.

In addition, we continue to identify and implement countermeasures to address any challenges in this regard, including retraining of employees, implementing standard work instructions, and updating scanning software and equipment. An audible alert has been programmed, additional speakers have been ordered, and workstation standardization is in progress. During the receipt operation, the audible alert will notify the operator if a package in the bag being received has been requested by CBP, allowing the operator to segregate the bag. These bags are then opened and the pieces sorted on automated sorting equipment, to identify the specific packages CBP has requested and to enable these packages to be presented to CBP more efficiently and reliably than using a manual process.

The update to the automated package sorting equipment also enables us to capture any pieces of interest that may be processed at facilities outside of the International Service Centers (ISCs), as this same equipment is used in our domestic processing facilities. Further, new scanners are on order and are in the process of receiving programming updates. These scanners will be used to supplement existing workstations in the receipt operation. The new software on the scanners will notify the operator on the scanner screen when a hold is received, to allow for segregation and automated sortation described above. Since mid-January, we have seen an increase in successful holds with previously enhanced capabilities and we expect further increases as we implement new technologies and enhancements, such as those discussed above.

3. While you state in your testimony that the Postal Service is a "leading proponent" of advanced electronic data (AED), you also state that AED for inbound international mail has increased from 1% in FY 2015 to in between 40-50% today. Going from 1% to nearly 50% in such a short period of time is quite a leap.

- What accounts for this sudden increase in AED for inbound mail over the last 2 years? Why was it so much lower in FY 2015?

Response:

Over the last two years, the Postal Service has been working with its largest volume foreign postal operators (FPOs), which collectively account for over 90 percent of all inbound volumes, to provide customs advance electronic data (AED). In addition to providing U.S. Customs and Border Protection (CBP) with information to assist with targeting illicit items in the mail, AED provides benefits to customers with tracking information and helps expedite processing of items. Because AED provides a commercial benefit to FPOs, the Postal Service is leveraging the AED collected for its outbound package shipments to incent FPOs to provide AED for inbound package shipments to the U.S. through bilateral and multilateral relationships, including those with China Post, Korea Post, Hong Kong Post, and Australia Post.

Through multilateral organizations, the United States has been a leading advocate for the exchange of AED. For example, through the Kahala Posts Group (KPG), an organization comprised of several large volume postal operators, the Postal Service has shared AED best practices, helped develop a data sharing agreement, and encouraged other posts to collect data and commit to targets. The Postal Service did the same through the International Post Corporation (IPC), an organization composed of postal operators of mainly industrialized countries. Additionally, the Postal Service has advanced a proposal to adopt item-level AED among the PRIME multilateral group, a group comprised of dozens of postal operators with a focus on small, tracked packets.

The Postal Service works closely with the United States Department of State, which has lead responsibility for representing the United States Government in the Universal Postal Union (UPU), the 192-member international organization charged with facilitating the exchange of mail among member countries through treaty agreements. At the UPU, United States initiatives have included sponsoring proposals for AED requirements with supporting features like mandatory barcodes, and have contributed to the UPU membership's increase in adoption and implementation of AED messaging and security standards. The increase in the percentage of inbound items with AED is expected to continue to grow, especially as more countries develop their capabilities to provide it.

Since the Subcommittee hearing on May 25, the Postal Service has updated its methodology for calculating AED percentages. We are now using daily samplings of inbound mailings which will more accurately reflect changing mailing characteristics and provide country-specific data. We've also improved the methodology for accounting for all received volume at the International Service Centers.

Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and is on file with the subcommittee.

From Senator Claire McCaskill (D-MO):

I understand that a lot of the illicit opioids and precursors are being produced in Mexico with precursors made in China. My staff has been told by U.S. Customs and Border Protection (CBP) that fentanyl and opioid precursors are getting to Mexico by transshipment through the U.S. instead of being shipped directly to Mexico.

1. Is that correct, and, if so, what are the reasons that traffickers are using the U.S. Postal Service (USPS) to transship these products from China to Mexico rather than shipping them directly to Mexico?

2. Does CBP have an idea of the magnitude of the problem–how much fentanyl and opioid precursors are going through the USPS – based on the amount that is actually getting interdicted or other data?

   Response:

   USPS and USPIS have no information to confirm fentanyl is being sent from China, to the United States, and then on to Mexico, via the U.S. Mail.

3. Does the revenue produced by the USPS delivering mail from China cover its costs?

   Response:

   This response contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 4) and is on file with the subcommittee.

4. What are the per-package and per-envelope costs to the USPS of delivering mail from China?

   Response:

   The Postal Service can provide average unit costs for delivery of international mail.

   Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and is on file with the subcommittee.

5. What are the current per-package and per-mail rates charged to China Post for delivering mail from China?

   Response:

   Letter packets with tracking (ePackets), Bilaterally Negotiated Air Parcel Post, and EMS are covered under bilateral agreement between USPS and China Post Group (see bilateral rate sheet below). All other Letter Post and Parcel Post services are settled under the UPU framework (see non-bilateral rate sheet below).

   Note: Invoices exchanged between USPS and foreign postal operators are settled using the Special Drawing Right (SDR) and subsequently paid in USD at the International Monetary Fund (IMF) published exchange rate on the date of payment. The SDR is an international reserve asset created by the IMF in 1969 as a supplement to existing reserve assets. Its value is based on a basket of currencies whose weight is adjusted at regular intervals and fluctuates on a daily basis. The SDR is used by the UPU and several other international organizations as an accounting unit. The tables below show settlement rates in both SDR and USD based on the 7/18/2017 IMF currency exchange rate of 1.39838 USD/SDR.

Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 4 and is on file with the subcommittee.

6. For each of the last 3 years, please provide the annual total costs and revenues attributed to delivering mail and packages from China, and please provide a detailed breakdown of the type and percentage of costs attributed to delivering mail originating in China (e.g., percentage of gasoline costs, personnel costs, sorting costs, capital expenditures, etc.)

   Response:

   Response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 4 and is on file with the subcommittee.

The UPU just concluded their quadrennial meeting in 2016. I understand that the cost of mail from China was a big topic of discussion.

7. Do you know why this issue was not resolved? Are there proposals currently being reviewed by all UPU parties to correct the imbalance? If so, please provide a summary of them.

   Response:

   The cost of delivering mail (particularly small packets weighing up to 4.4 pounds) from China and other countries was a major discussion topic at the UPU's quadrennial Congress that concluded on October 7, 2016 in Istanbul, Turkey. The Congress voted to adopt a new terminal dues system based on differentiated payments by the shape of the mail pieces, with much higher payments for the delivery of packets as compared to letter and flats. The issue of current low UPU terminal dues is being addressed. The new system will go into effect on January 1, 2018, for a four year cycle. The UPU bodies are currently initiating the economic, financial, and mail-flow studies to develop proposals for future refinements to the terminal dues system to be adopted at the next UPU Congress.

CBP and USPS are currently running pilot programs to improve screening of international mail.

8. What are the goals for this program? How is USPS measuring success?

   Response:

   The goals of this program are a) for USPS to provide AED to CBP to help enable CBP to identify pieces of interest in the inbound international mail stream and b) for USPS to provide the requested packages to CBP. USPS has provided detailed weekly reporting on CBP holds and success rates since the start of the program. The reports are distributed to both USPS and CBP stakeholders. USPS reports weekly statistics on total hold requests received from CBP and successful holds presented to CBP.

   The pilot program began at the JFK ISC, and has been operating successfully there and showing continuous improvement. Since mid-January, we have seen an increase in successful holds with previously enhanced capabilities and we expect further increases as we implement new technologies and enhancements, such as those discussed above. In the

JFK ISC pilot, the average percentage of successful holds during the past four months (February to May) notably increased over the prior four months from October to January.

Since February 2017, we have been working with CBP to expand the pilot program into additional ISCs. One additional ISC began receiving targeted holds from CBP on June 19, 2017. In the last few weeks, this ISC has been successful in capturing a high percentage of holds. All other ISCs are now also capable of receiving and identifying targeted holds from CBP as of June 30, 2017.

Further response to this question contains information that is currently restricted by GAO and is on file with the subcommittee.

The Postal Service is committed and prepared to collaborate with CBP to support efforts in establishing measurable performance goals in order to assess the pilot program and will assist in evaluating costs and benefits of using AED for targeting purposes as compared to other methods. The Postal Service will propose a target performance metric in order to assess the effectiveness of the pilot program. If CBP agrees, then the agreed target performance metric will be documented in order to appropriately evaluate pilot program success.

9. Who, ultimately, at the USPS, is accountable for the success or failure of the pilot program and for expanding the pilot program to the other 4 International Service Centers?

Response:

For the USPS, the responsible officer is Robert Cintron, Vice President, Network Operations.

10. What is the timeline for expanding this pilot program and implementing it in all International Service Centers?

Response:

The Postal Service has been working with CBP to expand the pilot program into additional ISCs. It has expanded the pilot to one additional ISC on June 19, 2017. All other ISCs are capable of receiving and identifying targeted holds from CBP as of June 30, 2017.

11. What additional resources does USPS need to set up a robust interdiction and monitoring program?

Response:

USPS operations does not conduct interdiction. CBP has border search authority, and receives assistance from the United States Postal Inspection Service.

12. How many packages is CBP flagging on a daily basis under this pilot?

Response:

This response contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 7(E) and is on file with the subcommittee.

From Senator Ron Johnson (R-WI)

1. The Postal Service has indicated that there are a number of foreign postal operators who have the capability to share advanced electronic data (AED) for non-letter mail with the Postal Service, but have not yet done so.

   - Which foreign postal operators currently have the capacity to share AED for non-letter mail with the USPS?

   Response:

   Based on information received from the International Post Corporation (IPC) and USPS internal records, we note that there are 26 foreign postal operators (FPOs) that currently have the capacity to share AED for non-letter mail with the USPS. The countries of these FPOs are listed below:

   Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 4 and is on file with the subcommittee.

   - Which foreign postal operators have resisted sharing AED with the USPS, either through bilateral or multilateral agreements?

   Response:

   This response contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 4 and is on file with the subcommittee.

   - Of the foreign postal operators that have resisted, what specific reasons did each postal operator give for their resistance?

   Response:

   The USPS is aware that several foreign postal operators (FPOs) have reported the following reasons why they are not yet ready to send AED:

   (1) The FPO has not yet implemented the platform where it is able to capture and transmit the data to the USPS;
   (2) The FPO has focused on implementing customs AED for a certain channel, e.g., commercial only and not retail;
   (3) The FPO transmits only for a certain product stream such as EMS, parcels, or tracked packets;
   (4) The FPO has indicated its inability to capture data at its retail outlets;
   (5) The FPO has communicated that costs to implement customs AED are deemed prohibitive;
   (6) The amount of exports is not significant enough to justify the costs to implement;
   (7) Messaging standards for capture and transmission of AED have not yet been adopted in final form by the UPU; and
   (8) Privacy concerns have precluded certain FPOs from signing a Data Sharing Agreement (DSA) with USPS.

From Senator Tom Carper (D-DE):

1. During the hearing, the Customs and Border Protection (CBP) witness stated that the Memorandum of Understanding (MOU) concerning international mail processing operations between the U.S. Postal Service and CBP would be completed in three weeks. What is the status of that MOU?

   Response:

   A draft national level MOU was provided to CBP in April 2016. A copy of the draft MOU with CBP's comments was transmitted back to the USPS on June 16, 2017, and a discussion between the USPS and CBP was held on June 28 to resolve remaining issues. CBP transmitted a subsequent revised draft on July 5, 2017. USPS reviewed it and sent revisions to the draft MOU back to CBP on July 12, 2017. We expect to sign the national MOU in July.

2. The JFK International Service Center in New York is one of five major facilities the Postal Service uses to receive international inbound mail. The Postal Service and CBP began collaborating on a pilot program in November 2015, which requires the Postal Service to provide advanced electronic data to CBP for packages arriving from China. As part of a Memorandum of Understanding between the Postal Service and CBP for the JFK Pilot Program, CBP can only target a certain amount of packages per day.

