

**EXAMINING THE CURRENT STATUS OF IRAN'S
AXIS OF RESISTANCE AND THE IMPLICATIONS
FOR HOMELAND SECURITY AND U.S. INTERESTS**

HEARING
BEFORE THE
COMMITTEE ON HOMELAND SECURITY
HOUSE OF REPRESENTATIVES
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EXAMINING THE CURRENT STATUS OF IRAN'S AXIS OF RESISTANCE AND THE IMPLICA- TIONS FOR HOMELAND SECURITY AND U.S. INTERESTS

Wednesday, March 20, 2024

**U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
WASHINGTON, DC.**

The committee met, pursuant to notice, at 10:05 a.m., in room 310, Cannon House Office Building, Hon. Mark E. Green (Chairman of the committee) presiding.

Present: Representatives Green, Higgins, Guest, Gimenez, Pfluger, Garbarino, Gonzales, Ezell, D'Esposito, Lee, Strong, Brecheen, Crane, Thompson, Jackson Lee, Thanedar, Menendez, and Suozzi.

Chairman GREEN. The Committee on Homeland Security will come to order. Without objection, the Chair may declare the committee in recess at any point.

Before I get started this morning, I want to welcome a new Member to our committee. Mr. Suozzi, the gentleman from New York, is now joining us, and we're glad to have you on the committee.

Mr. SUOZZI. Thank you, Mr. Chairman.

Chairman GREEN. Were you on this committee when you were here before?

Mr. SUOZZI. No.

Chairman GREEN. Excellent. Excellent. We're glad to have you.

Also, at 10:30 precisely we're going to vote on a measure to go into Classified setting, and we have to have that at 10:30 even if the witness testimony here in the open session lasts beyond 10:30. So right at 10:30 we'll stop and vote and then continue.

The purpose of this hearing is to receive testimony on the full scale, scope, and pace of threats posed to the homeland by Iran's proxy forces, and I now recognize myself for an opening statement.

The Islamic Republic of Iran presents a clear and present danger to the United States homeland and our allies. Last October, the committee heard testimony from a variety of witnesses that highlighted the national security threats posed by the Iranian regime. Two of the witnesses, former Ambassador Nathan Sales and Robert Greenway, discussed the Iranian regime's terror capabilities and the threats the regime poses to the United States.

In addition, we heard the harrowing testimony of human rights activist Masih Alinejad, who had been targeted multiple times by the Iranian regime on U.S. soil. The stories she shared opened the

eyes of every Member of this committee to the lengths that the regime will go to silence those who speak truth to the regime's brutality.

Since our last hearing pertaining to the threats posed by Iran, the security threats from Iran and their proxies have metastasized even more.

These threats include assassination plots on former Trump administration officials, targeting and attacking U.S. service members abroad, disrupting trade and commerce and endangering maritime security in the Red Sea, and attempting to coordinate external terror operations in Europe and South America.

Today we will focus our efforts on the threats posed by Iran's proxy networks, more commonly known as Iran's Axis of Resistance.

The Axis of Resistance is a network of independent militia groups that Iran uses to enhance their power projection capabilities, provide plausible deniability for attacks conducted on behalf of the Iranian regime, and create instability for Iran's enemies in the region.

Most notably, these terrorist proxies include Hezbollah, Hamas, the Houthis, Palestinian Islamic Jihad, and various Iraqi and Syrian militia groups. These proxies and their sympathizers are present in countries such as Lebanon, Iran, Yemen, Iraq, and Syria.

In exchange for these groups' support and actions, they receive significant financial backing, material support, and training from the Iranian regime.

Although we regularly hear about these groups' activities in the Middle East, their operations are not confined solely to that region.

Hezbollah, arguably the most powerful proxy within the Axis of Resistance, has spent decades building the infrastructure needed to carry out its agenda in all parts of the world.

As FBI Director Wray testified before the committee last November, and I quote, "The arrests of individuals in the United States allegedly linked to Hezbollah's main overseas terrorist arm and their intelligence collection and procurement efforts demonstrate Hezbollah's interests in long-term contingency planning activities here in our homeland."

In addition, this terrorist organization has conducted operations throughout Europe and South America and has extensive ties to Venezuelan dictator Nicolas Maduro and his authoritarian regime.

Last, Hezbollah has also engaged in narcotics, weapons, and human trafficking, as well as money laundering, for authoritarian regimes, transnational criminal organizations, and other terror networks.

The Houthis, a Yemeni militia group, has been a long-time proxy for the Iranian regime. The Houthis have conducted operations that target U.S. partners in the Persian Gulf, such as Saudi Arabia.

These attacks on one of our greatest allies in the Middle East have shown evidence that Iran has provided the Houthis with unmanned aerial vehicles equipped with explosives and long-range missiles. These weapons have not only advanced Iran's interests in

the region, but have also helped the regime test weapon systems before fielding their capabilities elsewhere.

Recently, the Houthis targeted Western commercial shipping with anti-ship missiles. These attacks have not only killed innocent commercial sailors, but have created significant delays in supply chains that will eventually cause the price of goods to rise.

Sadly, the world is familiar with the dangers that Hamas poses. Their barbaric terror attack against Israel on October 7 demonstrates this group is committed to carry out its hateful agenda at any cost and that Iran is dedicated to bankrolling the organization's quest to destroy Israel and the West.

Hamas' reach is not limited to the Gaza Strip and Israel. In December of last year, German authorities detained 4 individuals with ties to Hamas for plotting attacks on Jewish institutions in Europe. Their orders came from Hamas leaders in Lebanon.

As mentioned earlier, these threats are not localized. What happens in someone else's backyard will eventually make its way to our own.

We must acknowledge that the Axis of Resistance is committed to destroying Israel and the West. They've shown the intent to conduct operations abroad and have demonstrated a willingness to do so here in the United States.

These groups have also exploited conflicts via news outlets and on-line communications to call on their supporters located in the United States to carry out attacks.

I hope that today's hearing will give Members of this committee the opportunity to fully examine these terror groups and the current status of the threats they pose to the homeland and U.S. interests.

We have circulated this proceeding in advance and have coordinated with the Minority, but I want to reiterate so all of our Members are aware: After the Ranking Member's statement we're going to hear opening statements from our witnesses and then there will be a vote to move into a closed session.

We have a space set aside in the SCIF at HVC-301, and we will go over there with a goal of learning as much from our witnesses on this topic as possible.

I look forward to our witnesses' testimony today, and I want to thank them all for being here.

[The statement of Chairman Green follows:]

STATEMENT OF CHAIRMAN MARK E. GREEN

MARCH 20, 2024

The Islamic Republic of Iran presents a clear and present danger to the United States homeland and our allies.

Last October, the committee heard testimony from a variety of witnesses that highlighted the national security threats posed by the Iranian regime.

Two of the witnesses, Former Ambassador Nathan Sales and Robert Greenway, discussed the Iranian regime's terror capabilities and the threats the regime poses to the United States.

In addition, we heard the harrowing testimony of human rights activist Masih Alinjead, who has been targeted multiple times by the Iranian regime on U.S. soil. The stories she shared opened the eyes of every Member of this committee to the lengths that the regime will go to silence those who speak truth to the regime's brutality.

Since our last hearing pertaining to the threats posed by Iran, the security threats from Iran and their proxies have metastasized even more.

These threats include:

- assassination plots on former Trump administration officials;
- targeting and attacking U.S. service members abroad;
- disrupting trade and commerce and endangering maritime security in the Red Sea;
- and attempting to coordinate external terror operations in Europe and South America.

Today we will focus our efforts on the threats posed by Iran's proxy networks, more commonly known as Iran's "Axis of Resistance."

The "Axis of Resistance" is a network of independent militant Islamist groups that Iran uses to enhance their power projection capabilities, provide plausible deniability for attacks conducted on behalf of the Iranian regime, and create instability for Iran's enemies in the region.

Most notably, these terror proxies include Hizballah, Hamas, the Houthis, Palestinian Islamic Jihad, and various Iraqi and Syrian militia groups.

These proxies and their sympathizers are present in countries, such as Lebanon, Iran, Yemen, Iraq, and Syria.

In exchange for these groups' support and actions, they receive significant financial backing, material support, and training from the Iranian regime.

Although we regularly hear about these groups' activities in the Middle East, their operations are not confined solely to that region.

Hizballah, arguably the most powerful proxy within the "Axis of Resistance," has spent decades building the infrastructure needed to carry out its agenda in all parts of the world. As FBI Director Wray testified before the committee last November, "the arrests of individuals in the United States allegedly linked to Hizballah's main overseas terrorist arm, and their intelligence-collection and—procurement efforts, demonstrate Hizballah's interest in long-term contingency planning activities here in the homeland.¹

In addition, this terror organization has conducted operations throughout Europe and South America and has extensive ties to Venezuelan dictator, Nicolas Maduro, and his authoritarian regime.

Last, Hizballah has also engaged in narcotics, weapons, and human trafficking, as well as money laundering for authoritarian regimes, transnational criminal organizations, and other terror networks.

The Houthis, a Yemeni militia group, has been a long-time proxy for the Iranian regime. The Houthis have conducted operations that target U.S. partners in the Persian Gulf, such as Saudi Arabia. These attacks on our Middle East partners have shown evidence that Iran has provided the Houthis with unmanned aerial vehicles equipped with explosives and long-range missiles. These weapons have not only advanced Iran's interests in the region but have also helped the regime test weapons systems before fielding the capabilities elsewhere.

Recently, the Houthis targeted Western commercial ships with antiship missiles. These attacks have not only killed innocent commercial sailors but have created significant delays in supply chains that will eventually cause the prices of goods to rise.

Sadly, the world is familiar with the dangers that Hamas terrorist pose. Their barbaric terror attack against Israel, on October 7 demonstrates this group is committed to carry out its hateful agenda at any cost and that Iran is dedicated to bankrolling the organization's quest to destroy Israel and the West.

Hamas's reach is not limited to the Gaza Strip and Israel. In December of last year, German authorities detained 4 individuals with ties to Hamas for plotting attacks on Jewish institutions in Europe. Their orders came from Hamas leaders in Lebanon.

As mentioned earlier, these threats are not localized. What happens in someone else's backyard will eventually make its way to ours.

