

AMENDMENT TO RULES COMM. PRINT 116–19

OFFERED BY MR. ROSE OF NEW YORK

At the end of division A, add the following:

1 **TITLE XVII—SANCTIONS WITH**
2 **RESPECT TO FOREIGN TRAF-**
3 **FICKERS OF ILLICIT SYN-**
4 **THETIC OPIOIDS**

5 **SEC. 1701. SHORT TITLE.**

6 This title may be cited as the “Fentanyl Sanctions
7 Act”.

8 **SEC. 1702. FINDINGS.**

9 Congress makes the following findings:

10 (1) The Centers for Disease Control and Pre-
11 vention estimate that from September 2017 through
12 September 2018 more than 48,200 people in the
13 United States died from an opioid overdose, with
14 synthetic opioids (excluding methadone), contrib-
15 uting to a record 31,900 overdose deaths. While
16 drug overdose death estimates from methadone,
17 semi-synthetic opioids, and heroin have decreased in
18 recent months, overdose deaths from synthetic
19 opioids have continued to increase.

1 (2) Congress and the President have taken a
2 number of actions to combat the demand for illicit
3 opioids in the United States, including enacting into
4 law the SUPPORT for Patients and Communities
5 Act (Public Law 115–271; 132 Stat. 3894). While
6 new statutes and regulations have reduced the rate
7 of opioid prescriptions in recent years, fully address-
8 ing the United States opioid crisis will involve dra-
9 matically restricting the foreign supply of illicit
10 opioids.

11 (3) The People’s Republic of China is the
12 world’s largest producer of illicit fentanyl, fentanyl
13 analogues, and their immediate precursors. From
14 the People’s Republic of China, those substances are
15 shipped primarily through express consignment car-
16 riers or international mail directly to the United
17 States, or, alternatively, shipped directly to
18 transnational criminal organizations in Mexico, Can-
19 ada, and the Caribbean.

20 (4) The United States and the People’s Repub-
21 lic of China, Mexico, and Canada have made impor-
22 tant strides in combating the illicit flow of opioids
23 through bilateral efforts of their respective law en-
24 forcement agencies.

1 (5) The objective of preventing the proliferation
2 of illicit opioids through existing multilateral and bi-
3 lateral initiatives requires additional efforts to deny
4 illicit actors the financial means to sustain their
5 markets and distribution networks.

6 (6) The implementation on May 1, 2019, of the
7 regulations of the People's Republic of China to
8 schedule all fentanyl analogues as controlled sub-
9 stances is a major step in combating global opioid
10 trafficking and represents a major achievement in
11 United States-China law enforcement dialogues.
12 However, that step will effectively fulfill the commit-
13 ment that President Xi Jinping of the People's Re-
14 public of China made to President Donald Trump at
15 the Group of Twenty meeting in December 2018
16 only if the Government of the People's Republic of
17 China devotes sufficient resources to full implemen-
18 tation and strict enforcement of the new regulations.
19 The effective enforcement of the new regulations
20 should result in diminished trafficking of illicit
21 fentanyl originating from the People's Republic of
22 China into the United States.

23 (7) While the Department of the Treasury used
24 the Foreign Narcotics Kingpin Designation Act (21
25 U.S.C. 1901 et seq.) to sanction the first synthetic

1 opioid trafficking entity in April 2018, additional
2 economic and financial sanctions policy tools are
3 needed to help combat the flow of synthetic opioids
4 into the United States.

5 **SEC. 1703. SENSE OF CONGRESS.**

6 It is the sense of Congress that—

7 (1) the United States should apply economic
8 and other financial sanctions to foreign traffickers of
9 illicit opioids to protect the national security, foreign
10 policy, and economy of the United States and the
11 health of the people of the United States;

12 (2) it is imperative that the People's Republic
13 of China follow through on full implementation of
14 the new regulations, adopted May 1, 2019, to treat
15 all fentanyl analogues as controlled substances under
16 the laws of the People's Republic of China, including
17 by devoting sufficient resources for implementation
18 and strict enforcement of the new regulations; and

19 (3) the effective enforcement of the new regula-
20 tions should result in diminished trafficking of illicit
21 fentanyl originating from the People's Republic of
22 China into the United States.

23 **SEC. 1704. DEFINITIONS.**

24 In this title:

1 (1) ALIEN; NATIONAL; NATIONAL OF THE
2 UNITED STATES.—The terms “alien”, “national”,
3 and “national of the United States” have the mean-
4 ings given those terms in section 101 of the Immi-
5 gration and Nationality Act (8 U.S.C. 1101).