   - Why is the number of packages capped?

   Response:

   An initial cap was agreed to between USPS and CBP in order to test the processes during the pilot. Currently, the number of holds placed is determined by CBP.

   - Are there any current or future plans to increase that cap, and if so, when will that increase be implemented?

   Response:

   On March 21, 2017, USPS indicated to CBP that we were ready to expand the pilot program. USPS is working with CBP to expand the number of holds placed and to expand the program to additional countries and products as well as expanding to additional ISCs.

3. Are there plans to expand the JFK Pilot Program to the remaining international service centers? If so, please indicate specific timeframes for any expansion efforts.

   Response:

   We have been working with CBP to expand the pilot program into additional ISCs. We expanded the pilot to one additional ISC on June 19, 2017. All other ISCs are capable of receiving and identifying targeted holds from CBP as of June 30, 2017.

4. What are the primary issues with the JFK pilot program and how does the Postal Service plan to address those issues prior to expanding the pilot program?

Response:

Compliance with receptacle scanning was not initially at a level to ensure all receptacles with holds were identified. However, we continue to identify and implement countermeasures to address any challenges in this regard, including retraining of employees, implementing standard work instructions, and updating scanning software and equipment. An audible alert has been programmed, additional speakers have been ordered, and workstation standardization is in progress. During the receipt operation, the audible alert will notify the operator if a package in the bag being received has been requested by Customs and Border Protection (CBP), allowing the operator to segregate the bag. These bags are then opened and the pieces sorted on automated sorting equipment, to identify the specific packages CBP has requested and to enable these packages to be presented to CBP more efficiently and reliably than using a manual process.

The update to the automated package sorting equipment also enables us to capture any pieces of interest that may be processed at facilities outside of the International Service Centers (ISCs), as this same equipment is used in our domestic processing facilities. Further, new scanners are on order and are in the process of receiving programming updates. These scanners will be used to supplement existing workstations in the receipt operation. The new software on the scanners will notify the operator on the scanner screen when a hold is received, to allow for segregation and automated sortation described above. Since mid-January, we have seen an increase in successful holds with previously enhanced capabilities and we expect further increases as we implement new technologies and enhancements, such as those discussed above.

5. From September 2015 to December 2016, the Office of the Inspector General conducted a series of audits on the Postal Services international service centers resulting in the issuance of eleven recommendations. At the hearing, the Acting Postal Service Inspector General testified that the Postal Service has agreed with the recommendations and "has taken sufficient action to close five of them." Please describe how the Postal Service plans to address the remaining six recommendations and please provide specific timeframes for completion.

Response:

Listed below are the six Report Recommendations, followed by the Postal Service's plans for addressing each one.

- NO-MA-15-006 – Management Alert - USPS Postal Service handling of Inbound International Mail at [Redacted]
    - Open recommendation #1 – Enhance the system application for automation to identify mail requested by CBP.
        - Management response: International Package Processing System (IPPS) and Global Business System (GBS) will automate.
        - Current Status: USPS Continues to work on procurement of the IPPS mail processing equipment. We are currently in the process of developing the necessary updates with the GBS system required to support the functionality as described.

Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 7(E) and is on file with the subcommittee.

- Open recommendation #2 Coordinate with U.S. Customs and Border Protection to clarify their inspection requirements and establish a process to ensure compliance.
  - Management response: Create and finalize an MOU at the national level.
  - Target date: July 2017
  - Current Status: A draft national level MOU was provided to CBP in April 2016. A copy of the draft MOU with CBP's comments was transmitted back to the USPS on June 16, 2017, and a discussion between the USPS and CBP was held on June 28 to resolve remaining issues. CBP transmitted a subsequent revised draft on July 5, 2017. USPS reviewed it and sent revisions to the draft MOU back to CBP on July 12, 2017. We expect to sign the national MOU in July.

- Open recommendation #3 Ensure scanned data is accurate, complete and reliable.
  - Management response: Review scan requirements for all mail categories to ensure scanning process represents the physical movement of mail and is streamlined for reliability.
  - Current status: Training has been provided to employees and documented. USPS will implement revised scanning events EMSEVT v3 in October 2017.
  - Target date: November 2017

- MS-MT-16-003: Management Alert – Inbound International mail Operations – [Redacted] International Service Center
  - Open recommendation #4 Establish an MOU with CBP stating CBP's mail presentation requirements
    - See above

- MS-AR-17-003: Management Alert – Inbound International Mail Operations – [Redacted] International Service Center

  Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and FOIA Exemption 7(E) and is on file with the subcommittee.

  - Open recommendation #6 Take actions to obtain advance electronic data from foreign postal operators such as requesting it in future bilateral agreements.
    - Management response: USPS has various initiatives underway to facilitate the transmission of electronic data, including multilateral and bilateral agreements.
    - Current Status: Currently four bilateral agreements are in place, with an additional nine countries sending AED under voluntary data sharing agreements and another ten countries are in the process of testing AED with USPS. USPS has submitted narrative information and documentation to OIG for closure.

6. What percentage of international packages is presented to CBP for inspection at the other international service centers? Based on information from the Postal Service OIG, the Postal Service also receives some inbound international mail shipments at facilities located in Newark, NJ and Honolulu, HI. What screening and presentment methods are in place for international packages received at those postal facilities?

   Response:

   This question would be best answered by CBP.

7. In your opening statement you indicated that, "While the Postal Service has the responsibility to process and deliver inbound international mail, its law enforcement branch, the U.S. Postal Inspection Service (USPIS), investigates mail-related crime and works closely with other law enforcement agencies, including CBP." What specific role does the USPIS play in identifying international mail targeted for inspection by CBP, and with what other law enforcement agencies does the USPIS work to investigate mail-related crime?

   Response:

   With regard to identifying international mailpieces suspected of containing illicit drugs, USPIS directly supports USPS efforts by providing additional personnel in the attempt to physically locate and intercept inbound international mail targeted by CBP.

   USPIS has always maintained a Prohibited Mail - Narcotics (PMN) program in each of its divisions. PMN teams work closely with local, state and federal partners with the mission of removing narcotics from the mail. Historically, the focus was on domestic mailings; however, with the introduction of synthetic opioids and a nexus to mail originating in foreign countries, we are now prioritizing our investigations to those involving international mail. USPIS has strengthened partnerships with the Drug Enforcement Administration (DEA), Department of Homeland Security (DHS) and CBP. These combined efforts help identify known narcotics parcels, as well as assist in developing profiles for unknown international parcels that could potentially contain narcotics.

   USPIS is in constant communication with the DEA. The coordination of investigations into international drug rings is conducted between DEA and other law enforcement intelligence fusion centers and relies on the participation of multiple law enforcement agencies in order to share intelligence and conduct enforcement operations both domestically and internationally. USPIS provides analytical support to these fusion centers in order to coordinate and de-conflict amongst law enforcement entities.

   With regard to attempting to locate and intercept inbound international mailings suspected of containing illicit drugs, USPIS is integrated at DHS. DHS and USPIS have been able to identify known incoming international parcels containing narcotics based on information, including seizure data, obtained from USPIS investigations, DEA, CBP and other law enforcement intelligence. Coordination among law enforcement agencies helps to identify narcotics parcels and drug trafficking organizations operating domestically and abroad.

   USPIS is also represented at the Organized Crime Drug Enforcement Task Forces (OCDETF) Fusion Center by a full-time Inspector and an analyst. These individuals work in the fusion center environment to actively share intelligence, de-conflict active investigations, and produce intelligence products for investigative action in the field.

USPIS Criminal Investigations group members also attend weekly and monthly meetings with the White House Office of National Drug Control Policy (ONDCP) to share ideas, strategies, and intelligence with all the participating law enforcement and public health stakeholders. USPIS maintains representation in ONDCP fentanyl/heroin working groups.

8. After the Postal Service presents a package targeted for inspection to CBP, does the Postal Service receive notice when a package is seized? If not, please explain.

Response:

USPS worked with CBP to issue a directive (U.S. Postal Service (USPS) Inspection Event Capture Program for Inbound and Outbound Mail Shipments) (CCS #FY 10-0093) dated November 4, 2009 to Customs and Border Protection field offices to ensure items that were seized and detained were entered into the USPS system. USPS provided workstations, access and training to enable the input of items that have been seized. As of July 2017, only two locations are following this CBP directive.

9. Please describe the types of bilateral and multilateral agreements the Postal Service has with foreign postal operators, and provide a list of the number of agreements, of each type, that are currently in effect.

Response:

The Postal Service maintains bilateral agreements with foreign postal operators for changes in rates of exchange for selected mail flows with the following operators:

- Royal Mail (UK) for Air Parcel Post
- Canada Post for letter post letters, flats, packets, parcels, and EMS
- China Post for tracked packets, EMS, and Bilaterally Negotiated Air Parcel Post
- Korea Post for tracked packets
- Hong Kong Post for tracked packets and EMS
- Australia Post for tracked packets

Of these, the agreements with China Post, Korea Post, Hong Kong Post, and Australia Post contain provisions for the mandatory production of advance electronic data (AED).

The Postal Service has entered into a multilateral agreement with certain foreign postal operators in Asia, Europe, and North America known as the Kahala Posts Group (KPG). While rates are not set through the KPG agreements, the parties have established terms for a guaranteed "EMS" (expedited) service.

The Postal Service has entered into three separate multilateral agreements for the exchange of mail under the "PRIME" group. The PRIME agreements provide for supplemental remuneration for certain types of letter post mail for which tracking is offered, and, under two of the agreements, if service standards are achieved.

The Postal Service is also a signatory to a multi-party "Interconnect" agreement for the exchange of packages with mostly European countries. Although the Postal Service is a party to the agreement, it is not currently exchanging package volumes under this instrument.

Finally, the Postal Service maintains "operational" agreements with 193 countries and territories and 85 "pay-for-performance" agreements for the exchange of "EMS" (expedited) service, since a bilateral or multilateral agreement is required in order to offer this service under the UPU EMS Cooperative. These operational agreements do not set rates paid to the Postal Service.

10. Please explain the process the Postal Service uses to negotiate bilateral and multilateral agreements with foreign postal operators.

Response:

Several months ago, Postal Service management adopted a policy of requiring advance electronic data (AED) to accompany any package flows for which rates are established under bilaterally negotiated arrangements with foreign designated postal operators (that is, agreements establishing inbound international mail rates for which there is a single counterparty), which excludes PRIME multilateral agreements, which provide for supplemental remuneration for tracking services provided in conjunction with letter post items. Since implementation of this policy, the Postal Service has entered into bilateral agreements with AED requirements for package flows covered by the agreement with the designated postal operators of Australia, China, Hong Kong, and Korea.

The Postal Service will continue its efforts to negotiate AED requirements in other bilateral agreements, including a bilateral with Canada Post that is scheduled to expire at the end of CY2017.

11. How many bilateral agreements with non-voluntary data sharing requirements does the Postal Service currently have with foreign posts? Please provide a list, along with effective dates.

Response:

- Australia Post effective February 1, 2017
- China Post effective April 1, 2017
- Hong Kong Post effective April 1, 2017
- Korea Post effective April 1, 2017

12. Are there any current or future plans to enter into additional bilateral agreements? If so, with what foreign postal operators?

Response:

The current Postal Service and Canada Post bilateral agreement is scheduled to expire on December 31, 2017, and negotiations will include provisions for the mandatory production of AED.

In 2009, the Postal Service and Royal Mail (UK) entered into a bilateral agreement for air parcel post product that is perpetual or until terminated by one of the parties. The two posts are in discussions for a future bilateral that will be more comprehensive. The Postal Service intends to negotiate terms for the mandatory provision of AED.

13. What enforcement mechanisms are available to the Postal Service if a country does not comply with the provisions agreed upon in a bilateral or multilateral agreement?