We must acknowledge that the "Axis of Resistance" is committed to destroying Israel and the West.

They have shown the intent to conduct operations abroad and have demonstrated a willingness to do so. These groups have also exploited conflicts via news outlets and on-line communications to call on their supporters located in the United States to carry out attacks.

¹ Worldwide Threats to the Homeland: Hearing Before the H. Comm. on Homeland Sec., 118th Cong. (Nov. 15, 2023).

I hope that today's hearing will give Members of this committee the opportunity to fully examine these terror groups and the current status of the threats they pose to the homeland and U.S. interests.

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I look forward to our witnesses' testimony today and thank them all for being here.

Chairman GREEN. I now recognize the Ranking Member, the gentleman from Mississippi, Mr. Thompson, for his opening statement.

Mr. THOMPSON of Mississippi. Thank you very much, Mr. Chairman.

Good morning to our witnesses. I look forward to your testimony.

I want to first welcome Representative Suozzi of New York to the committee.

We're pleased to have you join us and look forward to working with you on many issues that come before this committee. Even if you're from New York, we welcome you to the committee.

[Laughter.]

Mr. THOMPSON of Mississippi. It's been more than 5 months since the horrific terrorist attack by Iranian-backed Hamas against Israel, which left more than 1,100 people dead. Still today, Hamas is holding an estimated 130 Israelis, including dual U.S. citizens, hostage.

That deadly October 7 attack caused a war that has claimed tens of thousands of lives, including innocent civilians and children both in Israel and Gaza.

Beyond the war in Gaza, Hamas' deadly attack has begun to spill over and destabilize regional peace and global economic security. We've seen Lebanese Hezbollah, also backed by the Iranian regime, launch attacks against Israel since October 7, killing a dozen Israeli soldiers and 6 civilians.

Just a few days ago, it was publicly reported that the head of Iran's Quds Force met with Lebanese Hezbollah, and Hezbollah's leaders told the Iranian regime that the terrorist group is willing to fight Israel on its own without pulling in Iranian armed forces. That should trouble us all.

Moreover, Houthis in Yemen have repeatedly attacked commercial shipping, demonstrating how the United States and our allies are threatened by Iranian-backed terrorist groups.

The Houthis have also claimed responsibilities for attacking the U.S. Navy. While the claims have been refuted by U.S. defense officials, it shed light on the group's terrorism-related aspirations.

Today's hearing is an opportunity for the committee to hear from national security agencies in a closed setting about the threat Iranian-backed terrorist groups, like Hamas, Hezbollah, and the Houthis, pose to the homeland and to U.S. interests world-wide.

As I said in the immediate aftermath of the heinous attacks on October 7, the United States condemns Hamas' actions.

We also keep the innocent civilians in Gaza who have died in our prayers and call for lasting peace in the region.

Unfortunately, as the administration has worked tirelessly to support Israel, bringing Americans home from the conflict zone,

prevent a wider war in the region, and address the humanitarian crisis in Gaza, House Republicans have absolutely refused to provide Israel with the resources they need to push back the threats of terrorists and terroristic regimes.

Republican leaders are also refusing to work with Democrats to provide humanitarian relief for civilians in Gaza.

Now, while I'm pleased that an apparent deal has been reached to fund the Government, it is shameful that more than 5 months into fiscal year 2024 House Republicans' refusal to govern has us once again on the precipice of a partial Government shut-down.

If House Republicans do not put politics aside and pass the agreed-upon spending packages, all 4 of the witnesses testifying before us today are facing the shuttering of their agencies.

This is a do-nothing Republican Majority.

Although I'm glad that we have an opportunity today to better understand the current threat posed by Iranian-backed terrorist groups, I have zero faith that my Republican colleagues will actually do anything meaningful about it when they leave this room.

Even Republican Members have acknowledged how dysfunctional Congress has become under their own party's leadership.

I cannot believe I'm agreeing with Congressman Andy Biggs, but I agree with his characterization of this Republican Majority: It's embarrassing.

Republican dysfunction is a threat to the peace and stability around the world, because under their so-called leadership Congress cannot even come to the aid of its allies.

There is much to be done as Iran and other adversaries, like Russia, North Korea, and China, continue to be a threat to the United States.

I hope that today's hearing, particularly as we are receiving information in a Classified setting, will serve as a turning point.

I hope that Republicans will get serious about addressing the threats that this country faces. It's time that we finally focus our energy on helping Israel and other allies stand against evil, and we must help provide much-needed humanitarian aid to the Palestinian civilians.

I thank the panel for joining us today, and I yield back.

[The statement of Ranking Member Thompson follows:]

STATEMENT OF RANKING MEMBER BENNIE G. THOMPSON

MARCH 20, 2024

It has been more than 5 months since the horrific terrorist attack by Iranian-backed Hamas against Israel, which left more than 1,100 people dead. Still today, Hamas is holding an estimated 130 Israelis—including dual-U.S. citizens—hostage. That deadly October 7 attack caused a war that has claimed tens of thousands of lives—including innocent civilians and children both in Israel and Gaza.

Beyond the war in Gaza, Hamas' deadly attack has begun to spill over and destabilize regional peace and global economic security. We have seen Lebanese Hizballah—also backed by the Iranian regime—launch attacks against Israel since October 7, killing a dozen Israeli soldiers and 6 civilians. And just a few days ago, it was publicly reported that the head of Iran's Quds Force met with Lebanese Hizballah, and Hizballah's leader told the Iranian regime that the terrorist group is willing to fight Israel on its own, without pulling in Iranian armed forces. That should trouble us all.

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Navy. While the claim has been refuted by U.S. defense officials, it sheds light on the group's terrorism-related aspirations.

Today's hearing is an opportunity for the committee to hear from national security agencies in a closed setting about the threat Iranian-backed terrorist groups like Hamas, Hizballah, and the Houthis pose to the homeland and to U.S. interests world-wide. As I said in the immediate aftermath of the heinous attacks on October 7, the United States condemns Hamas' actions. We also keep the innocent civilians in Gaza who have died in our prayers and call for lasting peace in the region.

Unfortunately, as the administration has worked tirelessly to support Israel, bring Americans home from the conflict zone, prevent a wider war in the region, and address the humanitarian crisis in Gaza, House Republicans have absolutely refused to provide Israel with the resources they need to push back the threat of terrorists and terroristic regimes. Republican leaders are also refusing to work with Democrats to provide humanitarian relief for civilians in Gaza.

Now, while I am pleased that an apparent deal has been reached to fund the Government, it is shameful that more than 5 months into fiscal year 2024, House Republicans' refusal to govern has us once again on the precipice of a partial Government shut-down. If House Republicans do not put politics aside and pass the agreed-upon spending package, all 4 of the witnesses testifying before us today are facing the shattering of their agencies. This is a do-nothing Republican Majority.

Although I am glad that we have an opportunity today to better understand the current threat posed by Iranian-backed terrorist groups, I have zero faith that my Republican colleagues will actually do anything meaningful about it when they leave this room. Even Republican Members have acknowledged how dysfunctional Congress has become under their own party's leadership. I cannot believe I am agreeing with Congressman Andy Biggs, but I agree with his characterization of this Republican Majority—"It's embarrassing".

Republican dysfunction is a threat to peace and stability around the world because under their so-called leadership, Congress cannot even come to the aid of its allies. There is much to be done, as Iran and other adversaries like Russia, North Korea, and China continue to be a threat to the United States.

I hope that today's hearing—particularly as we are receiving information in a Classified setting—will serve as a turning point. I hope that Republicans will get serious about addressing the threats this country faces. It is time that we finally focus our energy on helping Israel, and other allies, stand against evil. And we must help provide much-needed humanitarian aid to Palestinian civilians.

Chairman GREEN. The gentleman yields.

Other Members of the committee are reminded that opening statements may be submitted for the record, and I am pleased to have a very important panel of witnesses for us today.

I ask that our witnesses please rise and raise your right hand.
[Witnesses sworn.]

Chairman GREEN. Thank you. Please be seated.

Let the record reflect that the witnesses have answered in the affirmative.

I would now like to formally introduce our witnesses.

Mr. James Dunlap serves as the deputy under secretary for analysis within the Department of Homeland Security's Office of Intelligence and Analysis, where he oversees a staff of 250 personnel and generates all of DHS's finished intel products for a wide range of customers.

Prior to his appointment as deputy under secretary, Mr. Dunlap served as the executive director of I&A's Counterterrorism Center, where he oversaw all aspects of I&A's counterterrorism analysis and represented DHS as the senior I&A counterterrorism intelligence official within the intelligence community and DHS intelligence enterprise.

Mr. Robert Wells serves as the assistant director of the counterterrorism division within the FBI. He has served in a variety of roles throughout his career and has served as the assistant director since 2022.

Ms. Carrie Thompson serves as the chief of intelligence for the Drug Enforcement Agency. In her role, she serves as a strategic adviser to the DEA administrator on intelligence matters and works daily to achieve DEA mission goals.

Ambassador Elizabeth Richard serves as the coordinator for counterterrorism with the rank and status of ambassador-at-large, leading the State Department's Counterterrorism Bureau and serving as the principal adviser to the Secretary of State on international counterterrorism matters.

Ambassador Richard also oversees U.S. engagement in the Global Coalition to Defeat ISIS. Prior to her current role, she served as the U.S. Ambassador to the Lebanese Republic from 2016 until 2020.

I thank all the witnesses for being here today. I now recognize Mr. Dunlap for 5 minutes to summarize his opening statement.

STATEMENT OF JAMES DUNLAP, DEPUTY UNDER SECRETARY FOR ANALYSIS, OFFICE OF INTELLIGENCE AND ANALYSIS (I&A), DEPARTMENT OF HOMELAND SECURITY

Mr. DUNLAP. Thank you, Chairman Green, Ranking Member Thompson, and distinguished Members of the committee.

As noted, my name is James Dunlap, and I serve as the deputy under secretary for analysis within the Department of Homeland Security's Office of Intelligence and Analysis.

In that capacity, I have the honor of representing the almost 1,000 dedicated Government and contractor professionals I work with every day to generate all of DHS I&A's intelligence products for the full range of our customers, including the President and senior national security staff, the Secretary of the Department and senior leaders within DHS, and our Federal, State, local, territorial, Tribal, and private-sector security partners.

