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

This hearing will come to order. [gavel]

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

And it's getting worse, not better.

Our country is gripped by an opioid epidemic.

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

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

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

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

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

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

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

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

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

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

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

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

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

And this year is worse.

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

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

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

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

Heroin is the weakest drug in that entire mix.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

None of this applies to the Postal Service.

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

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

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

However, it isn't that easy.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In December 2016, the Inspector General found:

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

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

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

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

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

We can't continue like this.

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

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

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

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

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

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

I look forward to hearing from our witnesses today.