Response:

If a postal operator does not comply with the provisions of a bilateral or multilateral agreement, then the Postal Service would consider whether the failure in compliance is material and whether the failure can be cured. If the prospects of implementation of a cure seem unlikely, the Postal Service would consider all available remedies, including modification of the agreement or declaring the counterparty to be in breach and exercising the option of termination, so as to deny the counterparty the opportunity to continue to benefit from the agreement.

14. What role does the Postal Regulatory Commission (PRC) have in bilateral and multilateral agreements the Postal Service has with foreign postal operators? What role does the PRC have, if any, in enforcing bilateral and multilateral agreements the Postal Service has with foreign postal operators?

Response:

The Commission's role is related to review of the expected and actual financial performance of bilateral and multilateral agreements. For agreements that establish inbound rates for foreign origin mail, the Commission reviews bilateral and multilateral agreements to determine if the applicable pricing and classification criteria in 39 U.S.C. §§ 3622, 3633, and 3642 are satisfied, as applicable, depending on whether the inbound mail rates are classified as market dominant or competitive. The Commission also reviews the costs, revenues, and volumes of bilateral and multilateral agreements each year when it reviews the Postal Service's Annual Compliance Report and issues its Annual Compliance Determination. See 39 U.S.C. §§ 3652 and 3653. The Postal Service also files with the Postal Regulatory Commission and State Department copies of agreements that do not establish inbound rates, but still consist of commercial or operational contracts related to providing international postal services and other international delivery services into which the Postal Service has entered with an agency of a foreign government. See 39 U.S.C. § 407(d)(2).

15. How many times has the Postal Service been fined, if ever, by the Universal Postal Union (UPU) for failure to make timely deliveries? Does the lack of advanced electronic data (AED) delay the customs screening process in a way that subjects the Postal Service to UPU fines?

Response:

There are some UPU service performance incentive/penalty programs (for letters, small packets, and EMS) that impact the amount of remuneration the Postal Service receives for on-time delivery measured against domestic service standards. However under these programs, the on-time delivery performance of the Postal Service starts being measured only <u>after</u> the items have been released from customs control to the Postal Service for onward processing and delivery. The service performance programs do not measure the length of time an item stays in customs (for screening, inspection, and/or duty-assessment).

Consequently, the lack of advance electronic data would not have any significant impact on any penalties or fines, after the items are released from customs.

16. Please describe what role the USPIS has, if any, with the UPU.

Response:

The Postal Inspection Service participates at the Universal Postal Union (UPU), along with the Postal Service, as part of the U.S. delegation. The Postal Inspection Service's role concerns security. The Chief Postal Inspector is the chair of the Postal Security Group (PSG), whose mission is to establish worldwide postal security, encourage and promote the creation of a dedicated security function in all Posts, and establish contact and collaborate with international organizations. To accomplish this work, a U.S. Postal Inspector is detailed to the UPU and serves as a security consultant, helping to guide and establish security standards for all posts. Other Postal Inspectors are assigned to work with the UPU Restricted (regional) Unions to promote compliance with UPU security standards. Training and facilitating relationships among member posts, as well as other organizations and agencies, are the primary activities undertaken.

Specifically regarding illicit drugs in international mail, the PSG is the primary venue for sharing intelligence and best practices to deter and detect illicit drugs in the global postal supply chain. USPS has created training materials on the topic of illicit drugs and the materials have been translated into the UPU's working languages and made available on the UPU's website.

USPS leads the UPU's efforts to compile and share information on illicit drug trafficking via posts. For instance, new information to help posts with the problem of synthetic opioids has been submitted for publication in the next issue of the *Union Postale* magazine. The final article will also be disseminated to security experts who participate in the PSG.

USPIS security experts have, for many years, led regional international workshops, which include information on illicit drug trafficking and methods to address the problem. This training has been provided to postal operators as well as customs and law enforcement authorities. The issue of dangerous drugs has long been a primary topic of the PSG and expertise from USPIS is a vital part of the UPU's global efforts to deter the use of posts as a means to convey illicit drugs.

17. Is there a specific timeline and are there incremental percentage goals for the Postal Service to collect AED from inbound international packages?

Response:

Over the last two years, the Postal Service has been working with its largest volume foreign postal operators (FPOs), which collectively account for over 90 percent of all inbound volumes, to provide customs advance electronic data (AED). In addition to providing U.S. Customs and Border Protection (CBP) with information to assist with targeting illicit items in the mail, AED provides benefits to customers with tracking information and helps expedite processing of items. Because AED provides a commercial benefit to FPOs, the Postal Service is leveraging the AED collected for its outbound package shipments to incent FPOs to provide AED for inbound package shipments to the U.S. through bilateral and multilateral

relationships, including those with China Post, Korea Post, Hong Kong Post, and Australia Post.

Postal Service management has also advanced the objective of securing more AED from FPOs through several international organizations, including Kahala Posts Group (KPG), International Post Corporation (IPC), the Universal Postal Union (UPU), the EMS Cooperative, Postal Union of the Americas, Spain and Portugal (PUASP), the Caribbean Postal Union (CPU), and PRIME, an organization responsible for managing tracked packets. The Postal Service will continue its efforts to secure more AED.

Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and is on file with the subcommittee.

Since the Subcommittee hearing on May 25, the Postal Service has updated its methodology for calculating AED percentages. We are now using daily samplings of inbound mailings which will more accurately reflect changing mailing characteristics and provide country-specific data. We've also improved the methodology for accounting for all received volume at the International Service Centers.

Further response to this question contains information subject to FOIA Exemption 3 coupled with 39 USC 410(c)(2) and is on file with the subcommittee.

18. In your opinion, in what ways can foreign postal operators be incentivized to provide AED?

Response:

Owing to the growth in eCommerce markets, logistics providers and Foreign Postal Operators (FPOs) alike must accommodate increased volume while maintaining a high-quality service standard. AED is one of the capabilities that enable FPOs to meet those requirements. The benefits from increased AED include improved service due to green lane processing; reduced risk of an item failing to clear customs; reduced number of delivery days; and improved rates through negotiated contract discounts.

The USPS could provide incentive discounts on inbound mail delivery rates to FPOs that agree to provide AED at preset thresholds. The Postal Service is studying whether offering incentives for AED is a prudent business strategy.

In the case of the optional UPU ECOMPRO parcel product, the product requirements include mandatory AED. For ECOMPRO parcels received from FPOs, the Postal Service has the ability to offer a reduced rate for delivery of these shipments to the United States because of the reduced costs for the processing and delivery of these parcels. The Postal Service is reviewing pricing options with respect to this product offering.

19. How does the Postal Service plan to address the bilateral agreements where providing AED was not a stipulation of the original agreement?

Response:

The current Postal Service and Canada Post bilateral agreement is scheduled to expire December 31, 2017 and negotiations will include provisions for the mandatory provision of AED.

In 2009, the Postal Service and Royal Mail (UK) entered into a bilateral agreement for air parcel post product that is perpetual or until terminated by one of the parties. The two posts are in discussions for a future bilateral that will be more comprehensive. The Postal Service intends to negotiate terms for the mandatory provision of AED.

20. How is the Postal Service preparing its international service centers for anticipated increases of international and domestic package shipments?

Response:

USPS is increasing package visibility though improved scanning, adding package processing capacity and leveraging additional technology to address the anticipated increases of volume at the ISCs.

21. What advances in technology, if any, is the Postal Service leveraging to assist in the effort to stop international packages that contain illicit drugs from entering the US?

Response:

The Postal Service continues to use ever advancing technology in increasing the performance and reliability of its databases used in combating the flow of packages containing illicit drugs from entering the U.S. Analytics used domestically have expanded into the realm of international mailings as the number of countries providing electronic data increases.

Further response to this question contains information subject to FOIA Exemption 7(E) and is on file with the subcommittee.

As noted in response to previous questions, the USPS developed the ability to identify individual hold items for Customs and Border Protection (CBP) in 2014. That functionality was further enhanced in late 2015 to hold entire receptacles (based on an item hold within the receptacle). Initially, CBP requested a more systematic approach to audit certain packet volumes. USPS rapidly developed the capability to flag entire receptacles based on individual hold items within the receptacle. The requested function would allow CBP to target items in the receptacles based on AED and the remaining items in the receptacle would be examined as well. At CBP's request, the entire receptacles were presented to CBP. In order to assist CBP with identification of the held items in the receptacle, USPS developed a module within the international mail receiving system to identify the hold pieces by scanning the barcode identifier on each piece in October 2016.

CBP determined that if the program was expanded, CBP employees would not be able to review the receptacles and items in this manner. USPS was requested to provide only the individual hold items rather than the entire receptacles. USPS has now developed the ability to identify CBP targeted items within identified bags on automated equipment to improve the efficiency of this process. The requested individual target items are now presented to CBP under the current process.

In addition, we continue to identify and implement countermeasures to address any challenges in this regard, including retraining of employees, implementing standard work instructions, and updating scanning software and equipment. An audible alert has been programmed, additional speakers have been ordered, and workstation standardization is in

progress. During the receipt operation, the audible alert will notify the operator if a package in the bag being received has been requested by CBP, allowing the operator to segregate the bag. These bags are then opened and the pieces sorted on automated sorting equipment, to identify the specific packages CBP has requested and to enable these packages to be presented to CBP more efficiently and reliably than using a manual process.

The update to the automated package sorting equipment also enables us to capture any pieces of interest that may be processed at facilities outside of the International Service Centers (ISCs), as this same equipment is used in our domestic processing facilities. Further, new scanners are on order and are in the process of receiving programming updates. These scanners will be used to supplement existing workstations in the receipt operation. The new software on the scanners will notify the operator on the scanner screen when a hold is received, to allow for segregation and automated sortation described above. Since mid-January, we have seen an increase in successful holds with previously enhanced capabilities and we expect further increases as we implement new technologies and enhancements, such as those discussed above.

22. Please describe best practices the Postal Service has learned, if any, from foreign posts in combatting the use of international mail to traffic illegal drugs.

Response:

USPS has taken the lead role in sharing best practices with posts around the world. Based in large part on information from the experience and success of U.S. Postal Inspectors, the UPU has developed training materials intended to assist other posts and international law enforcement agencies. Postal Inspectors make presentations and deliver training to a number of representatives from foreign countries. The goal of sharing best practices is to facilitate detection and seizure of illegal drugs closer to the source before they are transported internationally. Various law enforcement entities, including foreign organizations and U.S. agencies, are involved in data sharing activities to stem drug trafficking.

23. As it relates to the Synthetic Trafficking and Overdose Prevention (STOP) Act of 2017, please provide in order of priority any proposed amendments or changes, and the rationale for each, that we should consider making to the Act.

Response:

We have developed an alternative template in lieu of editing the STOP Act legislation, which provides a more targeted approach that also accounts for practical realities and also acknowledges the fact that many foreign posts do not have capacity to generate AED on all package shipments destined to the United States. A copy is attached, with a section-by-section explanation.

This solves many of the problems we have identified with the STOP Act, including revising the AED provisions to be more pragmatic and targeted to where the greatest perceived needs are and where the provision of AED is consistent with the capabilities of other individual countries' posts and the global network as a whole. We would also eliminate the required use of brokers and the proposed new $1 fee. We also would limit the scope of the application of any requirements to exclude items not containing goods, as well as letter and flat shapes. We would not penalize the Postal Service for tasks outside of its control and would avoid imposing other unwarranted costs (such as imposing CBP's costs on the Postal

Service) upon the Postal Service and ultimately its customers. We would not require application of the exact same requirements applied to private operators. If other aspects of the law were not changed to accommodate the above concerns, then we would also build in time for all affected parties to implement the law's new requirements, rather than causing many problems (including the delay and suppression of international mail) that would result from immediate implementation.

24. As you know, the Postal Service has been struggling with serious financial challenges for a number of years. Have these challenges, coupled with the uncertainty the Postal Service faces without comprehensive postal reform, hindered efforts to obtain more advanced electronic data?