I&A's analytic expertise includes specialties in counterterrorism and cyber threats to our Nation's critical infrastructure, trans-border security and transnational organized crime, and nation-state economic and counterintelligence threats.

Iran's so-called Axis of Resistance, or its network of proxies in the Middle East, poses a variety of threats to the United States and to homeland security.

While correctly associated in the minds of many as a state sponsor of terrorism, Iran poses a threat to the United States from a variety of threat vectors, and it's on these vectors that I will begin my remarks today.

Here at I&A, the work of our analysts examining the threats from Iran span all 4 of our analytic centers.

A key part of our mission in I&A is to build the capacity of our State, local, territorial, Tribal, and private-sector partners to react to and prevent threats from developing in their own jurisdictions, and, as such, we strive to publish intelligence on this critical threat at the Secret level and below.

Indeed, with regard to many of the threat vectors I will discuss, we have been successful publishing at the Unclassified, for Official Use Only level to maximize readership among our authorized stakeholders.

Turning to cyber threats, I&A works routinely with the Department's Cybersecurity and Infrastructure Security Agency, or CISA, to publish intelligence on the cyber threat from Iran, which continues to pose a threat to U.S. systems, networks, and information.

Iranian Government cyber actors employ a variety of tactics, techniques, and procedures, including social engineering, using easily accessible scanning and computer hacking tools, and exploiting publicly-known software and hardware vulnerabilities, to conduct cyber espionage operations targeting the U.S. Government and the defense industry, and to disrupt critical infrastructure.

The Israel-Hamas conflict shows how Iran uses cyber operations to respond to geopolitical events while attempting to maintain plausible deniability.

In November 2023, the Iranian Islamic Revolutionary Guard Corps, or IRGC-affiliated cyber actors, posing as a criminal hactivist group called the Cyber Av3ngers, defaced Israeli-manufactured operational technology devices in the United States, specifically devices in water and wastewater systems and other critical infrastructure sector entities.

While the attacks did not result in disruption of services or impact public health, they are demonstrative of the Iranian regime and its proxies' desires to target our citizens here in the United States.

I&A also works with our interagency partners to produce intelligence on Iran's efforts to target dissidents here in the homeland and abroad. Iran continues to conduct transnational repression activities within the homeland against anti-regime critics. Tactics used in the past to target dissidents include assassination attempts, digital threats and harassment, family intimidation, spyware, and unlawful detention.

Iran has targeted Iranian dissidents in the United States to suppress anti-regime protests and calls for social and political reform in Iran. Notably, in January 2024 the United States Department of Justice indicted one Iranian and two Canadian nationals in a murder-for-hire scheme consistent with these tactics.

Turning, finally, to terrorism, I&A works regularly with our partners at the Federal Bureau of Investigation, the National Counterterrorism Center, and other agencies to assess the counterterrorism threat from Iran and its proxies, including Lebanese Hezbollah.

I&A assesses that Iran will remain the primary state sponsor of terrorism and continue its efforts to advance plots against individuals in the United States.

Specifically, Iran maintains its intent to plot attacks against current and former U.S. Government officials in retaliation for the 2020 death of IRGC Quds Force Commander Qasem Soleimani.

Iran typically relies on individuals with preexisting access to the United States for surveillance and lethal plotting, having previously used dual nationals, members of criminal networks, and private investigators, and has attempted plots that do not require international travel for operatives.

Thank you very much for the opportunity to appear here today, and I look forward to answering your questions.

[The prepared statement of Mr. Dunlap follows:]

PREPARED STATEMENT OF JAMES DUNLAP

MARCH 20, 2024

INTRODUCTION

Thank you, Chairman Green, Ranking Member Thompson, and distinguished Members of the committee. My name is James Dunlap and I am the deputy under secretary for analysis within the Department of Homeland Security's (DHS or the Department) Office of Intelligence and Analysis (I&A). I direct a staff of over 250 Government and contractor personnel generating all of DHS/I&A's finished intelligence products for I&A's full range of customers, including the President and senior National Security Council staff, to the DHS Secretary and senior leaders within the Department, and Federal and State, local, territorial, Tribal, and private-sector (SLTT/PS) partners. I&A's analytic expertise includes specialties in counterterrorism and cyber threats to our Nation's critical infrastructure; transborder security and transnational organized crime; and nation-state economic and counterintelligence threats.

Now, Iran's so-called "axis of resistance"—its network of proxies in the Middle East—poses a variety of threats to United States interests and homeland security. While correctly associated in the minds of many as a state sponsor of terrorism, Iran poses a threat to the United States from multiple threat vectors, and it is on these vectors that I will begin my remarks today. Here at I&A, the work of our analysts examining the threats from Iran span all 4 of our analytic centers. A key part of our mission in I&A is building the capacity of our SLTT/PS security partners to react to and prevent threats from developing, and as such we strive to publish intelligence on this critical threat at the SECRET level and below; indeed, with regard to many of the threat vectors I will discuss, we have been successful publishing at the UNCLASSIFIED level to maximize readership of our intelligence.

CYBER

Our Cyber Intelligence Center routinely works with the Department's Cybersecurity and Infrastructure Security Agency (CISA) to publish intelligence on the cyber threat from Iran, which continues to pose a threat to U.S. systems, networks, and information. Iranian government cyber actors employ a variety of tactics, techniques, and procedures—including social engineering, using easily accessible scanning and computer hacking tools, and exploiting publicly-known software and hardware vulnerabilities—to conduct cyber espionage operations targeting the U.S. Government and the defense industry, and to disrupt critical infrastructure.

The Israel-HAMAS conflict shows how Iran uses cyber operations to respond to geopolitical events while attempting to maintain plausible deniability. For example, in November 2023, Iranian Islamic Revolutionary Guard Corps (IRGC)-affiliated cyber actors—ostensibly posing as a criminal hacktivist group called the "Cyber Av3ngers"—defaced Israeli-manufactured operational technology devices in the United States, specifically devices in water and wastewater systems and other critical infrastructure sector entities (energy, food and beverage manufacturing, and health care). The IRGC-affiliated actors left a defacement image on the devices stating, "You have been hacked, down with Israel. Every equipment 'made in Israel' is CyberAv3ngers legal target." While the attacks did not result in disruption of services or impact public health, they are demonstrative of the Iranian regime's and its proxies' desires to target our citizens here in the United States.

IRAN'S TRANSNATIONAL REPRESSION EFFORTS IN THE HOMELAND

Our Nation-State Threats Center works with our interagency partners to produce intelligence on Iran's efforts to target dissidents. Iran continues to conduct transnational repression activities within the homeland against anti-regime critics. Tactics used in the past to target dissidents and critics of the regime include assassination attempts, digital threats and harassment, family intimidation, mobility controls, spyware, and unlawful detention.

Iran has targeted Iranian dissidents in the United States to suppress anti-regime protests and calls for social and political reform in Iran. In January 2024, the U.S. Department of Justice (DOJ) indicted 1 Iranian and 2 Canadian nationals in a murder-for-hire scheme targeting 2 U.S. residents.

DHS I&A has not observed Iranian transnational repression activities against the United States in relation to the Israel-HAMAS conflict. However, Iran has previously targeted outspoken critics, and could target individuals critical of Iran's role in the conflict should it perceive them as a threat.

TERRORISM

Finally, I&A works regularly with our partners at the Federal Bureau of Investigation (FBI), the National Counterterrorism Center (NCTC), and other interagency partners to assess the counterterrorism threat from Iran and its proxies, including Lebanese Hizballah. I&A assesses that Iran will remain the primary state sponsor of terrorism and continue its efforts to advance plots against individuals in the United States. Specifically, Iran maintains its intent to plot attacks against current and former U.S. Government officials in retaliation for the 2020 death of IRGC-Qods Force (IRGC-QF) Commander Qassem Soleimani.

Iran relies on individuals with pre-existing access to the United States for surveillance and lethal plotting—having previously used dual nationals, members of criminal networks, and private investigators—and has attempted plots that do not require international travel for operatives.

- In August 2022, the DOJ indicted an IRGC-QF member for allegedly conspiring to assassinate a former U.S. National Security Advisor between late 2021 to mid-2022.

With regard to Lebanese Hizballah, DHS I&A does not have any indication that Hizballah is pursuing attacks in the homeland directly in response to the Israel-HAMAS conflict. We most commonly see individuals involved in financial facilitation to support Hizballah, through money laundering, although Hizballah-affiliated individuals have also been involved in attack plotting.

- The most recently disrupted homeland plot was in 2017 when an individual affiliated with Hizballah was arrested for surveilling potential government and military targets in New York City. The individual, a naturalized U.S. citizen from Lebanon, received weapons training in Lebanon before allegedly being tasked to conduct surveillance of the government and military facilities. The individual also allegedly collected intelligence on former members of the Israel Defense Forces as well as New York's LaGuardia Airport.

DHS I&A believes that lone offenders inspired by, or reacting to, the Israel-HAMAS conflict pose the most likely threat to the homeland compared to Iranian-directed or -supported attacks in the homeland. Since the conflict began, leaders from the IRGC, Hizballah, and Iran-aligned militant groups have issued strong statements of support for HAMAS's attack on Israel, although we have not seen this translate to operations in the homeland directly in response to the conflict. We believe that Iran-backed militant groups and proxies such as the Houthis are regionally focused and do not have the intent or capability to target the homeland.

HAMAS itself has not conducted attacks in the United States, as the group historically has been focused on opposition to Israel rather than supporting or directing attacks in the West. However, in recent years, a small number of individuals in the United States have been arrested and convicted for attempting to provide material support to HAMAS.

- In September 2020, the FBI arrested two individuals who allegedly sought to overthrow the U.S. Government and enact violence against police officers, among other targets, whose claimed motivation was Boogaloo ideology. Although they possessed no direct ties to HAMAS, the individuals believed they could act as mercenaries for the group, who they believed shared and could help advance their anti-U.S. Government goals.

Thank you very much for the opportunity to appear here today and I look forward to answering your questions.

Chairman GREEN. Thank you, Mr. Dunlap.

I now recognize Mr. Wells for 5 minutes to summarize his opening statement.