6 (2) APPROPRIATE CONGRESSIONAL COMMIT-
7 TEES AND LEADERSHIP.—The term “appropriate
8 congressional committees and leadership” means—

9 (A) the Committee on Appropriations, the
10 Committee on Armed Services, the Committee
11 on Banking, Housing, and Urban Affairs, the
12 Committee on Foreign Relations, the Com-
13 mittee on Homeland Security and Govern-
14 mental Affairs, the Committee on the Judiciary,
15 the Select Committee on Intelligence, and the
16 majority leader and the minority leader of the
17 Senate; and

18 (B) the Committee on Appropriations, the
19 Committee on Armed Services, the Committee
20 on Financial Services, the Committee on For-
21 eign Affairs, the Committee on Homeland Secu-
22 rity, the Committee on the Judiciary, the Com-
23 mittee on Oversight and Reform, the Perma-
24 nent Select Committee on Intelligence, and the

1 Speaker and the minority leader of the House
2 of Representatives.

3 (3) CONTROLLED SUBSTANCE; LISTED CHEM-
4 ICAL.—The terms “controlled substance”, “listed
5 chemical”, “narcotic drug”, and “opioid” have the
6 meanings given those terms in section 102 of the
7 Controlled Substances Act (21 U.S.C. 802).

8 (4) ENTITY.—The term “entity” means a part-
9 nership, joint venture, association, corporation, orga-
10 nization, network, group, or subgroup, or any form
11 of business collaboration.

12 (5) FOREIGN OPIOID TRAFFICKER.—The term
13 “foreign opioid trafficker” means any foreign person
14 that the President determines plays a significant
15 role in opioid trafficking.

16 (6) FOREIGN PERSON.—The term “foreign per-
17 son”—

18 (A) means—

19 (i) any citizen or national of a foreign
20 country; or

21 (ii) any entity not organized under the
22 laws of the United States or a jurisdiction
23 within the United States; and

24 (B) does not include the government of a
25 foreign country.

1 (7) KNOWINGLY.—The term “knowingly”, with
2 respect to conduct, a circumstance, or a result,
3 means that a person has actual knowledge, or should
4 have known, of the conduct, the circumstance, or the
5 result.

6 (8) OPIOID TRAFFICKING.—The term “opioid
7 trafficking” means any illicit activity—

8 (A) to produce, manufacture, distribute,
9 sell, or knowingly finance or transport illicit
10 synthetic opioids, controlled substances that are
11 synthetic opioids, listed chemicals that are syn-
12 thetic opioids, or active pharmaceutical ingredi-
13 ents or chemicals that are used in the produc-
14 tion of controlled substances that are synthetic
15 opioids;

16 (B) to attempt to carry out an activity de-
17 scribed in subparagraph (A); or

18 (C) to assist, abet, conspire, or collude
19 with other persons to carry out such an activity.

20 (9) PERSON.—The term “person” means an in-
21 dividual or entity.

22 (10) UNITED STATES PERSON.—The term
23 “United States person” means—

24 (A) any citizen or national of the United
25 States;

1 (B) any alien lawfully admitted for perma-
2 nent residence in the United States;

3 (C) any entity organized under the laws of
4 the United States or any jurisdiction within the
5 United States (including a foreign branch of
6 such an entity); or

7 (D) any person located in the United
8 States.

9 **Subtitle A—Sanctions With Respect**
10 **to Foreign Opioid Traffickers**

11 **SEC. 1711. IDENTIFICATION OF FOREIGN OPIOID TRAF-**
12 **FICKERS.**

13 (a) PUBLIC REPORT.—

14 (1) IN GENERAL.—The President shall submit
15 to the appropriate congressional committees and
16 leadership, in accordance with subsection (c), a re-
17 port—

18 (A) identifying the foreign persons that the
19 President determines are foreign opioid traf-
20 fickers;

21 (B) detailing progress the President has
22 made in implementing this subtitle; and

23 (C) providing an update on cooperative ef-
24 forts with the Governments of Mexico and the

1 People’s Republic of China with respect to com-
2 bating foreign opioid traffickers.

3 (2) IDENTIFICATION OF ADDITIONAL PER-
4 SONS.—If, at any time after submitting a report re-
5 quired by paragraph (1) and before the submission
6 of the next such report, the President determines
7 that a foreign person not identified in the report is
8 a foreign opioid trafficker, the President shall sub-
9 mit to the appropriate congressional committees and
10 leadership an additional report containing the infor-
11 mation required by paragraph (1) with respect to
12 the foreign person.

13 (3) EXCLUSION.—The President shall not be
14 required to include in a report under paragraph (1)
15 or (2) any persons with respect to which the United
16 States has imposed sanctions before the date of the
17 report under this subtitle or any other provision of
18 law with respect to opioid trafficking.

19 (4) FORM OF REPORT.—

20 (A) IN GENERAL.—Each report required
21 by paragraph (1) or (2) shall be submitted in
22 unclassified form but may include a classified
23 annex.

24 (B) AVAILABILITY TO PUBLIC.—The un-
25 classified portion of a report required by para-

1 graph (1) or (2) shall be made available to the
2 public.