Response:

The Postal Service's long-running and substantial financial challenges are well known. Since 2007, the Postal Service has reported cumulative losses of $62.4 billion, and without some combination of postal reform legislation, a positive outcome of the rate review currently underway at the Postal Regulatory Commission, and continued efforts to aggressively manage our business and to control costs, the Postal Service cannot return to financial stability. These historic losses and the lack of stability going forward have necessarily curtailed the amounts the Postal Service has available to make capital investments. While there is a good business case to allow for capital spending to make better use of AED, having more resources available for capital investment would have made this process easier and quicker. The lack of postal reform legislation has negatively impacted nearly every facet of postal operations, and the lack of legislation will continue to impede the Postal Service until Congress acts.

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SUMMARY OF PROPOSAL FOR POSSIBLE LEGISLATION:

Definitions.

- ***Definition of "foreign designated postal operator."*** Under the Universal Postal Convention, member countries of the Universal Postal Union (UPU) designate the postal operators responsible for providing postal services and fulfilling the duties of the UPU Acts.[1]

- ***Definition of "non-letter class mail."*** The Postal Service's proposal would apply to parcel-post items (packages) and letter-post small packets, but would exclude letter-post items that are letter-shaped or flat-shaped. Parcels and small packets in international mail are generally required to bear customs declarations. Most small and large (flat) letters are not required to be accompanied by customs declarations, so it is rational to exclude them from requirements for the advance electronic transmission of that same type of data. Moreover, new UPU regulations effective in 2018 will prohibit "goods" from being included in letter- and flat-shaped items within international letter post.

- ***Definition of "designated country."*** The proposal would apply to countries that U.S. Customs and Border Protection (CBP) would designate after consultation with the Department of State and the Postal Service. This would allow a targeted approach to align more effectively with the purpose of the proposal, rather than a blanket approach that would restrict exchanges and global trade originating in areas of the world that do not present a significant risk. CBP would provide at least six months' notice of changes to its country designations to provide adequate time for the Postal Service to determine, in consultation with CBP, appropriate thresholds for newly designated countries, for the State Department then to give notice to those countries of the new requirements and thresholds, and for the countries' postal operators to ramp up their operations to meet the new requirements. The notice period would also avoid disrupting the process for negotiating and consummating bilateral contracts, especially when that process is nearing completion. In exercising authority to designate countries and with the input of the State Department and the Postal Service, CBP would need to consider the capacity of the origin foreign designated postal operators to generate and transmit electronically customs data for non-letter class mail. This would maintain consistency with new Articles RL 104bis and RC 105bis of the UPU's Letter and Parcel Post Regulations, which became effective in January 2017. Those new UPU regulations permit certain advance electronic data requirements, but only to the extent consistent with the capacity and infrastructure to meet such requirements.

- ***Definition of "designated annual threshold."*** The proposal would set minimum thresholds for the percentages of international mail for which customs data must be transmitted electronically in advance. The Postal Service would bear responsibility to establish the methodology for calculating whether the requisite threshold minimum

[1] The UPU "Acts" consist of not only the UPU Constitution and Universal Postal Convention, but also UPU regulations and other agreements into which the UPU member countries enter with the force of international law.

percentages have been satisfied and to determine, in consultation with CBP and the State Department, the appropriate thresholds for particular countries, relying on its subject matter expertise regarding capacities of foreign posts to provide advance electronic data.

- ***Definition of "designated bilateral contract."*** The proposal would apply to contracts of the Postal Service with one or more foreign posts in which the parties set rates for either market-dominant or competitive inbound international mail delivery products of the Postal Service by reference to subchapters I and II, respectively, of chapter 36 of the current Title 39 of the U.S. Code. This would help avoid overbreadth of the proposal. It would be misguided, and potentially counterproductive, to create an outright bar to all contracts with foreign postal operators simply because they did not address and require advance electronic customs data; for example, such a contract might helpfully adopt other security or data sharing procedures or technologies for international packages. By applying the requirement to contracts in which the parties set rates for Postal Service inbound international mail delivery products going forward, it would incentivize the Postal Service and foreign operators alike to negotiate advance electronic data provisions when also negotiating core rates for products, but without either disrupting existing services or creating barriers to other helpful types of contracts, including those that may improve security. Although these advance electronic data requirements will already apply to these countries after notice by the State Department pursuant to this new law, including them within the bilateral contracts could provide additional incentive for compliance and additional recourse for non-compliance.

- ***Exclusion of contracts for certain supplemental remuneration.*** To avoid potential ambiguity and future disputes over scope, the proposal would expressly exclude multilateral agreements for supplemental remuneration for the provision of scan event data or achievement of prescribed levels of service performance. Absent such an express exclusion, such supplemental remuneration would at least arguably constitute rates for Postal Service products. However, the intent of the proposal would be to incentivize the parties to include advance electronic data requirements when they negotiate and contract for provision of the core postal services themselves, not solely for bonuses for supplemental services or service performance. Moreover, this is not merely a hypothetical concern. Through the "PRIME" group, the Postal Service has worked with over 100 foreign designated postal operators to develop tracking services for packets in worldwide e-commerce. An express exclusion would help ensure that the Postal Service may continue to work with other designated operators to develop and offer these types of important value-added supplemental services for international mail, without an unintended barrier from this new proposal.

Requirement for bilaterals.

- ***Requirement for advance electronic data in designated bilateral contracts.*** Under 39 U.S.C. § 407, the Postal Service currently has authority to enter into commercial or operational contracts related to providing international postal services and other international delivery services. This proposal would prohibit the Postal Service from entering into such a designated bilateral contract with one or more foreign designated

postal operators from designated countries by which the parties set rates for either market-dominant or competitive inbound international mail delivery products of the Postal Service, unless the designated bilateral contract requires the counterparties to send customs data to the Postal Service via advance electronic transmission for inbound non-letter class mail for which the designated bilateral contract sets rates, in sufficient volumes to meet the designated annual threshold. If the foreign designated postal operator failed to send sufficient volumes to meet that threshold, the Postal Service could treat such failure as a material breach of the contract; that could, in turn, enable the Postal Service to exercise any contract remedies or enforcement powers, and could lead to renegotiation of the contract or termination.

Requirement for data thresholds even absent bilaterals.

- ***Requirement for advance electronic data absent bilateral contracts.*** So that this proposal is not principally dependent upon the bilateral negotiation process and voluntary agreement by foreign posts, this proposal would require advance electronic customs data for non-letter class mail from designated countries, even in the absence of designated bilateral contracts. If a designated country failed to meet its designated annual threshold, then CBP could provide the State Department with notification of its intent to suspend the admission of non-letter class mail from that country and then could proceed to implement that suspension. However, if the State Department were to determine that a suspension of the admission of that country's mail were not in the foreign policy or national security interests of the United States (a standard that already exists in the current 39 U.S.C. § 407(c)(2)), then the State Department could issue a waiver of CBP's suspension for that country. Once a CBP suspension has been implemented for a particular country, then the Postal Service should collaborate with its counterpart designated postal operator(s) of that country to develop a compliance plan for that country to meet its designated annual threshold prospectively. CBP (after providing notification to the State Department) should withdraw its suspension if the country satisfactorily shows that it is likely to meet its designated annual threshold going forward.

Effective date.

- ***Effective date of amendments to Section 407.*** The proposal would take effect on January 1, 2018. This would afford CBP sufficient time to make its initial country designations and then to provide adequate time for the Postal Service to determine, in consultation with CBP appropriate thresholds for the newly designated countries, for the State Department to give notice to those countries of the new requirements and thresholds, and for the countries' postal operators to ramp up their operations to meet the new requirements. This starting date would also align with the new UPU Acts that shall take effect on January 1, 2018.[2] Notably, the new UPU Acts taking effect in 2018 will

[2] The most recent UPU Congress concluded in October 2016, and the UPU Acts that the member countries have already signed at that UPU Congress shall enter into force on January 1, 2018. The UPU Congress ordinarily convenes every four years, with the next such ordinary UPU Congress scheduled to convene in 2020. However, a

require barcodes on packets, which is critical for locating items of interest in the mailstream. Further, with respect to designated bilateral contracts, this effective date would avoid disrupting the process for negotiating and consummating contracts that may be nearing completion in 2017.

Report to Congress.

- ***Report to Congress on improving international mail security.*** The proposal would require the Department of Homeland Security, in consultation with the State Department and the Postal Service, to submit a report to Congress by March 31, 2019, and annually thereafter, addressing the implementation of the other provisions of this new law.

special ("Extraordinary") UPU Congress is also being planned to convene in 2018, at which the member countries may enter into new UPU Acts.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ["_____ Act of 2017"].

SECTION 2. ADVANCE ELECTRONIC CUSTOMS DATA FOR NON-LETTER CLASS MAIL.

(a) Definitions.—Section 407 of title 39, United States Code, is amended by adding at the end the following:

"(f) Definitions. For purposes of this section—

(1) the term 'foreign designated postal operator' means any designated postal operator of a member country of the Universal Postal Union, other than the United States of America.

(2) the term 'non-letter class mail' means any item dispatched for delivery in the United States by a foreign designated postal operator, including parcels and small packets, but excluding letter-shaped and flat-shaped postal items.

(3) the term 'designated country' means any country designated by Customs and Border Protection for purposes of this section, upon six months' advance written notice to the Secretary of State and to the Postmaster General prior to either its initial designations or its subsequent designation changes taking effect. In exercising such authority to designate countries, Customs and Border Protection shall consider the capacity and infrastructure of the global postal network and of concerned parties in that network to enable foreign designated postal operators to generate and transmit electronically customs data for non-letter class mail and shall consult with the Department of State and the Postal Service for their views concerning such factors.

(4) the term 'designated annual threshold' shall consist of the minimum percentage of customs data for non-letter class mail that is to be transmitted electronically during the calendar year from each foreign designated postal operator of a designated country to the Postal Service before such mail arrives in the United States. The Postal Service shall--

(A) establish the methodology for calculating the percentages of data transmitted,

(B) in consultation with Customs and Border Protection and the Department of State, determine the designated annual threshold each year for each foreign designated postal operator of each designated country, and

(C) provide notice of each such threshold to the Secretary of State and the Secretary of Homeland Security.

(5) the term 'designated bilateral contract' means any bilateral or multilateral agreement executed by the Postal Service with one or more foreign designated postal operators of designated countries by which they mutually set a rate for any non-letter class mail subject to subchapter I or II of chapter 36. This term excludes multilateral agreements for supplemental remuneration for the provision of scan event data or

achievement of prescribed levels of service performance.".

(b) Contracts for International Postal Services.—Subsection 407(d) of title 39, United States Code, is amended:

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period at the end and by inserting "; and" in its place; and

(3) by inserting after paragraph (2) the following:

"(3) any new or amended designated bilateral contract entered into by the Postal Service must require that (A) the designated annual threshold is met for non-letter class mail for which a rate is set by the designated bilateral contract, and (B) failure to meet such threshold will constitute a material breach of the contract.".

(c) International Data Thresholds.—Paragraph 407(b) of title 39, United States Code, is amended:

(1) by redesignating paragraph (3) as paragraph (4), and

(2) by inserting after paragraph (2) the following:

"(3)

(A) After notice by Customs and Border Protection of any country designations pursuant to subsection (f)(3) and notice by the Postal Service of corresponding designated annual thresholds pursuant to subsection (f)(4), the Secretary of State shall notify the governments of such designated countries that their designated postal operators must meet the designated annual thresholds.

(B) After determining that a designated postal operator of a designated country has failed to meet its designated annual threshold and after providing notification to the Secretary of State of its intention to suspend service from that designated country because of that failure, Customs and Border Protection may issue a notice advising the Postmaster General and air carriers that routinely carry inbound international non-letter class mail that the admission into the United States of non-letter class mail from that designated country is suspended, unless the Secretary of State determines that such suspension is waived in the foreign policy or national security interests of the United States. The Secretary of State shall communicate notice of the suspension to the designated country.

(C) If a suspension of service from a designated country has been implemented pursuant to subsection (B) and if no waiver has been issued, then the Postal Service shall collaborate with the foreign designated postal operator or operators of that designated country to develop a plan for that designated country to comply with that designated country's designated annual threshold. Customs and

Border Protection, after providing notification to the Secretary of State, shall issue a withdrawal of a notice of suspension upon a satisfactory showing that the designated country is likely to meet its designated annual threshold after such withdrawal.".