STATEMENT OF ROBERT WELLS, ASSISTANT DIRECTOR, COUNTERTERRORISM DIVISION, FEDERAL BUREAU OF INVESTIGATION (FBI)

Mr. WELLS. Good morning, Chairman Green, Ranking Member Thompson, and distinguished Members of the committee. I'm honored to represent thousands of men and women in the FBI who tackle some of the most complex terrorism threats here in the United States and throughout the world.

Thank you for inviting me to join you this morning. I appreciate the opportunity to speak with you about our current threat environment, specifically as it relates to Iran and its proxies.

As I am sure you've heard from Director Wray, we are currently in a heightened terrorism threat environment. Since the Hamas attack against Israel, we've seen almost every major terrorist organization in the world, including al-Qaeda, AQAP, and ISIS, call for terrorist attacks against the United States. We've also seen an up-tick in threats against the Jewish community here in the United States and abroad.

We remain concerned about threats from lone actors or small cells radicalized to violence on-line. In addition, we are very focused on the threat posed by the more traditional foreign terrorist organizations and the state-sponsored terrorism threat from Iran.

Iran continues to plot attacks against former Government officials in retaliation for the death of IRGC Quds Force Commander Qasem Soleimani. They also have continued to provide support to their proxies and terrorist organizations throughout the world, to include Lebanese Hezbollah.

The FBI believes Iran is capable of a variety of attack options against U.S. targets, to include cyber operations intended to sabotage public and private infrastructure and targeted assassinations of individuals who are deemed to be a threat to the regime or its stability.

The FBI continues to use intelligence to identify threats related to Iran's lethal capabilities targeting U.S. persons. We work closely with other U.S. Government agencies and foreign partners to address the threat to U.S. interests from Iran and its proxies.

There have been several examples of Iran's intention to carry out lethal attacks in the United States.

In 2022, an Iranian Quds Force officer, Shahram Poursafi, was charged related to his attempt to arrange the murder of former National Security Advisor John Bolton.

Poursafi attempted to pay individuals in the United States \$300,000 to carry out the murder in the Washington, DC area.

Thankfully, Poursafi attempted to pay one of our confidential human sources to carry out the attack.

This incredible investigative work by our Washington Field Office resulted in charges against Poursafi.

Even though Poursafi remains at large abroad, this investigation highlighted Iran's incredibly bold plot to murder a former U.S. Government official.

In 2023, 3 members of an Eastern European criminal organization were charged for plotting the murder of a U.S. citizen who has been targeted by the Government of Iran for speaking out against the regime's human rights abuses. The victim was targeted for exercising the rights to which every American citizen is entitled.

An attempted assassination on U.S. soil shows how far Iranian actors are willing to go to silence their critics.

These brazen attempted attacks by Iran are not new. You may also recall that in September 2011, Mansour Arbabsiar was arrested for plotting to murder the Saudi Ambassador to the United States on U.S. soil. This plot was directed and approved by the IRGC Quds Force.

As I just described, it is clear the Iranians are determined to carry out attacks in the United States, whether it be to avenge the death of Soleimani, to silence one of their critics, or to kill the ambassador of an ally nation.

I would also like to highlight an example of Iranian efforts to support terrorist activities overseas.

In February 2024, 4 foreign nationals were intercepted by a U.S. military vessel during their alleged transportation of suspected Iranian-made weapons parts to Houthi rebel forces in Yemen.

These individuals were recently brought to the United States to face charges. Tragically, 2 Navy SEALs lost their lives in the pursuit of this mission.

The disruption of these individuals prevented Iranian-made weapons parts from getting into the hands of the Houthis who could have used these weapons to target U.S. forces.

The persistent threat from Iran came into sharper focus following the October 7 Hamas attack. Despite their praise for the attack and threat to join the conflict should Israel invade Gaza, Iran will likely still rely on their proxy networks to action retaliatory attacks focused in the region. We also assess that the Iran IRGC will continue to provide training, weapons, and financial support to Hamas.

The FBI remains concerned that Hezbollah, Iran's primary strategic partner, could conduct retaliatory attacks against former U.S. officials, not only overseas but also in the United States.

Since its inception in 1982, Hezbollah has been involved in numerous anti-U.S. terrorist attacks. Historically, they have sent operatives to build terrorist infrastructure world-wide and are likely to continue conducting intelligence collection, financial activities, and procurement efforts.

In summary, the threat from Iran and its proxies remains persistent, and the FBI continues to engage with our partners to ensure protection of the American people and U.S. interests, both at home and abroad.

Thank you for the opportunity to speak with you today, and I look forward to answering your questions.

[The prepared statement of Mr. Wells follows:]

PREPARED STATEMENT OF ROBERT WELLS

MARCH 20, 2024

Good morning Chairman Green, Ranking Member Thompson, and distinguished Members of the committee. My name is Robert Wells and I am the assistant director for the FBI's Counterterrorism Division. I am honored to be here representing the FBI's counterterrorism personnel who tackle some of the most complex terrorism threats here in the United States and throughout the world.

Thank you for inviting me to join you this morning. I appreciate the opportunity to speak with you about our current threat environment, specifically as it relates to Iran and its proxies.

TERRORISM THREAT ASSESSMENT

As I'm sure you've heard from Director Wray, we are currently in a heightened terrorism threat environment. Since the HAMAS attack against Israel, we've seen almost every major terrorist organization in the world, including al-Qaeda, AQAP, and ISIS, call for terrorist attacks against the United States. We've also seen an uptick in threats against the Jewish community here in the United States and abroad. We remain concerned about threats from lone actors or small cells

radicalized to violence on-line. In addition, we are very focused on the threat posed by the more traditional foreign terrorist organizations and the state-sponsored terrorism threat from Iran.

IRAN THREAT OVERVIEW

Iran continues to plot attacks against former government officials in retaliation for the death of IRGC-QF, Commander Qassem Soleimani. They also have continued to provide support to their proxies and terrorist organizations throughout the world, to include Lebanese Hizballah.

The FBI believes Iran is capable of a variety of attack options against U.S. targets, to include cyber operations intended to sabotage public and private infrastructure, and targeted assassinations of individuals who are deemed to be a threat to the regime or its stability.

The FBI continues to use intelligence to identify threats related to Iran's lethal capabilities targeting U.S. persons. We work closely with other U.S. Government agencies and foreign partners to address the threat to U.S. interests from Iran and its proxies.

There have been several examples of Iran's intention to carry out lethal attacks in the United States. For instance, in 2022, an Iranian IRGC-QF Officer, Shahram Poursafi was charged related to his attempt to arrange the murder of former National Security Advisor, John Bolton. Poursafi attempted to pay individuals in the United States \$300,000 to carry out the murder in the Washington, DC area. Thankfully, Poursafi attempted to pay one of our confidential human sources to carry out the attack. This incredible investigative work by our Washington Field office resulted in charges against Poursafi. Even though Poursafi remains at large abroad, this investigation highlighted Iran's incredibly bold plot to murder a former U.S. Government official.

In 2023, 3 members of an Eastern European criminal organization were charged for plotting the murder of a U.S. citizen, who has been targeted by the government of Iran for speaking out against the regime's human rights abuses. The victim was targeted for exercising the rights to which every American citizen is entitled. An attempted assassination on U.S. soil shows how far Iranian actors are willing to go to silence their critics.

These brazen attempted attacks on U.S. soil by Iran are not new. You may also recall that in September 2011, Mansour Arbabsiar was arrested for plotting to murder the Saudi Ambassador to the United States on U.S. soil. This plot was directed and approved by the IRGC-QF.

Based on the examples I just described, it's clear the Iranians are determined to carry out attacks in the United States, whether it be to avenge the death of Soleimani, to silence one of their critics, or to kill the Ambassador of an ally nation. The FBI's mission is to work with our partners in the United States and throughout the world to prevent attacks like this.

In January 2024, 14 foreign nationals were intercepted by a U.S. military vessel during their alleged transportation of suspected Iranian-made weapon parts to Houthi rebel forces in Yemen. Four of these individuals were recently brought to the United States to face charges outlined in a criminal complaint unsealed in February. Tragically, 2 Navy SEALS lost their lives in the pursuit of this mission. The disruption of these individuals prevented Iranian-made weapon parts from getting into the hands of the Houthis, who could have used the weapons to target U.S. forces.

POST-OCTOBER 7—IRAN & HAMAS

The persistent threat from Iran came into sharper focus following the October 7 HAMAS attack against Israel. Despite their praise for the attack and threat to join the conflict should Israel invade Gaza, Iran will likely still rely on their proxy networks to action retaliatory attacks focused in the region, in the near term. We assess that Iran IRGC will continue to provide training, weapons, and financial support to HAMAS.

HIZBALLAH

The FBI remains concerned Hizballah, Iran's primary strategic partner, could conduct retaliatory attacks against former U.S. officials, not only overseas but also within the United States.

Since its inception in 1982, Hizballah has been involved in numerous anti-U.S. terrorist attacks. Historically, Hizballah has sent operatives to build terrorist infrastructures world-wide, and are likely to continue conducting intelligence collection,

financial activities, and procurement efforts world-wide to support their terrorist capabilities.

CONCLUSION

In summary, the threat from Iran and its proxies remains persistent and the FBI continues to engage with our partners to ensure protection of the American people and U.S. interests, both at home and abroad. Thank you for the opportunity to speak with you today and I look forward to answering your questions.

Chairman GREEN. Thank you, Mr. Wells.

We are now going to do that vote that we spoke about.

I now recognize the gentleman from Mississippi, Mr. Guest, for the purpose of offering a motion.

Mr. GUEST. Mr. Chairman, I move that the hearing be closed to the public under Rule XI, clause 2(g), for Member questioning, because disclosure of testimony, evidence, or other matters would endanger national security or compromise sensitive law enforcement information.

Chairman GREEN. The motion is nondebatable and a recorded vote is mandatory under the rule. The clerk will call the roll.

[Disturbance in hearing room.]

Chairman GREEN. The Chair would like to remind our guests that verbal outbursts are a violation of House rules.

Call the roll.

The CLERK. Mr. McCaul.

[No response.]

The CLERK. Mr. Higgins.

[No response.]

The CLERK. Mr. Guest.

Mr. GUEST. Aye.

The CLERK. Mr. Guest votes aye.

