

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1076  
OFFERED BY MS. DE LA CRUZ OF TEXAS**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Preventing the Finance-  
3 ing of Illegal Synthetic Drugs Act”.

**4 SEC. 2. FINDINGS.**

5       The Congress finds the following:

6           (1) According to the Center for Disease Control  
7       and Prevention, over 107,000 people in the United  
8       States died from drug overdoses or drug poisonings  
9       in the 12-month period ending January 2022, with  
10       67 percent of those deaths involving synthetic  
11       opioids like fentanyl.

12           (2) According to the United National Office of  
13       Drugs and Crime (UNODC) in its “Synthetic Drug  
14       Strategy 2021-2025”, the number of synthetic  
15       drugs, also called New Psychoactive Substances, has  
16       increased 631 percent since 2009, with traffickers  
17       introducing an average of 80 new substances to the  
18       illicit drug market each year from 2009-2019.

1           (3) In October 2022, F. Michael McDaniel, di-  
2           rector of the Houston High Intensity Drug Traf-  
3           ficking Areas (HITDA) program testified in Con-  
4           gress that one kilogram of fentanyl can produce one  
5           million counterfeit pills containing one milligram of  
6           fentanyl, saying, “Currently in Houston, Texas, you  
7           can buy a kilogram of fentanyl for an average price  
8           of \$25,000 to \$30,000. This same kilogram of  
9           fentanyl in Culiacán (Mexico) could be purchased at  
10          an average price of \$13,500. Currently, the price of  
11          a fentanyl pill in Houston ranges from \$6 to \$65.  
12          Therefore, an illicit investment of \$30,000 or less  
13          could result in a return of \$6 to \$32.5 million.”.

14          (4) According to Celina B. Realuyo, Adjunct  
15          Professor, The George Washington University Elliott  
16          School of International Affairs, in March 2022 Con-  
17          gressional testimony, “Financing is essential to sup-  
18          port and sustain the command and control, per-  
19          sonnel, arms, communications, logistics and oper-  
20          ations of organized crime groups. For this reason,  
21          following the money trail and depriving criminals of  
22          illicit financial flows can disrupt and disable these  
23          networks.”.

1 **SEC. 3. GAO STUDY ON SYNTHETIC DRUGS TRAFFICKING.**

2 (a) STUDY.—The Comptroller General of the United  
3 States shall carry out a study on illicit financing in con-  
4 nection with the trafficking of synthetic drugs, including  
5 fentanyl and methamphetamine, fentanyl- and meth-  
6 amphetamine-related substances, Captagon, and fentanyl  
7 and methamphetamine precursors, including—

8 (1) the business of the trafficking of synthetic  
9 drugs and related illicit finance, such as the partici-  
10 pation of transnational criminal organizations and  
11 terror syndicates and their notable trafficking cor-  
12 ridors, including source and transit countries;

13 (2) the business models used by these  
14 transnational criminal organizations, including U.S.  
15 domestic and foreign activities for precursor pur-  
16 chase or production, movement along the supply  
17 chain, manufacture of the completed product, mar-  
18 keting, distribution, sales, and return of proceeds;

19 (3) the overlap of the business model of human  
20 trafficking and the trafficking of synthetic drugs  
21 and related illicit finance;

22 (4) the use of online illicit drug markets and  
23 the use of social media for the marketing, sale, and  
24 payment for synthetic drugs;

25 (5) financial methods used by such  
26 transnational criminal organizations, including—

1 (A) payment;

2 (B) money laundering; and

3 (C) repatriation of proceeds;

4 (6) the use of social media applications like  
5 Snap Chat, Discord, and Facebook and payment ap-  
6 plications like CashApp to facilitate financial trans-  
7 actions for synthetic drug trafficking, especially  
8 among young people; and

9 (7) U.S. Government activities to combat illicit  
10 finance related to the trafficking of synthetic drugs,  
11 including—

12 (A) interagency collaboration, including  
13 personnel detailed to other agencies to support  
14 the effort to combat synthetic drugs trafficking  
15 and related illicit finance;

16 (B) intergovernmental collaboration;

17 (C) intersectoral collaboration with the pri-  
18 vate sector, including the business and non-gov-  
19 ernmental communities; and

20 (D) identified gaps or resource deficiencies  
21 in combating the trafficking of synthetic drugs  
22 and related illicit finance in the coordination  
23 and collaboration activities described in sub-  
24 paragraphs (A) through (C).

1 (b) REPORT REQUIRED.—Not later than the end of  
2 the 1-year period beginning on the date of enactment of  
3 this Act, the Comptroller General shall issue a report to  
4 the Congress containing all findings and determinations  
5 made in carrying out the study required under subsection  
6 (a).