(d) Effective Date of Amendments.

The amendments made by this Section 2 shall take effect on January 1, 2018.

SECTION 3. REPORT TO CONGRESS.

Not later than March 31, 2019, and subsequently 90 days after the end of each calendar year, the Secretary of Homeland Security, in consultation with the Secretary of State and the Postmaster General, shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Government Reform of the House of Representatives a report on the implementation of Section 2.

Post-Hearing Questions for the Record
Submitted to Robert Perez
From Senator Rob Portman

Stopping the Shipment of Synthetic Opioids: Oversight of U.S. Strategy to Combat Illicit Drugs

May 25, 2017

Question#:	1
Topic:	MOU Status
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: During the hearing, you stated that the Memorandum of Understanding (MOU) concerning international mail processing operations between the U.S. Postal Service and U.S. Customs and Border Protection (CBP) would be completed in three weeks. What is the status of that MOU?

Response: CBP's Office of Field Operations (OFO) is currently reviewing a version with recommendations from our Office of Chief Counsel. OFO intends to complete this review and upon concurrence from CBP Executive Management, resubmit to the United States Postal Service as soon as possible.

Question#:	2
Topic:	CBP Employees
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: For each of the last three years, how many CBP employees worked at the Postal Service International Service Centers and the Private Express Carrier facilities?

Response: Over the last three years, there were 181 CBP employees assigned to the five Postal Service International Service Centers and 208 CBP employees assigned to the Private Express Carrier Facilities.

Question#:	3
Topic:	JFK Pilot Program
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: The JFK International Service Center in New York is one of five major facilities the Postal Service uses to receive international inbound mail. The Postal Service and CBP began collaborating on a pilot program in November 2015, which requires the Postal Service to provide advanced electronic data (AED) to CBP for packages arriving from China. As part of a Memorandum of Understanding between the Postal Service and CBP for the JFK Pilot Program, CBP can only target a certain amount of packages per day.

Are there any current or future plans to increase the number of packages CBP can target per day, and if so, when will that increase be implemented?

Response: CBP has been in discussion with the USPS regarding the increase of the number of packages targeted on a daily basis. Furthermore, CBP and USPS have discussed targeting mail from additional countries from which the USPS receives AED. In early July 2017 CBP and USPS will be expanding the pilot to the Los Angeles International Mail Facility (IMF) and begin targeting mail from two additional countries at the JFK International Mail Facility (IMF).

Question: Could CBP target and interdict more packages a day if the limitation did not exist?

Response: Yes, CBP could target more packages on a daily basis if limitations did not exist. The receipt of AED enables CBP to screen all packages and choose targets based on the specific risk factors associated with the individual shipment. The success of any increase in the number of packages targeted through AED is dependent on the ability of the USPS to locate and deliver the targeted packages to CBP.

Question: How many packages would CBP target if not for this limitation?

Response: The number of packages that could be targeted by CBP is predicated on the availability of AED. CBP anticipates that the receipt of 100 percent of AED in the international mail environment would garner the same or similar success rates, in terms of interdiction of illicit shipments, as currently realized in other modalities.

Question#:	4
Topic:	April 2017 Intercept
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: In your opening statement, you indicated that "on April 20, 2017, CBP Officers working at the IMF in Chicago, Illinois intercepted a package from China destined for LaFayette, Indiana that was not manifested and had no declared value. CBP Officers selected the package for further examination due to prior seizures utilizing similar packaging. A physical examination of the package revealed 2.27 pounds of a fentanyl analogue."

How did CBP discover this package?

Response: CBP officers manually target such packages utilizing prior seizure knowledge, recognition of the packaging by assigned personnel, and utilization of x-ray equipment. CBP works closely with several law enforcement agencies that assist in providing key indicators of illicit drugs trafficking. The provision of AED in the mail environment enables CBP to leverage officer expertise with more complex targeting algorithms.

Question: How often does CBP see packages that contain no manifest shipping data and no declared value?

Response: It is more common in mail than other modes. CBP works with all partners to educate and enforce through liquidated damages and other enforcement actions to ensure CBP gets the data it needs to make an admissibility determination.

Question: Please clarify to what the "IMF in Chicago" refers.

Response: The term "IMF" (International Mail Facility) is a term used by CBP to identify the physical area in which CBP examines and clears inbound international mail presented by the USPS. CBP IMFs are co-located within four of the five USPS International Service Centers (ISC). The fifth IMF is located approximately 10 miles from its corresponding ISC.

Question#:	5
Topic:	Inspection Notification Process
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: When the Postal Service presents a package targeted for inspection to CBP, does the Postal Service receive notice when a package is seized? If yes, please explain how the notification process works. If not, please explain why the Postal Service does not receive notice.

Response: CBP advises the Postal Service of packages seized through their Global Business System (GBS). The capability to report seized packages in GBS is limited to barcoded items such as Express Mail and Parcel Post.

Question#:	6
Topic:	Collaboration with Private Carriers
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: How do CBP and private carriers collaborate to identify and interdict shipments of illicit drugs?

Response: CBP utilizes advanced data in the express carrier environment to screen and target shipments for contraband, including narcotics. Express operators use internal security operations to identify possible illegal shipments. CBP meets regularly with private carriers (express) to discuss, to the extent possible, mutual areas of concern to include identifying shipments of illicit drugs. For instance, CBP recently met at the local level with an express carrier to conduct outreach with a focus on the safe handling of synthetic opioids.

Question#:	7
Topic:	CBP Hit Rate
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: Of the packages presented to CBP for inspection at both Postal Service international service centers and by private carriers, what is the "hit" rate for CBP successfully identifying a package it targeted for possibly containing contraband for FY 2015 and FY 2016?

Response: The CBP inspections of mail conducted at the Postal Service International Service Centers is predominantly a manual process. This manual process coupled with the lack of AED in the mail does not allow CBP to reasonably estimate the 'Hit' rate in this environment. However, CBP is able to quantify the number of enforcement activities effected in the mail environment. For the period covering November 2015 to December 2016, CBP at the JFK International Mail Branch, requested 4,051 parcels for inspection as part of the postal pilot. 1,683 of those parcels were not presented to CBP JFK for inspection. Of the 2,368 parcels that were presented to CBP, 264 resulted in enforcement seizures. Of these 264 enforcement seizures, XX were identified to have synthetic opioids.

Question: How is CBP planning to improve methods of identifying packages containing contraband?

Response: CBP uses advance information to identify shipments as high risk prior to arrival. This assessment is achieved through the Automated Targeting System (ATS) and leverages historical transactional information, current intelligence, and previous enforcement actions. Identified high risk shipments are screened utilizing current technology available for the identification of illicit substances to include fentanyl and identified analogs.

Additionally CBP deploys certain non-intrusive detection technologies that assist officers in detecting and interdicting shipment of illicit narcotics in the postal and express environments. The technology will safely identify the presence of narcotics substances by type.

CBP continues its whole of government approach to combating opioid smuggling by partnering with other Government agencies and foreign governments to share information regarding emergent trends in both shipping and concealment.

Question#:	7
Topic:	CBP Hit Rate
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

CBP is working with the USPS, including the Postal Inspection Service, to establish the provision of AED where none currently exists and to enhance the collection of AED where it is presently provided.

Question#:	8
Topic:	Universal Postal Union (UPU)
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: How does CBP work with the State Department on Universal Postal Union (UPU) issues?

Response: CBP is a participant, along with the Department of State, at the UPU sessions and works jointly on the issues and policies discussed there.

Question: Do other UPU member countries also have their customs enforcement agencies participate in the UPU conferences and meetings, or is the U.S. unique in that regard?

Response: Other UPU member countries customs enforcement agencies participate in UPU conferences and meetings as determined by the UPU agenda topics.

Question#:	9
Topic:	Advanced Electronic Data Use
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: In addition to the use of AED, what other methods, if any does CBP employ to identify international mail packages that may contain contraband such as illegal drugs?

Response: In addition to the use of AED, CBP relies on employee experience and knowledge in the mail environment, intelligence garnered from prior enforcement actions, K-9 detection, and the use of Non-Intrusive Inspection technology (NII), such as radiation detection and x-ray equipment.

Question: How has the use of AED enhanced or improved CBPs ability to intercept illegal items in international mail packages from private express carriers and the Postal Service?

Response: AED allows CBP to electronically screen package information prior to their arrival and then alerts either the express carrier or USPS to target those packages for delivery to CBP for inspection. For those shipments with no advance data, CBP has to manually sort the packages to try and identify those of high risk through reading the CN22/23 on the package, X-raying the package, or use of K-9s.

Question#:	10
Topic:	Inbound International Mail Increase
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: What impact, if any, has the increase in inbound international mail packages shipped to the U.S. had on CBP's interdiction efforts?

Response: Absent AED, the increased volume of international mail will increasingly complicate CBP's interdiction efforts. Working with USPS, CBP constantly reassesses and deploys its existing resources to efficiently and effectively interdict contraband. Increasing mail volume requires CBP to continually reevaluate our risk matrix to prioritize threats.

Question#:	11
Topic:	Fentanyl Contact
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: How many CBP personnel, if any, have come into contact with fentanyl?

Response: In March 2016, three CBP officers from the San Ysidro Port of Entry were exposed to fentanyl. Two of the officers required medical attention and were transported to a hospital, treated, and released with no adverse effects.

Question: What training protocols are in place for CBP personnel regarding safety precautions for handling packages containing fentanyl?

Response: The Field Operations Academy (FOA) and Border Patrol Academy (BPA), in partnership with the Federal Law Enforcement Training Centers (FLETC), teach safety precautions for handling packages containing fentanyl during the Drugs of Abuse Course. Supporting documents sent to FLETC and staff are available upon request.

Furthermore, to ensure all personnel are aware of this emerging threat, FLETC was provided a link to a video outlining the dangers and current safe handling procedures for fentanyl to teach/show during the Drugs of Abuse course.

For a canine pilot class, all CBP Canine personnel required to handle fentanyl training aids must complete the following training courses:

- Fentanyl Overview
- Fentanyl Hazards, Storage and Transportation Procedures
- Fentanyl Exposure First Aid
- Fentanyl Training Aid Handling and Storage

As the threat posed by synthetic drugs in the United States has grown in recent years, and to ensure Office of Field Operations (OFO) personnel are adequately protected if exposed to such drugs, OFO initiated a Naloxone Pilot Program in 2014 and revised narcotics safe handling protocols in June 6, 2017.

Naloxone is a proven remedy administered to stop or reverse the effects of an opioid overdose, and can be a lifesaving prescription medication when opioid exposure accidentally occurs during inspectional operations.

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Recognizing the need for a uniform, departmental approach to the deployment of naloxone programs, the Department of Homeland Security has recently prepared Policy Directive 247-01, Administration of Naloxone by Non-Healthcare Providers.

OFO continues to adapt additional protective measures to safeguard its employees by recently deploying additional protective equipment and continues a campaign to educate its personnel on the dangers of fentanyl.

Question#:	12
Topic:	AED at LAX
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: As of the May 25, 2017 hearing, what type of AED is available for CBP's review of international mail at the LAX international service center?

Response: Currently, AED is not available to CBP at the LAX international service center. However, we expect to begin receiving AED from the USPS at LAX in early July 2017, on mail from multiple countries.

Question#:	13
Topic:	Presentment Rate
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: What is the Postal Service's "presentment rate" to CBP at international service centers not using the Pilot Program currently in use at JFK?

Response: CBP does not track the presentation rate by the Postal Service. There is an expectation on the part of CBP that all mail requested by CBP from the Postal Service will be presented in a reasonable period of time.

Question#:	14
Topic:	Interdiction Process
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: Please describe the "interdiction process" at the international service centers not using the Pilot Program currently in use at JFK.