Mr. Bishop.

[No response.]

The CLERK. Mr. Gimenez.

Mr. GIMENEZ. Aye.

The CLERK. Mr. Gimenez votes aye.

Mr. Pfluger.

Mr. PFLUGER. Aye.

The CLERK. Mr. Pfluger votes aye.

Mr. Garbarino.

Mr. GARBARINO. Aye.

The CLERK. Mr. Garbarino votes aye.

Ms. Greene.

[No response.]

The CLERK. Mr. Gonzales.

[No response.]

The CLERK. Mr. LaLota.

[No response.]

The CLERK. Mr. Ezell.

Mr. EZELL. Aye.

The CLERK. Mr. Ezell votes aye.

Mr. D'Esposito.

Mr. D'ESPOSITO. Aye.

The CLERK. Mr. D'Esposito votes aye.

Ms. Lee.

Ms. LEE. Aye.

The CLERK. Ms. Lee votes aye.
Mr. Luttrell.
[No response.]
The CLERK. Mr. Strong.
Mr. STRONG. Aye.
The CLERK. Mr. Strong votes aye.
Mr. Brecheen.
Mr. BRECHEEN. Aye.
The CLERK. Mr. Brecheen votes aye.
Mr. Crane.
Mr. CRANE. Aye.
The CLERK. Mr. Crane votes aye.
Ranking Member Thompson.
Mr. THOMPSON of Mississippi. Aye.
The CLERK. Ranking Member Thompson votes aye.
Ms. Jackson Lee.
[No response.]
The CLERK. Mr. Payne.
[No response.]
The CLERK. Mr. Swalwell.
[No response.]
The CLERK. Mr. Correa.
[No response.]
The CLERK. Mr. Carter.
[No response.]
The CLERK. Mr. Thanedar.
Mr. THANEDAR. Aye.
The CLERK. Mr. Thanedar votes aye.
Mr. Magaziner.
[No response.]
The CLERK. Mr. Ivey.
[No response.]
The CLERK. Mr. Goldman.
[No response.]
The CLERK. Mr. Garcia.
[No response.]
The CLERK. Mrs. Ramirez.
[No response.]
The CLERK. Mr. Menendez.
Mr. MENENDEZ. Aye.
The CLERK. Mr. Menendez votes aye.
Mr. Suozzi.
Mr. Suozzi. Aye.
The CLERK. Mr. Suozzi votes aye.
Ms. Clarke.
[No response.]
Mr. HIGGINS. How is Higgins recorded?
The CLERK. Mr. Higgins is not recorded.
Mr. HIGGINS. Mr. Higgins votes aye.
The CLERK. Mr. Higgins votes aye.
[Pause.]
Chairman GREEN. For the Members wondering what we're doing with the pause, we're waiting for one more vote that is en route. We have to have a majority for this rule to work. So for those of

you who are wondering why there's a pause right now. And, no, you can't vote again.

[Pause.]

Chairman GREEN. While we're waiting, Ms. Thompson and Ambassador Richard, you'll give your testimony here as soon as this vote is completed and then we'll go into Classified session.

[Pause.]

Chairman GREEN. Are there any other Members who wish to record their vote?

Always playing the pivotal role.

Ms. JACKSON LEE. Please, Chairman, Ranking Member, forgive me for being delayed. I was at another meeting. But I vote aye.

The CLERK. Ms. Jackson Lee votes aye.

Chairman GREEN. How is the Chair recorded?

The CLERK. The Chair is not recorded.

Chairman GREEN. The Chair votes aye.

The CLERK. Chairman Green votes aye.

Chairman GREEN. The clerk report the tally.

The CLERK. On that vote, Mr. Chairman, there were 17 ayes and zero noes.

Chairman GREEN. The motion is agreed to.

Without objection, the motion to reconsider is laid upon the table.

We'll now go back into our open session. I ask the clerks to reset the desks for our witnesses.

[Pause.]

Chairman GREEN. I now recognize Ms. Thompson for 5 minutes to summarize her opening statement.

STATEMENT OF CARRIE THOMPSON, CHIEF OF INTELLIGENCE, DRUG ENFORCEMENT ADMINISTRATION (DEA)

Ms. THOMPSON. Good morning, Chairman Green, Ranking Member Thompson, and distinguished Members of the committee.

On behalf of the Department of Justice, and in particular the more than 9,000 employees of the Drug Enforcement Administration, it is my honor to appear before you today.

Today's hearing comes at a critical moment in our country's history. I thank the committee for bringing attention to this important topic.

I have had the privilege of being a DEA intelligence research specialist for nearly 26 years. I started my DEA career in Detroit, Michigan, and have worked in multiple DEA foreign offices, including Bogota, Colombia, and Islamabad, Pakistan.

I have also served as the field intelligence manager for Europe and Africa responsible for DEA intelligence collection, analysis, and dissemination across those two continents.

I can assure you that the drug-poisoning epidemic that our country is facing today is unprecedented. Last year our country lost more than 110,000 people to drug poisonings.

These needless deaths were caused by synthetic drugs like fentanyl and methamphetamine, which we view as a game changer for drug cartels. Unlike plant-based drugs, which require large amounts of land, extensive manual labor, and are dependent on weather conditions, synthetic drugs only need the right chemicals, a small room, and someone who knows how to mix them.

The only limitation on the amount of fentanyl that can be produced is the amount of chemicals that can be purchased.

There is a nexus between the expanding synthetic drug trade and the financing of terrorist organizations and rogue state actors, which includes the Iranian regime.

Cartels and traffickers partner with these regimes and their proxies—whether it's Hezbollah or the Assad regime in Syria or the Taliban in Afghanistan—to spread their deadly poisons through the world.

Hezbollah, in particular, has been identified by DEA as operating a global criminal network.

To counter this threat, DEA formed Project Cassandra to disrupt and dismantle Hezbollah's global criminal network by targeting drug-terror convergence targets through indictments, arrests, extraditions, seizures, and coordinated OFAC designations in order to degrade Hezbollah's illicit revenue stream.

Furthermore, last month the Department of Justice indicted Takeshi Ebisawa, an alleged leader of the Yakuza, a Japanese international criminal organization, for trafficking weapons-grade nuclear material and lethal narcotics from Burma. Ebisawa allegedly sought to traffic material containing uranium and weapons-grade plutonium into Iran, fully aware the materials would be used to produce nuclear weapons for the Iranian regime.

Through the hard work of DEA and its international partners, DEA was able to seize samples of this material, which contributed to building the case against Ebisawa, who is now in Federal custody.

To save lives and defeat these deadly global criminal enterprises, the DEA has created 3 counter-threat teams, one for the Sinaloa Cartel, one for the Jalisco Cartel, and one team to focus on the illicit finances that fuel the cartels' activities.

These teams synthesize DEA intelligence for a data-driven approach to map and strategically target the cartels' entire network, supply chain, and infrastructure to identify key nodes that can be exploited.

With our interagency partners throughout the last year, we've had some successes against these cartels by focusing on their entire network and supply chain, from China, to Mexico, to Main Street.

We've charged 12 Chinese companies and 24 Chinese nationals with conspiracy to manufacture and import fentanyl into the United States. We've also charged 28 leaders and members of the Sinaloa Cartel during a single investigation. We've seized more than \$104 million in cash and assets from the cartels and took more than 8,100 guns off of the American streets during our year-long effort targeting the cartels' domestic distributors.

While we've had some successes, there is clearly more work to do. The men and women of DEA are committed to saving lives, increasing public awareness of the unprecedented drug threat we are facing, and defeating criminal organizations throughout the world.

Thank you for the opportunity to testify before you today on this important issue, and I look forward to answering your questions.

[The prepared statement of Ms. Thompson follows:]

PREPARED STATEMENT OF CARRIE THOMPSON

MARCH 20, 2024

Chair Green, Ranking Member Thompson, and distinguished Members of the committee: On behalf of the Department of Justice (Department), and in particular the nearly 10,000 employees working at the Drug Enforcement Administration (DEA), thank you for the opportunity to appear before you today to discuss DEA's work to save lives and defeat the cartels that are responsible for the deadly drug poisoning epidemic in our country.

Americans today are experiencing the most devastating drug crisis in our Nation's history. This is because one drug—fentanyl—has transformed the criminal landscape. Fentanyl is exceptionally cheap to make, exceptionally easy to disguise, and exceptionally deadly to those who take it. It is the leading cause of death for Americans between the ages of 18 to 45, and it kills Americans from all walks of life, in every State and community in this country. The criminal organizations responsible for bringing fentanyl into this country are modern, sophisticated, and extremely violent enterprises that rely on a global supply chain to manufacture, transport, and sell fentanyl, and rely on a global illicit financial network to pocket the billions of dollars in revenue from those sales.

DEA has been hard at work to undertake a transformation of its own to meet this moment. DEA has acted with urgency to set a new vision, target the global criminal networks most responsible for the influx of fentanyl into the United States, and raise public awareness about how just one pill can kill. We have transformed our vision by focusing on fentanyl—the drug killing the most Americans—and the criminal organizations responsible for flooding fentanyl into our communities—the Sinaloa Cartel and the Jalisco New Generation (Jalisco) Cartel. We have transformed our plan by building an entirely new strategic layer—our counterthreat teams for the Sinaloa Cartel and the Jalisco Cartel and their illicit finance networks—that map the cartels, analyze their networks, and develop targeting information on the members of those networks wherever they operate around the globe. We have transformed our execution by providing that targeting information to our 334 offices world-wide, drawing from our global intelligence and law enforcement teams here and abroad, and working as One DEA to take the networks down.

Our efforts are yielding results. In the last year alone, our investigations have led to the indictment of 28 members and associates of the Chapitos network of the Sinaloa Cartel and the extradition of Ovidio Guzman Lopez; the arrest of 3,337 associates of the Sinaloa and Jalisco Cartels in the United States responsible for the last mile of fentanyl and methamphetamine distribution on our streets and through social media; and, charges against 12 companies and 24 individuals in the People's Republic of China, for providing customers in the United States and Mexico with the precursor chemicals and scientific know-how necessary to make fentanyl and other dangerous drugs.

But, we are just beginning. The nearly 10,000 employees that I have the privilege of working with at DEA are the most committed and mission-driven people in Federal law enforcement. We are laser-focused on one goal—to save American lives.