Response: Upon arrival, USPS delivers the inbound international mail to CBP for inspection. The mail is x-rayed, inspected by K-9 teams, and then packages are visually reviewed by CBP personnel. Packages of interest are set aside for further intensive physical inspection (open the box and visually review the contents).

Question#:	15
Topic:	Determine Countries to Monitor
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: What are some of the countries CBP takes a special interest in when it comes to identifying suspicious packages?

Response: China and Hong Kong are of interest to CBP based on prior seizures and intelligence for both narcotics and intellectual property rights violations. In addition, officers use their previous experience to pick out suspect packages based on known addresses of previous violators, messy or dirty packaging and other detection methods such as odor, misidentified weight, and other associated risk factors to determine possible violations.

Question: How does CBP determine which countries to monitor?

Response: CBP determines countries to monitor based on intelligence garnered from prior enforcement actions.

Question#:	16
Topic:	Synthetic Trafficking and Overdoses Prevention (STOP) Act of 2017
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Rob Portman
Committee:	HOMELAND SECURITY (SENATE)

Question: As it relates to the Synthetic Trafficking and Overdose Prevention (STOP) Act of 2017, please provide in order of priority any proposed amendments or changes, and the rationale for each, that we should consider making to the Act.

Response: CBP continues to work with DHS and our partner agencies to evaluate the current version of the STOP Act and develop feedback for Senator Portman and the Committees of jurisdiction. As this bill encompasses policy areas that touch on the equities of multiple federal agencies, DHS comments are currently undergoing inter-agency review. From CBP's perspective, advance information is the cornerstone of effective risk segmentation and targeting effectiveness. However; we look forward to working with your office to evaluate and address various operational and policy considerations impacted by the current version of this legislation.

Post-Hearing Questions for the Record
Submitted to Robert Perez
From Senator Claire McCaskill

Stopping the Shipment of Synthetic Opioids: Oversight of U.S. Strategy to Combat Illicit Drugs

May 25, 2017

Question#:	17
Topic:	Transshiping to Mexico
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: I understand that a lot of the illicit opioids and precursors are being produced in Mexico with precursors made in China. My staff has been told by U.S. Customs and Border Protection (CBP) that fentanyl and opioid precursors are getting to Mexico by transshipment through the U.S. instead of being shipped directly to Mexico.

Is that correct, and, if so, what are the reasons that traffickers are using the U.S. Postal Service (USPS) to transship these products from China to Mexico rather than shipping them directly to Mexico?

Response: Some international mail shipments from China to Mexico may transit the United States, but it is more likely that the shipments in question were directly from express consignment operators (ECO). In the ECO industry it is common practice to use "hub and spoke" operations to maximize efficiency and reduce costs. Shipments from a variety of locations—including China—are consolidated in a few key "hub" airports for further shipment to outlying airports ("the spokes"). As a result, a shipment from China destined for Mexico may transit a U.S. hub airport. Since these shipment do transit the United States they are subject to customs inspection.

Question#:	18
Topic:	Magnitude
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Does CBP have an idea of the magnitude of the problem-how much fentanyl and opioid precursors are going through the USPS - based on the amount that is actually getting interdicted or other data?

Response: Although it does provide some insights into illicit flows, using seizure data to estimate flow absent other supporting intelligence is not an accurate reflection of drug flow but a reflection of enforcement capabilities. In addition, there is little intelligence reporting available to CBP that would accurately estimate flow via conveyances.

Question#:	19
Topic:	Pilot Program Goals
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: CBP and USPS are currently running pilot programs to improve screening of international mail.

What are the goals for this program?

Response: The ultimate goals of the pilot test are to successfully receive AED from the USPS, utilize the data to apply Automated Targeting System holds at the item and receptacle level, expand the number of foreign postal data streams received from USPS (initial pilot test was constrained to only one country), incrementally increase the number of targeted shipments, create local Standard Operating Procedure (SOP), and have USPS segregate Express and Parcel holds into container scans, and create additional operational enhancements into their process.

Question: How are CBP and USPS measuring success?

Response: CBP measures the success of the pilot test in terms of the ability of the USPS and CBP to successfully exchange electronic messages relative to AED, the ability of the USPS to consistently locate and deliver to CBP those packages which we have targeted, and CBP's ability to use the targeted mail shipment to further refine our strategy to target in the mail environment.

Question#:	20
Topic:	Accountability
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Who, ultimately, at CBP, is accountable for the success or failure of the pilot program and for expanding the pilot program to the other 4 International Service Centers?

Response: The ultimate responsibility for the success or failure of the pilot program and its expansion at CBP is the Executive Director, Cargo Conveyance and Security, Office of Field Operations.

Question: What is the timeline for expanding this pilot program and implementing it in all International Service Centers?

Response: CBP intends on expanding the AED mail pilot test to the LAX ISC in early July. Further expansion of the test to the remaining ISC is directly dependent on the lessons learned from AED implementation at both JFK and LAX ISC, where CBP can leverage the successful aspects of the test and devise strategies to close the vulnerabilities discovered during the test.

Question: What additional resources does CBP need to set up a robust interdiction and monitoring program?

Response: CBP currently uses Fourier Transform Infrared Spectroscopy and Raman technology in handheld devices to presumptively identify opioids which include fentanyl. CBP recently deployed a limited number of devices that combine both technologies in addition to laboratory assistance for cases when unidentified substances are discovered.

In addition to the equipment needed for testing fentanyl, CBP is procuring personal protection equipment for the safe handling of fentanyl and other dangerous unknown chemicals. Examples would include: isolation glovebox, Tyvek sleeves, N95 Disposable Particulate Respirator, goggles, and disposable gloves.

Question#:	21
Topic:	Packages Flagged
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: How many packages is CBP flagging on a daily basis under this pilot?

Response: CBP agreed with the USPS to only target ten (10) mail shipments per day during the pilot test at JFK. At implementation of the AED pilot test in JFK, the USPS only shared electronic data received from La Poste (French mail). The mutual agreement between the USPS and CBP to only target ten mail shipments per day was simply based on a single flight arriving at JFK with French mail. Additionally, the mutual decision to only target a smaller subset of all the mail on that flight was to test the ability of the USPS to deliver the targeted shipments to CBP for examination.

Question#:	22
Topic:	Private Carrier Vulnerabilities
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Fentanyl is also coming in through private carriers - UPS, FedEx and DHL, in particular.

What vulnerabilities exist among private carriers that differ from the vulnerabilities being exploited by traffickers with the USPS?

Response: The largest vulnerability in the mail can be attributed to the extensive manual process required to screen, target, and examine inbound mail parcels which is directly attributable to the lack of AED.

Question#:	23
Topic:	Last-minute Packages
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Congress passed the TRADE Act over a decade ago. It was supposed to tighten up security of imports using private carriers. But implementation has been a big problem. Phase 1 of the implementation was supposed to require advance manifest data from these carriers. The carriers are giving CBP advance manifest data when they get it, but on almost every inbound flight, there are a number of packages that are last-minute additions to the flight

Does CBP always get advance manifest information on those last-minute packages in a timely manner, and, if not, are carriers always fined when they fail to provide this information?

Response: In the event that CBP discovers un-manifested merchandise, the carrier is subject to a manifest discrepancy penalty pursuant to 19 C.F.R. §123.5. Furthermore, the penalty cites the master of the conveyance as the responsible party and a first time violation pursuant to part §123.5 is subject to a $5,000 fine. Subsequent violations involving the same master/pilot of the conveyance is elevated to $10,000 for a similar manifest discrepancy violation.

Question#:	24
Topic:	Fines
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: It is my understanding that fines are often reduced through negotiations with the carriers.

For each of the last three years, please provide the total number of packages that did not meet the regulatory requirements for timely advanced data, the total number of fines issued broken down by private carrier, the proposed amount of each fine, and the amount of the fine actually paid.

Response: CBP is able to provide the penalties and collections issued under 19 U.S. Code § 1436 - Penalties for violations of arrival, reporting, entry, and clearance requirements:

Penalties Issued under 19USC1436 for Fiscal Years 2014-2016

	2014	2015	2016	Totals
Penalties	1,671	1,502	1,833	**5,006**
Assessed Amt	$9,442,252.00	$8,293,026.85	$8,925,240.34	**$26,660,519.19**
Collection Amt	$1,363,400.75	$1,144,507.54	$1,660,162.14	**$4,168,070.43**

Question: Would it help CBP interdict more narcotics and fentanyl if we prohibited these fines from being negotiable?

Response: While mandating the imposition of specified fines in these instances may result in higher collection amounts, the ability to mitigate in certain circumstances based on specified facts and past dealings with the relevant parties enables CBP to develop and maintain ongoing relationships with the key parties and ensures that CBP's limited resources are applied to the most significant enforcement actions and priority areas.

Question#:	25
Topic:	Consignee Information
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Phase 2 of the TRADE Act implementation required carriers to provide consignee information for each package.

Does CBP ever receive as consignee information from private carriers an address of a UPS or FedEx processing facility or some other generic address, and, if so, what is the explanation the private carriers give for providing such information?

Response: Pursuant to 19 CFR 143.26, the owner, purchaser, or consignee may designate that a licensed customs broker make entry on the merchandise. Under these circumstances the broker (e.g. FedEx, UPS, DHL) may insert themselves as the consignee and provide their physical address on the entry documents.

Question#:	26
Topic:	Phase 3
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Phase 3 of the TRADE Act implementation was supposed to include penalties for bad descriptions of package contents.

Has phase 3 been implemented yet, and, if not, when does CBP expect to implement Phase 3?

Response: The Trade Act of 2002 has been implemented and does include a penalty provision for bad description of package contents for all modes of transportation. However, DHS and the USPS remain in consultation regarding full implementation of section 343(a)(3)(K) of the Trade Act of 2002 as it relates to shipments from the postal service.

Question#:	27
Topic:	Improve Interdiction
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: To your knowledge, are the carriers doing anything else that is hindering CBP's ability to interdict opioids and their procurers?

Response: CBP has very strong partnerships with the express carriers and continuously works with our partners to effectively interdict opioids and disrupt the smuggling chains.

Question: Does CBP have any metrics to measure the success of the TRADE Act - are we catching more than we did before, how much we're spending on implementation or anything like that?

Response: CBP does not have any specific metrics for this question.

Question: Are there changes to the law that would help CBP and USPS improve interdiction?

Response: Requiring advanced electronic data would assist in targeting efforts. However, any Administration view on changes to existing law would need to be further coordinated.

Post-Hearing Questions for the Record
Submitted to Robert Perez
From Senator Heidi Heitkamp

Stopping the Shipment of Synthetic Opioids: Oversight of U.S. Strategy to Combat Illicit Drugs

May 25, 2017

Question#:	28
Topic:	Technological Needs
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Heidi Heitkamp
Committee:	HOMELAND SECURITY (SENATE)

Question: To tackle the overall problem of the shipping of illicit opioids, we need all the federal entities involved in this to be rowing in the same direction. We have three of those entities represented here today - Postal Service, Department of State, and CBP.

Given the dramatic rise in the number of international shipments, what specific steps have been taken to ensure your agencies can work smoothly together from a technological and logistical standpoint?

Response: CBP and its partner government agencies both inside and outside of DHS, regularly meet at the headquarters and local level to review vulnerabilities, risks, enforcement actions, and approaches to detect and disrupt smuggling networks. CBP works closely with our private sector partners as well to enhance security and interdiction efforts.

CBP's active involvement with the Office of National Drug Control Policy (ONDCP) and the National Heroin Coordination Group (NHCG) Heroin Availability Reduction Plan (HARP) implementation help ensure the interagency remain abreast of best practices to produce complimentary results in regards to both the technological and logistical standpoint to combat the shipping of illicit opioids. In March of 2017, all three of the agencies represented took part in the North American Drug Dialogue (NADD) Technical Workshops held in Washington, DC.

Question: Technology is a force multiplier in tackling this problem. What are your technological needs that aren't being met?

Response: CBP is regularly evaluating new technologies through our NII program to utilize as a force multiplier. CBP is preparing to issue additional hand held narcotic

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Committee:	HOMELAND SECURITY (SENATE)

detection equipment in the mail and express consignment environments to allow officers to identify high risk chemicals and compounds without physical exposure of the officer.

Question#:	29
Topic:	Foreign Law Enforcement and Customs Officials
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Heidi Heitkamp
Committee:	HOMELAND SECURITY (SENATE)

Question: Given that the best mode of interdiction would be to stop the shipment of these dangerous and illicit narcotics before they reach the United States. Whether that means stopping them from leaving China or other points of origin - or stopping their movement from Mexico and Canada into the U.S. after they have received shipments from foreign points of origin.

What role - if any - do foreign law enforcement and customs officials play at the ports of departure like China?

Response: *Mexico Opioid Enforcement Efforts:*
Mexican manufacturers and traffickers continue to be major suppliers of heroin to the United States. Heroin is most commonly brought to the United States across the Southwest land border or transported by couriers on commercial airlines. Regarding fentanyl, the most significant source countries are Mexico and the People's Republic of China (PRC). Fentanyl is smuggled into the United States across the Southwest border, and also shipped to a variety of locations within the United States via mail services and express courier services.

The reach and influence of Mexican cartels, notably the Sinaloa, Gulf, and Jalisco New Generation Cartels, stretch across and beyond the Southwest border, operating through loose business ties with smaller organizations in communities across the United States. The threat of Transnational Criminal Organizations (TCOs) is dynamic; rival organizations are constantly vying for control, and as United States and Mexican anti-drug efforts disrupt criminal networks, new groups arise and form new alliances.

- The government of Mexico (GOM), in collaboration with the United States interagency, has made recent strides in mitigating the threat of opioids, including fentanyl, in both countries.
- GOM participates in the U.S.-Mexico Bilateral High-Level Drug Policy Working Group, a coordinating body on drug priorities. The working group produces multifaceted solutions to dismantle criminal networks and safeguard our citizens' health and well-being. It is charged with advancing cooperation to address all relevant drug issues, beginning with the Hemisphere's complex illicit opioid challenge.
- The Department of Homeland Security remains committed to the monthly U.S. Embassy's Heroin/Fentanyl Workgroup, a forum to discuss bilateral information sharing, capacity-building, and poppy eradication methodologies. This forum is co-chaired by mission Mexico and the NHCG.

Question#:	29
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Committee:	HOMELAND SECURITY (SENATE)

- DHS and GOM must continue this and other dialogues at both senior and working levels to exchange law enforcement information and best practices on a layered strategy to eradicate, interdict, identify, and safely handle illicit opioids.

Question: Are there interdiction strategies in place, and if so what are they and are they working?

Response:

- The CBP Joint Security Program (JSP) partners with host country law enforcement to identify air passengers linked to terrorism, narcotics, weapons, and currency smuggling. CBP personnel work hand-in-hand with officers from the Government of Mexico's (GOM) National Institute of Migration (Instituto Nacional de Migración, INM) to engage high-risk travelers arriving in or departing from MEX. JSP officers also coordinate with INM to resolve advance targets and referrals for passengers arriving at or departing from other airports within Mexico.
- Since 2004, CBP National Targeting Center (NTC) has received Advance Passenger Information (API) via a feed from Mexican Customs (SAT). SAT provides the NTC with all API data transmitted by carriers arriving and departing Mexico except API with a nexus to Cuba or the United States (which CBP collects independently). SAT also provides CBP with Passenger Name Record (PNR) data it currently collects for flights into and out of Mexico.
- The air carriers capture the API data and then transmit it to the foreign government approximately 45 minutes prior to a flight's departure from a foreign location or from Mexico. Using existing CBP API infrastructure, the Mexican API information is then transmitted to CBP NTC. GOM uses the same PNR transmission intervals to collect PNR data as the United States.
- NTC conducts a comprehensive research of the API information to identify travelers associated with terrorism, wanted fugitives, missing juveniles, registered sex offenders and subjects under investigation for narcotics trafficking, currency couriers, weapons and human smuggling.
- NTC refers potential matches to the JSP teams located in Mexico and they coordinate appropriate enforcement actions with other U.S. Government agencies and foreign partners including Mexico's INM, SAT, and Federal Police.
- The advance API and PNR data provided by Mexico allows CBP to push its border outward and identify additional travelers of border security and law enforcement interest before they seek to cross into the United States.

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Committee:	HOMELAND SECURITY (SENATE)

Question: Are there best practices in place for country of departure interdiction methods? If so, what are they and which countries are using or have adopted these methods?

Response: Best practices for interdiction methods are described in Question 29d below, such as capacity building, and intelligence and information sharing. DHS defers to the U.S. Department of State (DOS) for additional information on Question 29c.

Question: What is the level of cooperation of customs officials and law enforcement in China and other countries once a manufacturer/distributor has been identified?

Response: *China:*
CBP's principal engagement partner for this issue in the PRC is the General Administration of China Customs (GACC) – Anti-Smuggling Bureau, which is the enforcement arm of the GACC, but staffed by officers of the Ministry of Public Security (MPS). Senior GACC representatives offered to engage directly with CBP to address CBP's interest in interdicting illegal fentanyl shipments originating the PRC that are destined for the United States.

At a November 16, 2016, working lunch between CBP and PRC Embassy Customs Affairs Counselor Hu Tianshu, Counselor Hu offered to engage directly with CBP to address CBP's interest in interdicting illegal fentanyl shipments originating from the PRC that are destined to the United States. Similar offers of assistance have been proposed by representatives of the GACC and PRC Embassy representatives, but CBP has not made a specific effort to follow up on the specific GACC proposal to jointly address Fentanyl enforcement.

Information-sharing discussions with GACC are held regularly by the Office of Trade's (OT) Intellectual Property Rights (IPR) Enforcement Branch, and by the Customs-Trade Partnership Against Terrorism (C-TPAT) as part of its line of discussion with GACC regarding mutual recognition. The Container Security Initiative (CSI), on a regular basis, holds discussions with GACC that address GACC's relatively low response rate on container inspection referrals.

CBP coordinates and collaborates internally to canvas programmatic interests and authorities for requesting information from GACC. The goals would be additional or improved collaboration; the identification of information classes that CBP can offer in exchange; and the evaluation of existing mechanisms and protocol adequacy for exchanging information.

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On January 11, 2017 CBP representatives from INA, NTC, and CSI met with DEA and ICE-HSI to discuss a "one-government approach" regarding a response to China Customs concerning their offer to assist with the Fentanyl drugs issue. NTC, ICE-HSI, and DEA indicated that they have been working in a coordinated effort on the Fentanyl issue within the United States and in China. This "one-government approach" has produced positive results in suppressing the illegal flow of fentanyl into the United States and the seizures by CBP have been steadily increasing. All agencies in attendance agreed to encourage GACC to continue to work cooperatively with U.S. law enforcement through the US/China Joint Law Enforcement Working Group and its standing working subcommittees.

Mexico
Mexican law enforcement entities have been excellent partners in terms of interdicting drugs coming into the United States as well as informing U.S. officials of transit shipments of illegal drugs. Ninety percent of heroin arriving in the United States is coming through Mexico. The CBP Attaché Office serves in an integral role within the U.S. Embassy's Heroin/Fentanyl Workgroup established in 2014 to support the U.S. Government's overall goal of assisting Mexico identify and eradicate poppy fields. The group has the following mission goals:

- Support GOM efforts to establish a National Drug Policy Office (NDPO);
- Develop Intelligence-Based Strategy to target drug trafficking organizations (DTOs);
- Support NDPO efforts to establish a GOM whole-of-government approach to drugs, with a heroin and synthetic drug sub-strategy;
- Work with GOM to develop a whole-of-government approach that provides alternative economic development for villages dedicated to opium production;
- Establish information sharing protocols between GOM and USG on seizures and eradication efforts; and
- Capacity building for inspection equipment to curtail the illicit flow of drugs, people, cash, arms, and other illegal goods.

Canada
The CBP Attaché Office in Ottawa supports multiple efforts regarding the risk assessment, education, and interdiction strategy regarding opioids, specifically fentanyl. The Drug Enforcement Administration (DEA) Attaché Office took the lead on this issue and held numerous education sessions for Canadian law enforcement (LE), such as Canada Border Services Agency (CBSA), Royal Canadian Mounted Police (RCMP), and provincial/local level police services which Ottawa Attaché Office personnel attended.

Question#:	29
Topic:	Foreign Law Enforcement and Customs Officials
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Heidi Heitkamp
Committee:	HOMELAND SECURITY (SENATE)

Additionally, this issue was raised at Law Enforcement Working Group (LEWG) meetings held at the U.S. Embassy after Country Team meetings.

The main message is one of education regarding the dangers and hazards of coming into contact with Fentanyl, especially for front-line LE personnel. Interdiction awareness has also been discussed with specific identification of the use of international mail as a delivery mode with nearly 100 percent of the mailings originating from China. An added factor for consideration in Canada is that U.S. mail can transit the country and will not be subject to inspection due to Canadian legal restrictions, creating additional risk for the United States.

Question: How long does it take China to investigate and shut-down an identified manufacturer/distributor?

Response: The length of time varies as, there are numerous factors that need to be considered. The Ministry of Public Security Narcotics Control Bureau is the lead narcotics law enforcement agency for mainland China, however, there are other agencies that have investigative authority. These other agencies include the General Administration of China Customs-Anti Smuggling Bureau, and local Public Security Bureaus. Formal investigations in China are complex, and require many levels of approval before any enforcement actions can be authorized. If an investigation is determined to be crucial in maintaining public safety and stability, investigations and enforcement actions can be conducted in a very short period of time, days instead of weeks or months.

If the investigation is complex, and involves legitimate and high profile entities, investigations can take months or years. If the investigation and subsequent enforcement actions will cause damage and embarrassment to public officials or local party members, an investigation may be terminated, with no further actions. Chinese law enforcement may or may not share the results with U.S. colleagues, even when the initial leads for such investigations originate in the United States.

Question: What measures are Mexican and Canadian authorities taking to prevent the shipment of these illicit narcotics and precursors into their countries?

Response: *U.S.-Mexico Bilateral Engagements*

- The broader U.S. Government law enforcement community engages with the GOM on opioid enforcement through a variety of bilateral and trilateral fora, at both the working and senior leadership levels.

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North America Drug Dialogue (NADD)

- At the June 2016 North American Leaders Summit, the Presidents of Mexico and the United States and the Prime Minister of Canada agreed to convene the (NADD) on an annual basis to exchange information on drug trends, increase trilateral coordination on drug policy, and develop actions that our governments can take to protect our citizens from harmful drugs and drug trafficking.
- On October 27, 2016, the Office of National Drug Control Policy National Heroin Coordination Group and the Department of State International Narcotics and Law Enforcement (INL) hosted the first annual NADD. The meeting focused on the shared illicit drug problem, from production and trade to consumption and misuse. Specifically, participants discussed the various domestic challenges, including the opioid crisis, and how each country is responding to them. This discussion resulted in the identification of best practices, methods to gather data from multi-sectoral perspectives, and helped identify possible trilateral lines of cooperation to address North American drug challenges.
- In March 2017, the ONDCP and DoS held technical workshops in Washington D.C. and discussed ways to produce complimentary effects to decrease the availability of illicit opioids in North America. The outcome of this weeklong workshop was nine individual deliverables that all three countries agreed upon, to include: developing a robust trilateral intelligence sharing network, conducting a trilateral port security tour, hosting a trilateral conference on drug demand reduction, public health, and public safety, and presenting workshops on the dark web, bulk cash smuggling (to include CBP), and common means and methodology on drug sample analysis in order to align the analytical approach for all three countries.
- The next NADD is currently scheduled to occur on September 20, 2017.