THE DRUG POISONING EPIDEMIC

In 2022, more than 110,000 people in the United States lost their lives to drug poisonings. Countless more people are poisoned and survive. These drug poisonings are a national crisis.

A majority of the drug poisoning deaths in the United States involve synthetic opioids, such as fentanyl, that are being distributed in new forms. Fentanyl is being hidden in and being mixed with other illicit drugs such as cocaine, heroin, and methamphetamine. Drug traffickers are also flooding our communities with fentanyl disguised in the form of fake prescription pills. These fake pills often are made to appear legitimate using pill presses and marketed by drug traffickers to deceive Americans into thinking that they are real, diverted prescription medications. In reality, these fake pills are not made by pharmaceutical companies but by drug trafficking organizations, and they are highly addictive and potentially deadly. DEA lab testing reveals that today 7 out of 10 of these fentanyl-laced fake prescription pills contain a potentially lethal dose.

The availability of fentanyl throughout the United States has reached unprecedented heights. DEA seized more than 79 million fake pills containing fentanyl in 2023 and nearly 12,000 pounds of fentanyl powder. Together, that is more than 380 million deadly doses of fentanyl seized in 2023.

Mission

As the single mission agency tasked with enforcing our Nation's drug laws, DEA's top operational priority is to relentlessly pursue and defeat the 2 Mexican drug cartels—the Sinaloa Cartel and the Jalisco Cartel—that are primarily responsible for driving the current fentanyl and drug poisoning epidemic in the United States.

DEA is the lead agency on the law enforcement elements in the administration's whole-of-Government response to defeat the cartels and combat the drug poisoning epidemic in our communities. DEA's role in leading the law enforcement response to the fentanyl epidemic protects the safety of agents, officers, and sources. Importantly, a unified response to the fentanyl epidemic ensures that the whole of Government is moving in one direction that protects the safety and health of Americans.

DEA operates 30 field divisions with 241 domestic offices, 93 foreign offices in 69 countries, and 9 forensic labs. DEA's robust domestic and international presence allows it to map and target the entire Sinaloa Cartel and Jalisco Cartel networks.

Counter-threat Teams

In addition, DEA has launched 3 cross-agency counterthreat teams to execute a network-focused operational strategy to defeat the Sinaloa and Jalisco Cartels and their illicit finance networks. These teams are mapping, analyzing, and targeting the cartels' entire criminal networks. The teams are composed of special agents, intelligence analysts, targeters, program analysts, data scientists, and digital specialists. This network-focused strategy is critical to defeating the Sinaloa and Jalisco Cartels.

As part of the network-focused strategy, DEA investigations resulted in charges against 28 members and associates of the Chapitos network of the Sinaloa Cartel, including leaders, suppliers, brokers, smugglers, and money launderers in multiple countries, for operating the global criminal enterprise that manufactures and traffics most of the fentanyl that comes into the United States.

Operation Overdrive

DEA is simultaneously focused on American communities. We are targeting the drug-trafficking organizations and violent gangs located in the United States that are responsible for the greatest number of drug-related deaths and violence. DEA's Operation Overdrive uses a data-driven, intelligence-led approach to identify and dismantle criminal drug networks operating in areas with the highest rates of violence and drug poisoning deaths. In each of these locations, DEA is working with local and State law enforcement officials to conduct threat assessments identifying the criminal networks and individuals that are causing the most harm. DEA works with State, local, Tribal, and Federal law enforcement and prosecutorial partners to pursue investigations and prosecutions that will reduce drug-related violence and drug poisonings. Phase One of Operation Overdrive took place in 34 locations across the United States, and Phase Two took place in 57 locations. Phase Three is currently taking place in 32 locations. So far in Operation Overdrive, DEA and its partners have made over 1,800 arrests, seized over 1,400 firearms, and seized over 13 million potentially deadly doses of fentanyl.

“One Pill Can Kill”

In 2021, DEA launched the “One Pill Can Kill” enforcement effort and public awareness campaign. Through that, DEA and our law enforcement partners have seized millions of fake fentanyl-laced prescription pills and hundreds of pounds of fentanyl powder—equating to millions of potentially lethal doses of fentanyl, which could have entered our communities.

Social Media

DEA is combatting the sale of fentanyl on social media. Drug traffickers are using social media platforms to recruit associates, find customers, and sell fentanyl and other deadly drugs. In particular, drug traffickers use social media to deceptively advertise fake prescription pills—pills that look like oxycodone, Xanax, or Adderall but actually contain fentanyl—directly to young people and teenagers. DEA has investigated hundreds of cases directly linked to the sale of fake pills containing fentanyl on social media, including on Snapchat, Facebook, Instagram, and TikTok.

Families and Law Enforcement Partners

DEA also works closely with families who have lost loved ones to drug poisonings. These families are often brave advocates for change, and help ensure that people in their communities are aware of the dangers of fentanyl and fake pills.

DEA is working closely with our local, State, Tribal, territorial, Federal, and international counterparts to target every part of the illegal drug supply chain and every level of the drug trafficking organizations that threaten the health and safety of our communities. To succeed, we must use every tool to combat this substantial threat that is being driven by the Sinaloa and Jalisco Cartels, as well as the Chinese-sourced precursor chemicals and global money-laundering operations that facilitate the cartels' operations.

MEXICAN CARTELS AND DRUG TRAFFICKING

The Sinaloa and Jalisco Cartels are ruthless, violent, criminal organizations that have associates, facilitators, and brokers in all 50 States and around the world.

The Sinaloa Cartel, the Jalisco Cartel, and their affiliates control the vast majority of the fentanyl global supply chain, from manufacture to distribution. The cartels are buying precursor chemicals in the People's Republic of China (PRC); transporting the precursor chemicals from the PRC to Mexico; using the precursor chemicals to mass produce fentanyl; using pill presses to process the fentanyl into fake prescription pills; and using cars, trucks, and other routes to transport the drugs from Mexico into the United States for distribution. It costs the cartels as little as 10 cents to produce a fentanyl-laced fake prescription pill that is sold in the United States for as much as \$10 to \$30 per pill. As a result, the cartels make billions of dollars from trafficking fentanyl into the United States.

The business model used by the Sinaloa and Jalisco Cartels is to grow at all costs, no matter how many people die in the process. The cartels are engaging in deliberate, calculated treachery to deceive Americans and drive addiction to achieve higher profits.

The Sinaloa Cartel

The Sinaloa Cartel, based in the Mexican state of Sinaloa, is one of the oldest drug-trafficking organizations in Mexico. The Sinaloa Cartel controls drug-trafficking activity in various regions in Mexico, particularly along the Pacific Coast. Additionally, it maintains the most expansive international footprint of the Mexican cartels. The Sinaloa Cartel exports and distributes wholesale amounts of fentanyl, methamphetamine, heroin, and cocaine in the United States by maintaining distribution hubs in cities that include Phoenix, Los Angeles, Denver, and Chicago. Illicit drugs distributed by the Sinaloa Cartel are primarily smuggled into the United States through crossing points located along Mexico's border with California, Arizona, New Mexico, and Texas. The Sinaloa Cartel reportedly has a presence in 19 of the 32 Mexican states.

The Jalisco Cartel

The Jalisco Cartel is based in the city of Guadalajara in the Mexican state of Jalisco, and was originally formed as a spin-off from the Milenio Cartel, a subordinate to the Sinaloa Cartel. The Jalisco Cartel maintains illicit drug distribution hubs in Los Angeles, Seattle, Charlotte, Chicago, and Atlanta. Internationally, the Jalisco Cartel has a presence and influence through associates, facilitators, and brokers in countries around the world. The Jalisco Cartel smuggles illicit drugs such as fentanyl, methamphetamine, heroin, and cocaine into the United States by accessing various trafficking corridors along the Southwest Border that include Tijuana, Mexicali, Ciudad Juarez, Matamoros, and Nuevo Laredo. The Jalisco Cartel's rapid expansion of its drug-trafficking activities is characterized by the organization's willingness to engage in violent confrontations with Mexican government security forces and rival cartels. The Jalisco Cartel reportedly has a presence in 21 of the 32 Mexican states.

PEOPLE'S REPUBLIC OF CHINA AND PRECURSOR CHEMICALS

Chemical companies within the PRC produce and sell the majority of precursor chemicals that are used today by the Sinaloa and Jalisco Cartels to manufacture fentanyl. These precursor chemicals from companies within the PRC are the building blocks for the fentanyl that is manufactured and transported from Mexico into the United States, and that is causing tens of thousands of drug-related deaths in our country.

CHINESE MONEY-LAUndering OPERATIONS AND THE CARTELS

The Sinaloa and Jalisco Cartels increasingly utilize Chinese Money-Laundering Organizations (CMLOs) in the United States and around the world to facilitate laundering drug proceeds. CMLOs use mirror transfers, trade-based money laundering, and bulk cash movement to facilitate the exchange of foreign currency. The

use of CMOs has made the money-laundering process less expensive—and drug trafficking more profitable—for the cartels.

These money-laundering schemes are designed to remedy two separate issues: (1) the desire of Mexican cartels to repatriate drug proceeds from the United States into Mexico, and (2) the desire of wealthy Chinese nationals to repatriate restricted funds from China into the United States. The CMOs aid both groups by providing U.S. dollars held by Mexican cartels in the United States to PRC-based customers who need funds in the United States.

THE NEXUS BETWEEN DRUG TRAFFICKING AND TERRORIST ORGANIZATIONS

There is a clear connection between the drug trade and the financing of terrorist organizations and rogue state actors, including the Iranian regime. Members and affiliates of Hezbollah's money-laundering network have been known to collaborate with South American drug cartels, particularly in the tri-border area of Argentina, Brazil, and Paraguay, to facilitate the smuggling of drugs into Europe and the Middle East. The Taliban in Afghanistan has been heavily involved in the production and trafficking of opium and heroin, where they have used the profits to fund their insurgency and terrorist activities. The Assad regime in Syria has been associated with the production and trafficking of a synthetic drug called Captagon, known for its stimulant and euphoric effects.

RECENT ENFORCEMENT ACTIONS AGAINST THE SINALOA AND JALISCO CARTELS AND PRC-BASED CHEMICAL SUPPLIERS

The Chapitos Network of the Sinaloa Cartel

On April 14, 2023, Attorney General Merrick Garland, Deputy Attorney General Lisa Monaco, DEA Administrator Milgram and 3 U.S. Attorneys announced indictments against the Chapitos—the leaders of the Sinaloa Cartel—and their criminal network.

The Sinaloa Cartel supplies the majority of the fentanyl trafficked into the United States, which has resulted in the United States' unprecedented fentanyl epidemic. The Chapitos, the sons of the cartel's notorious former leader Joaquin "El Chapo" Guzman, currently lead the most violent faction of the Sinaloa Cartel. El Chapo was once the world's most dangerous and prolific drug trafficker. Now his sons have stepped in to fill their father's void by flooding the United States with deadly fentanyl and leaving a wake of destruction across families and communities throughout the United States.

Following their father's arrest by Mexican authorities and subsequent extradition and conviction, we allege that the Chapitos expanded their enterprise with sophisticated fentanyl laboratories in Culiacan, Mexico. We allege that the Chapitos run the largest, most violent, and most prolific fentanyl trafficking operation in the world. The cartel is highly organized and sophisticated, employing military-grade weapons and vehicles and hundreds of people who protect the cartel and its leadership at all costs. In addition, we allege that the Chapitos use extreme violence and intimidation, including murder, torture, and kidnapping, to ensure dominance and expand their territory.

The Chapitos are responsible for the massive influx of fentanyl into the United States in recent years. The Chapitos oversee and control every step in their fentanyl trafficking process: From procuring fentanyl precursors from illicit sources of supply in the PRC; to distribution in the United States, and, ultimately, reaching the hands of Americans; to the repatriation of massive proceeds through money launderers to avoid detection.

The indictments charged 28 members of the Chapitos network. These include suppliers of fentanyl precursor chemicals based in the PRC, a broker based in Guatemala assisting with the transport of those chemicals from the PRC to Mexico, managers of clandestine fentanyl laboratories based in Mexico converting the precursor chemicals into fentanyl pills and powder, weapons traffickers and assassins perpetuating extreme violence in Mexico to protect and expand the fentanyl production operation, smugglers transporting the fentanyl from Mexico into the United States, and illicit financiers laundering the proceeds of fentanyl sales from the United States back to Mexico through bulk cash smuggling, trade-based money laundering, and cryptocurrency.

These indictments reflect the work of 32 DEA offices in the United States and abroad, as well as our law enforcement partners and other Department of Justice components. As part of the investigation, the DEA conducted joint operations in 10 countries and seized staggering amounts of illicit materials, including 2,557,000 fentanyl-laced pills, 105 kilograms of fentanyl powder, and 37 kilograms of fentanyl precursor chemicals, amounting to 22,747,441 potentially lethal doses of fentanyl.

Ten defendants have been arrested to date with the assistance of DEA's law enforcement partners in the United States and abroad. In particular, Mexican military officials arrested Ovidio Guzman-Lopez and extradited him to the United States on September 15, 2023. We are greatly appreciative of Mexican authorities' efforts to bring Guzman-Lopez to justice, as the 10 members of the Mexican military heroically gave their lives during the operation to capture him.

At the same time as the announcement of these indictments, the Department of State announced up to nearly \$50 million in monetary rewards for information leading to the capture of the defendants who remained at large, and the Department of the Treasury Office of Foreign Assets Control announced sanctions against 2 chemical companies that operate in the PRC, and 5 individuals associated with those companies, for supplying precursor chemicals to drug cartels in Mexico for the production of illicit fentanyl intended for U.S. markets.

Operation Killer Chemicals

On June 23, 2023, DEA Administrator Anne Milgram joined Attorney General Merrick Garland, Deputy Attorney General Lisa Monaco, and U.S. Attorney for the Eastern District of New York Breon Peace and U.S. Attorney for the Southern District of New York Damian Williams to announce indictments of 4 chemical companies and 8 individuals—all based in the PRC—for knowingly providing customers in the United States and Mexico with the precursor chemicals and scientific know-how to manufacture fentanyl. These indictments were the first-ever charges against fentanyl precursor chemical companies. Two PRC nationals were taken into custody pursuant to the investigation. DEA also seized more than 200 kilograms of precursors in these investigations alone, enough to make millions of deadly doses of fentanyl.

As alleged, these Chinese chemical companies, and the individuals working for them, not only provided customers with the ingredients for fentanyl, they also gave advice on how to mix and substitute ingredients to more efficiently make fentanyl, and employed chemists to troubleshoot and provide expert advice when customers had questions. The individuals also spoke freely about having clients in the United States and Mexico and, specifically, in Sinaloa, Mexico, where the Sinaloa Cartel is based.

The companies went to great lengths to conceal the chemicals during transport. They falsified shipping labels and customs paperwork, claiming the shipments were “dog food” or “raw cosmetic materials” rather than fentanyl precursors. They even disguised the chemicals at a molecular level—adding a molecule to “mask” the precursors so they would not be detected as banned substances during transport, and teaching their customers how to remove that molecule after receipt.

Operation Killer Chemicals made clear that fentanyl precursors are exceptionally cheap. Fentanyl precursors cost less than 1 cent per deadly dose of fentanyl. In just one example, a defendant sold 2 kilograms of fentanyl precursors for approximately \$1,000, which can make 1.75 million lethal doses of fentanyl. The amount of fentanyl that can be made depends only on the amount of chemicals that can be purchased.

The Operation also showed that fentanyl precursors are easily bought on-line. Although based in the PRC, the chemical companies and individuals reached customers across the world because they advertised fentanyl precursors on social media (on Facebook and LinkedIn), used encrypted applications like WhatsApp to speak with customers and coordinate shipments, and took payment in Bitcoin and other cryptocurrencies.

Operation Chem Capture

On October 3, 2023, Attorney General Merrick Garland, Homeland Security Secretary Alejandro Mayorkas, Deputy Attorney General Lisa Monaco, Deputy Treasury Secretary Wally Adeyemo, DEA Administrator Anne Milgram, and Chief Postal Inspector Gary Barksdale announced 8 indictments charging 8 companies and 12 individuals. These companies and individuals—all based in the PRC—were charged with crimes relating to fentanyl and methamphetamine production, distribution of synthetic opioids known as nitazenes, and sales resulting from precursor chemicals. In addition, according to the indictment, one company exported to the United States and Mexico large quantities of fentanyl precursors and non-opioid additives, like the animal tranquilizer xylazine. These additives make the deadliest drug we have ever faced even deadlier. The indictments marked the second set of prosecutions to charge China-based chemical manufacturing companies and nationals of the PRC for trafficking fentanyl precursor chemicals into the United States. During this multi-agency operation, DEA seized more than 80 kilograms of synthetic chemicals, enough to make more than 48 million potentially lethal doses.

Operation Chem Capture once again showed that these synthetical chemicals are cheap—a deadly dose costs mere cents—and sold on-line on public websites and through encrypted applications like WhatsApp, WeChat, and Wickr. The chemicals were shipped through common carriers, by air and by ground through the U.S. Postal Service, UPS, and FedEx, and were carefully packaged to deceive customs inspectors. The PRC-based companies accepted payment in every form—Western Union, MoneyGram, PayPal, Alibaba, bank transfers, Bitcoin, and other cryptocurrencies.

CONCLUSION

DEA will continue our relentless pursuit of the Sinaloa and Jalisco Cartels—the criminal networks most responsible for fentanyl-related deaths in our country—and we will continue to work tirelessly with our interagency and international partners to defeat these cartels and dismantle every part of their global supply chain, in order to protect the American people. Thank you again for the opportunity to appear before you today. I look forward to answering your questions.

Chairman GREEN. Thank you, Ms. Thompson.

I now recognize Ambassador Richard for 5 minutes to summarize her opening statement.

STATEMENT OF ELIZABETH RICHARD, AMBASSADOR-AT-LARGE, COORDINATOR FOR COUNTERTERRORISM, BUREAU OF COUNTERTERRORISM, U.S. DEPARTMENT OF STATE

Ambassador RICHARD. Thank you, Mr. Chairman, Ranking Member Thompson, and distinguished Members of the committee. Good morning to everyone and thank you for the opportunity to testify on the critical issue of countering Iran and Iranian-backed threats to the United States.

The Islamic Republic of Iran has been designated a state sponsor of terrorism for 40 years. The threats posed by Iranian-backed terrorism are among the most pressing challenges we face to international peace and security.

I'm looking forward today, we can discuss how the Department of State's Bureau of Counterterrorism addresses the multifaceted threats posed by Iran and by its terrorist networks to our homeland and to U.S. personnel and facilities overseas.

For decades, Iran's own Islamic Revolutionary Guard Corps Quds Force has engaged in assassination attempts, terrorist plots, and other violence targeting U.S. personnel and interests. In the past few years in particular, we've seen a rise in these threats, including, as my colleagues have pointed out, a disrupted plot targeting a former National Security Advisor.

Iran also continues to support a range of terrorist groups who pose a threat to the U.S. homeland and to U.S. personnel and facilities in the Middle East and beyond.

Hamas' terrorist attack on Israel on October 7 was a sobering reminder of the enduring threat of terrorism enabled by Iran. Hamas would not have been able to carry out its horrific attack without Iran's long-time assistance, funding, and training.

On that day, Hamas killed more than 1,200 people, including approximately 3 dozen American citizens, and of the hundreds taken hostage, a number are also American citizens.

We're doing everything in our power to ensure that they are returned to their families.

For decades, Iran's support for terrorist groups such as Hezbollah, various Iranian-aligned militia groups in Iraq and Syria, and now the Houthis in Yemen, have resulted in repeated

assaults against U.S. personnel and interests in the Middle East, from the bombing of the Marine Corps barracks in Beirut almost 40 years ago, to the death of 3 American service members and the wounding of dozens more in Jordan just this past January.

Countering threats posed by Iran to the United States homeland and U.S. personnel and facilities abroad requires a comprehensive strategy, integrating diplomatic, financial, military, and informational tools.

Importantly, our defense of the homeland does not start at our physical border. We must look outward.

Our approach focuses on 4 key factors.

First, we counter Iran by strengthening our network of partnerships and alliances so that we all present a united front against Iran's aggressive actions.