U.S.-Mexico Bilateral High Level Dialogue Drug Policy Group

- During the July 2016 meeting between Mexican President Enrique *Peña* Nieto and former U.S. President Barack Obama, the United States and Mexico reaffirmed their commitment in the fight against illicit drugs, including the heroin crisis affecting communities and families on both sides of the border. The two leaders also announced their intention to launch a bilateral group on drug policy to enhance coordination on drug priorities and produce multifaceted solutions that dismantle criminal networks and safeguard our citizens' health and well-being. The group is charged with advancing our cooperation to address all relevant drug issues, beginning with the Hemisphere's complex illicit opioid challenge. While the group's official mandate stems from the July 2016 meeting, the group had met three previous times before the mandate.

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- The U.S.-Mexico Bilateral High Level Drug Policy Working Group met on December 16, 2016, to review the results of the October 27, 2017, NADD and the November 4, 2016 U.S.-Mexico Security Coordination Group and to discuss plans to assist Mexico's efforts to combat the production of heroin and synthetic drugs, especially fentanyl. The U.S. delegation was led by the Deputy Chief of Missions and included participants from the U.S. Embassy—Mexico City, Drug Enforcement Administration, U.S. Department of State Bureau of International Narcotics and Law Enforcement Affairs, Office of Defense Coordination, and Office of Policy Analysis and Development. The Mexican delegation was led by the Director of the Criminal Investigations Agency (AIC) Secretariat of Government Unit Chief and included participants from the Mexican Attorney General Office (PGR), Federal Police (PF), Mexican Navy (SEMAR), Mexican Army (SEDENA), Mexico's Chemical Regulating Agency (COFEPRIS), Mexican Intelligence Agency (CISEN), and the Secretariat of Health.
- The group agreed to establish three technical working groups to address the following issues: poppy eradication and clandestine laboratories; synthetic drug production; and intelligence and information sharing.

Question: Are we working closely with them and sharing information and intelligence on suspected shippers?

Response: Information sharing and intelligence engagement with Mexico and Canada is detailed in the response to the prior question above.

Question#:	30
Topic:	Cost Issue
Hearing:	Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs
Primary:	The Honorable Heidi Heitkamp
Committee:	HOMELAND SECURITY (SENATE)

Question: It appears that one of the arguments being made regarding USPS being unable to utilize a system similar to that of private shippers/carriers is a cost issue. I understand that other issues also complicate equalizing the shipping requirements - but cost, processes, and technology seem to be factors that USPS claims are inhibiting their efforts.

Is this an accurate statement? If so how do we bring down the costs of compliance and technology?

Is it possible to look at prioritizing Advance Electronic Data (AED) upgrades through a tiered system for foreign shippers - with countries like China and other high-threat level countries at the top of the list?

Under the current methods you are using to try and address this situation - how long do you think it will take to get foreign countries utilizing AED at higher rates? Do you have any plans to try and make this process move more quickly?

Response: CBP cannot speak to internal considerations of USPS in this matter and must defer to USPS for a response. With respect to engagement with foreign countries regarding the use by their postal services of AED at higher rates, DHS recommends that question be addressed by the State Department based on engagement through the UPU and other relevant fora.

Post-Hearing Questions for the Record
Submitted to Tammy L. Whitcomb, Acting Inspector General
U.S. Postal Service
Office of the Inspector General
From Chairman Rob Portman and Ranking Member Thomas R. Carper

"Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs"
May 25, 2017

1. Does your office plan to open any new investigations or audits concerning U.S. Postal Service and U.S. Customs and Border Protection coordination at any of the Postal Service's international service centers? If yes, please describe the scope and methodology of your anticipated work.

Response:

We will issue an audit report to the Postal Service by July 21, 2017, on *Prohibited Inbound International Mailings*, and we have two additional open audits, all of which cover to some degree coordination between the Postal Service and U.S. Customs and Border Protection (CBP) at the Postal Service's International Service Centers (ISCs). In the report we will issue by July 21, 2017, we evaluated the Postal Service's processes for handling prohibited inbound international mailings such as cigarettes and prescription drugs, but not illegal drugs. The scope and methodology for this work included reviewing related Postal Service policies and processes; observing operations at all five ISCs and the New Jersey International Network Distribution Center; interviewing Postal Service and CBP staff; and reviewing inbound international mail data.

The second audit, which is scheduled to be issued in early August, assesses concerns related to delayed inbound international mail at the ISCs. We initially observed these delays during a site visit to the San Francisco ISC in November 2016, and we subsequently found similar delays at other ISCs. The scope and methodology for this work includes meeting with Postal Service managers and staff; analyzing international inbound mail data, including volumes, flight times, and related transportation and processing scans; and reviewing applicable Postal Service and Universal Postal Union[1] policies and procedures.

The third audit, which is scheduled to be issued in the fall, will evaluate whether other Postal Service facilities receive inbound international mail and, if they do, whether mail is presented to CBP for inspection. The scope and methodology for this work includes reviewing policies and procedures that govern Postal Service inbound mailing operations; visiting any Postal Service facilities that receive or process international mail;

[1] The UPU sets the rules for international mail exchanges and makes recommendations to stimulate growth in mail, parcel and financial services volumes and improve quality of service for customers.

interviewing Postal Service, CBP staff, and international mailing organizations; and analyzing inbound international mail data.

We also are evaluating additional work on the use of advance electronic data and other international mail revenue and volume data, as well as the the way costs are captured and accumulated for a select group of international packages, ePackets.[2] We are still in the design part of these potential projects, and the scope and methodology would likely entail reviewing applicable Postal Service policies and procedures, analyzing the respective data, and interviewing officials from the Postal Service, CBP, and other international mailing groups.

2. As it relates to the Synthetic Trafficking and Overdose Prevention (STOP) Act of 2017, please provide in order of priority any proposed amendments or changes, and the rationale for each, that we should consider making to the Act.

Response:

Based on our office's review of the legislation, the language in the proposed bill may create implementation challenges in light of current Universal Postal Union (UPU) regulations, which are negotiated by the Department of State. For example, the provision covering mandatory transmission of advance electronic data (AED) may prove challenging for UPU member countries that do not have the infrastructure to feasibly provide the required data. To comply with the proposed bill, the Postal Service would likely need to reject mail from non-compliant countries; however, the Postal Service lacks authority to refuse mailed packages under the UPU agreement.

The civil penalty provisions of the bill, whether imposed on the Postmaster General personally, or in her official capacity, would be virtually impossible to avoid. UPU treaty provisions prohibit member countries from accepting liability for customs declarations – a direct conflict with this provision of the STOP Act. As a result, the Postal Service would likely be unable to recoup any associated costs or penalties from foreign postal operators unless and until those treaty obligations are renegotiated.

To fully implement the STOP Act, the UPU regulations would need to be renegotiated, which is often a very lengthy process. The bill currently provides that implementation may not be delayed while the Department of State renegotiates any UPU obligations that conflict with the proposed law. Therefore, in complying with the current language in the proposed bill, the Postal Service would likely be in violation of its UPU obligations.

[2] ePackets are small packages weighing up to 4.4 pounds with tracking and delivery confirmation features and are grouped with other inbound letter post packets.

Post-Hearing Questions for the Record
Submitted to Tammy Whitcomb
Acting Inspector General
United States Postal Service, Office of the Inspector General
From Senator Heidi Heitkamp

"Stopping the Shipment of Synthetic Opioids: Oversight of U.S. Strategy to Combat Illicit Drugs"
May 25, 2017

1) Ms. Whitcomb, I would first like to say thank you for all of the great work your office. As a Member who has been very active in the postal arena, I have always appreciated yours and your staff's diligence and insight.

In your testimony, you note that some foreign posts already send the Postal Service advance electronic data.

- How many foreign posts already do this? What are the biggest barriers for other foreign posts in doing the same?

Response:

In an effort to address recommendations we made in one of our international inbound mail reports, the Postal Service stated they have entered into agreements to share advance electronic data with 34 foreign postal operators. As of April 2017, the Postal Service stated it was receiving advance electronic data for 40 to 50 percent of inbound international shipments (excluding letters, flats and military mail). We have not validated this information but intend to review it in our future work.

Regarding the biggest barriers for other foreign posts in sending the Postal Service advance electronic data, we have not examined in detail the reasons foreign posts do not provide advance electronic data. We understand that international mail exchanged between postal operators is not required to include this data under international postal policy. Universal Postal Union[1] regulations do not require the transmission of advance electronic data. Another key potential limitation is that there are small, underdeveloped countries that may not have the technological capacity to provide advance electronic data.

[1] Established in 1874, the UPU is the second oldest international organization worldwide. With its 192 member countries, the UPU is the primary forum for cooperation between postal administrations and creating international postal policies.

Post-Hearing Questions for the Record
Submitted to Norman T. Schenk, Vice President
Global Customs Policy and Public Affairs
United Parcel Service
From Chairman Rob Portman and Ranking Member Thomas R. Carper

"Stopping the Shipment of Synthetic Opioids: Oversight of the U.S. Strategy to Combat Illicit Drugs"
May 25, 2017

1. What information, if any, does UPS share about packages found to contain illicit drugs with U.S. Customs and Border Protection or other federal law enforcement entities such as the U.S. Drug Enforcement Agency? If none, please explain why.

   UPS has close working relationships with CBP and other federal, state, and local agencies. If a package containing illicit drugs is identified, we inform the appropriate agency, who then makes contact with other relevant agencies. For example, if a shipment was identified in our import facility, we would notify CBP, who would then contact DEA and potentially other local authorities to coordinate their next course of action,.

2. Are there extra levels of scrutiny that UPS implements internally to identify illicit drug shipments that could serve as a best practice for the U.S. Postal Service or other private express carriers?

   UPS has a close working relationship with CBP and other federal, state, and local agencies. We work together with a shared responsibility and layered approach to reduce the chance of illicit goods in our network. This includes illicit drugs but also includes other goods such as fake products and intellectual property rights violations, another emerging problem. Several of the best practices we have developed in cooperation with CBP are:
   - Initial screening of shipments upon receipt at retail counters that may include presentation of a government photo identification, x-raying of packages, and opening packages to ensure the contents match what is declared on the commercial invoice.
   - Employee training to look for anomalies in electronic shipment data. For example, an eight pound shipment with a description of box of pencils valued at $10 should raise a red flag. We have employee procedures to work through these types of anomalies and notify CBP if there isn't a logical explanation.
   - Provide CBP direct interface connections to our systems in order to directly input shipments selected for inspection, eliminating manual handing of packages. This maximizes the ability to provide the package to the customs officer for inspection.
   - Fully automated package sorting and handling capabilities connected to the bar code on packages. This provides the ability for the system to guide the package directly to the CBP inspection area. This also allows us to produce every package from any country in a certain evening and have automatically sorted to a special CBP inspection area.

3. How many international packages containing illicit drugs such as fentanyl or carfentanil has UPS intercepted? Please describe how UPS identified these packages.

   UPS hasn't specifically intercepted any fentanyl or carfentanil shipments. CBP officers have identified all of the shipments that have been seized through the direct result of risk assessment and the use of advance electronic data. CBP doesn't share the specific information on the amount of fentanyl that is seized and would need to provide this information.

4. Are there any International Jurisdiction requirements that UPS and any other private express mail carriers must comply with that may interfere with efforts to prevent illicit drugs from entering the country?

   I'm not aware of any specific international jurisdictional requirements that may interfere with efforts to the curb the importation of illicit drugs into the U.S. However, various countries have strict laws concerning the sharing of information that may reduce the ability of CBP to perform an in depth risk assessment. For example, some countries prohibit the sharing of personal information such as phone numbers, email addresses, and IP addresses. This type of data may help CBP officers determine if the shipment is high risk.

5. As it relates to the Synthetic Trafficking and Overdose Prevention (STOP) Act of 2017, please provide in order of priority any proposed amendments or changes, and the rationale for each, that we should consider making to the Act.

   At this time, I can't think of any proposed changes to the draft legislation. On the practical side, CBP is very challenged in hiring field officers due to the cumbersome hiring process and background checks. When the STOP Act passes, CBP will be challenged to bring the necessary staff on board to support the clearance operations at postal facilities. S.595 introduced by Senator Flack includes language to improve the hiring processes for CBP.

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