Particularly over the past several years, we've succeeded in convincing other governments to sanction, ban, or otherwise limit the ability of Hamas and Hezbollah particularly to access funding and move people and materiel.

Second, we use a variety of sanctions to constrain Iran's own finances and support networks. For example, the Biden administration recently sanctioned individuals who were part of a criminal network directed by Iran's Ministry of Intelligence and Security that attempted to assassinate U.S.-based opponents of the Iranian regime.

Third, we help build the counterterrorism capabilities of our allies and partners. We've provided new technologies and training to improve their border security and have expanded our information sharing and global watch-listing.

Fourth, we expose and counter Iranian disinformation campaigns aimed at undermining the United States and inspiring attacks against us and our personnel and installations around the world.

These and other efforts help us identify and neutralize the terrorist threats before they reach our borders, including threats from Iran and Iran-backed terrorists.

To conclude, I will emphasize that our counter-Iran efforts will endure as long as this threat endures, and as always, there's a great deal at stake.

I thank you again for this hearing this morning and look forward to your questions.

[The prepared statement of Ambassador Richard follows:]

PREPARED STATEMENT OF ELIZABETH RICHARD

WEDNESDAY, MARCH 20, 2024

Chairman Green, Ranking Member Thompson, distinguished Members of the committee, thank you for the opportunity to testify on the critical issue of countering Iran and Iran-backed threats to the United States. The Department of State is actively engaged in a comprehensive effort to address the multifaceted threats posed by the Islamic Republic of Iran to the United States homeland and to U.S. personnel and facilities.

IRAN-BACKED THREATS TO THE UNITED STATES

The threats posed by Iran-backed terrorism are among the most pressing challenges we face to international peace and security. Today, I will focus on Iran-supported terrorism against the U.S. homeland or U.S. personnel and facilities abroad and how the Bureau of Counterterrorism addresses those threats.

Iran has been designated as a State Sponsor of Terrorism since 1984 and has long been directly involved in attack plotting against the U.S. homeland and U.S. personnel and activities, mainly but not exclusively via Iran's Islamic Revolutionary Guard Corps' (IRGC) Quds Force. For decades, the Quds Force has engaged in many assassination attempts, terrorist plots, and other violence against those whom the Iranian regime views as enemies, including through on-going plots against U.S. citizens and former United States Government officials. In the past few years, we have seen a rise in plotting attacks against American citizens or on American soil, including a disrupted plot targeting a former U.S. National Security Advisor in 2022.

Iran also continues to support a range of proxies, who are engaged in terrorist plots and activities in the Middle East and beyond. Hamas would not have been able to carry out its devastating October 7 terrorist attack without Iran's long-time assistance, funding, and training. Hamas' terrorist attack on Israel was a sobering reminder of the enduring threat of terrorism enabled by Iran and our imperative to protect American citizens, as well as our partners and allies, from this threat. Approximately 1,200 people were killed and over 3,400 wounded by Hamas during its October 7 attack, including approximately 3 dozen American citizens. And among the hundreds taken hostage by Hamas, a handful are also American, and we are doing everything in our power to ensure that they are returned.

In addition to Hamas, Iran's support for terrorist groups, such as Hezbollah, various Iran-aligned militia groups in Iraq and Syria, and the Houthis in Yemen, resulted in repeated attacks and hostage taking against U.S. personnel and facilities in the Middle East—from the Marine Corps barracks bombing in Beirut over 40 years ago to the death of 3 American servicemen and the wounding of dozens more in Jordan this past January. Iran-backed groups not only directly threaten the U.S. homeland and American personnel and facilities, but as we have seen in the past few months, also destabilize global commerce. We must remain vigilant against and disrupt this plotting and destabilizing activity. As Secretary Blinken stated at a United Nations Security Council Ministerial Meeting last October regarding Hamas, we know where Iran-backed terrorism leads to—death, destruction, suffering, and darkness.

In addition to Iran-backed attacks, Iran's development, procurement, and proliferation of unmanned aerial vehicles (UAVs), missiles and missile-related technology remains one of the greatest challenges to international peace and security. We see the horrific impact of Iran's provision of missiles and UAVs to designated terrorist organizations and militant proxies that directly threaten the security of U.S. personnel and installations as well as our allies, partners, and interests. We see the destructive result of Iran's transfer of lethal UAVs to Russia that have been used in Russia's war, striking civilian infrastructure, and killing civilians in Ukraine.

The Hamas attack on October 7, enabled by Iran, has also triggered a wave of reported anti-Semitic and Islamophobic attacks around the world. In Senate testimony earlier this month, Avril Haines, the director of national intelligence, highlighted the "generational impact" that the Gaza conflict, instigated by Hamas, will have on terrorism. She stated that both al-Qaeda and ISIS, inspired by Hamas, "have directed supporters to conduct attacks against Israeli and U.S. interests." Furthermore, she emphasized the Hamas attack "is inspiring acts of antisemitism and Islamophobic terror world-wide."

In the face of these challenges, it is crucial that we take a strong stance against hate and violent extremism. We must ensure that the conflict in Gaza does not expand further, because Iran and its terrorist proxies would benefit from global instability. As we navigate complex global threats, addressing these issues remains a critical priority for our broader efforts to preserve a rules-based international order.

COUNTERING IRAN-BACKED TERRORIST THREATS TO THE UNITED STATES

Countering threats posed by Iran to the United States homeland and U.S. personnel and facilities abroad requires a comprehensive strategy, integrating diplomatic, financial, and informational tools to disrupt Iran-backed threats. To counter Iranian and Iran-backed threats, the Department of State is taking a multi-pronged approach, including:

1. Strengthening Alliances and Partnerships

Working closely with our allies and partners in the Middle East and beyond to present a united front against Iran's aggressive actions. This includes security assistance, joint military exercises, and intelligence sharing to counteract Iranian influence and threats. At the forefront of our strategy is the reinforcement of diplomatic engagements and alliances. We are working closely with our partners around the globe to isolate Iran multilaterally and diplomatically until it ceases its support

for terrorism. Through the Countering Transnational Terrorism Forum, at the United Nations, and elsewhere, we advocate for stringent sanctions against Iranian entities involved in terrorist activities, aiming to cut off the financial and material support that fuels these groups.

The State Department has been leading diplomatic campaigns to press other governments to take action to crack down on Iran-backed terrorism. We have achieved some good results and will continue the effort. Over the past several years, 16 countries have designated, banned, or restricted Hezbollah, which is not only an important symbolic declaration, but also constrains Hezbollah's ability to operate freely in these locales. Since October 7, a number of governments have designated both Hamas and individual leaders and other members as terrorists—an important step in ensuring that Hamas is held responsible for the October 7 attacks.

2. Economic Sanctions

Sanctions are another powerful tool to constrain Iran's finances and support networks. The State Department implements and enforces stringent economic sanctions against the Iranian government, IRGC, and affiliated entities to limit their access to the financial resources needed to fund their malign activities. Our targeted sanctions are designed to dismantle the complex financial networks that underpin Iran's support for terrorism. The Department of State, in coordination with the Treasury Department, continuously works to identify and disrupt individuals, entities, and countries that facilitate the funding of terrorism.

For example, the administration has recently sanctioned individuals who were part of a criminal network that attempted to assassinate U.S.-based dissidents and Iranian regime opponents at the behest of Iran's Ministry of Intelligence and Security. Additionally, under counterterrorism authority Executive Order (E.O.) 13224, the administration designated a procurement network facilitating the illegal export of U.S. goods and technology to end-users in Iran, including the Central Bank of Iran; the IRGC-Quds Force deputy commander; and companies involved in shipping over \$100 million in Iranian commodities on behalf of Iran's Ministry of Defense and Armed Forces Logistics.

3. Supporting Counterterrorism Capacities Globally

Our defense of the U.S. homeland does not stop at our own physical border. Recognizing that no country can face its terrorism challenges alone, the United States is committed to enhancing the counterterrorism capabilities of our allies and partners. Through training, joint exercises, and the provision of counterterrorism equipment, we help build the resilience of partner nations, enabling them to better prevent and respond to terrorist threats. This collaborative approach not only strengthens our collective security but also sends a clear message that we stand united against the forces of terror. For years, the Bureau of Counterterrorism has dedicated funding to counter Iran-backed terrorism. We have used this funding to bolster our partners' ability to address the Iranian terrorist threat in the Middle East, Europe, South America, and elsewhere.

The Bureau of Counterterrorism is also working to improve border security abroad and counter-terrorist travel by encouraging and assisting our foreign partners to employ effective threat-based security systems, expand information sharing on terrorist threats, and strengthen transportation and traveler screening procedures. By enhancing the U.S. Government's understanding of the terrorist threat and adding layers to our shared defenses against terrorism we are identifying and neutralizing terrorist threats before they reach our borders.

4. Countering Disinformation

We also must expose and counter Iran's disinformation campaigns aimed at undermining the United States, destabilizing the Middle East, and inspiring attacks in the United States and against U.S. personnel and installations around the world. In the age of information, the battle against terrorism extends into the digital realm. Iran-backed groups often exploit social media and the internet to spread propaganda, recruit followers, and incite violence. In response, we have bolstered our efforts to counter these narratives. Through strategic communications and public diplomacy, we aim to discredit the violent ideologies that feed terrorism, offering instead a narrative of peace, stability, and mutual respect among nations.

CONCLUSION

The threats posed by Iran are complex and evolving, requiring a dynamic and multifaceted response from the United States and our allies. Through a combination of diplomatic, economic, and military strategies, we are committed to countering Iran's aggressive actions and ensuring the safety and security of the United States.

Protecting the United States homeland and U.S. personnel and facilities abroad against terrorist threats is our top priority. Thank you again, I look forward to answering your questions.

Chairman GREEN. Thank you, Ambassador, for your testimony, and I know you guys have been working overtime since October. Appreciate your efforts.

I also would like to ask a favor. Would you please tell Ambassador Roger Carstens, my West Point classmate, that I said hello?

Ambassador RICHARD. Absolutely.

Chairman GREEN. The committee stands in recess, and we will reconvene in executive session in HVC-301.

[Whereupon, at 11:01 a.m., the committee recessed, to proceed in executive session.]