3 (b) CLASSIFIED REPORT.—

4 (1) IN GENERAL.—The President shall submit
5 to the appropriate congressional committees and
6 leadership, in accordance with subsection (c), a re-
7 port, in classified form—

8 (A) describing in detail the status of sanc-
9 tions imposed under this subtitle, including the
10 personnel and resources directed toward the im-
11 position of such sanctions during the preceding
12 fiscal year;

13 (B) providing background information with
14 respect to persons newly identified as foreign
15 opioid traffickers and their illicit activities;

16 (C) describing actions the President in-
17 tends to undertake or has undertaken to imple-
18 ment this subtitle; and

19 (D) providing a strategy for identifying ad-
20 ditional foreign opioid traffickers.

21 (2) EFFECT ON OTHER REPORTING REQUIRE-
22 MENTS.—The report required by paragraph (1) is in
23 addition to, and in no way delimits or restricts, the
24 obligations to keep Congress fully and currently in-

1 formed pursuant to the provisions of the National
2 Security Act of 1947 (50 U.S.C. 3001 et seq.).

3 (c) SUBMISSION OF REPORTS.—Not later than 180
4 days after the date of the enactment of this Act, and annu-
5 ally thereafter until the date that is 5 years after such
6 date of enactment, the President shall submit the reports
7 required by subsections (a) and (b) to the appropriate con-
8 gressional committees and leadership.

9 (d) EXCLUSION OF CERTAIN INFORMATION.—

10 (1) INTELLIGENCE.—Notwithstanding any
11 other provision of this section, a report required by
12 subsection (a) or (b) shall not disclose the identity
13 of any person if the Director of National Intelligence
14 determines that such disclosure could compromise an
15 intelligence operation, activity, source, or method of
16 the United States.

17 (2) LAW ENFORCEMENT.—Notwithstanding any
18 other provision of this section, a report required by
19 subsection (a) or (b) shall not disclose the identity
20 of any person if the Attorney General, in coordina-
21 tion, as appropriate, with the Director of the Fed-
22 eral Bureau of Investigation, the Administrator of
23 the Drug Enforcement Administration, the Secretary
24 of the Treasury, the Secretary of State, and the
25 head of any other appropriate Federal law enforce-

1 ment agency, determines that such disclosure could
2 reasonably be expected—

3 (A) to compromise the identity of a con-
4 fidential source, including a State, local, or for-
5 eign agency or authority or any private institu-
6 tion that furnished information on a confiden-
7 tial basis;

8 (B) to jeopardize the integrity or success
9 of an ongoing criminal investigation or prosecu-
10 tion;

11 (C) to endanger the life or physical safety
12 of any person; or

13 (D) to cause substantial harm to physical
14 property.

15 (3) NOTIFICATION REQUIRED.—If the Director
16 of National Intelligence makes a determination
17 under paragraph (1) or the Attorney General makes
18 a determination under paragraph (2), the Director
19 or the Attorney General, as the case may be, shall
20 notify the appropriate congressional committees and
21 leadership of the determination and the reasons for
22 the determination.

23 (4) RULE OF CONSTRUCTION.—Nothing in this
24 section may be construed to authorize or compel the
25 disclosure of information determined by the Presi-

1 dent to be law enforcement information, classified
2 information, national security information, or other
3 information the disclosure of which is prohibited by
4 any other provision of law.

5 (e) PROVISION OF INFORMATION REQUIRED FOR RE-
6 PORTS.—The Secretary of the Treasury, the Attorney
7 General, the Secretary of Defense, the Secretary of State,
8 the Secretary of Homeland Security, and the Director of
9 National Intelligence shall consult among themselves and
10 provide to the President and the Director of the Office
11 of National Drug Control Policy the appropriate and nec-
12 essary information to enable the President to submit the
13 reports required by subsection (a).

14 **SEC. 1712. SENSE OF CONGRESS ON INTERNATIONAL**
15 **OPIOID CONTROL REGIME.**

16 It is the sense of Congress that, in order to apply
17 economic and other financial sanctions to foreign traf-
18 fickers of illicit opioids to protect the national security,
19 foreign policy, and economy of the United States—

20 (1) the President should instruct the Secretary
21 of State to commence immediately diplomatic ef-
22 forts, both in appropriate international fora such as
23 the United Nations, the Group of Seven, the Group
24 of Twenty, and trilaterally and bilaterally with part-
25 ners of the United States, to combat foreign opioid

1 trafficking, including by working to establish a mul-
2 tilateral sanctions regime with respect to foreign
3 opioid trafficking; and

4 (2) the Secretary of State, in consultation with
5 the Secretary of the Treasury, should intensify ef-
6 forts to maintain and strengthen the coalition of
7 countries formed to combat foreign opioid traf-
8 ficking.

9 **SEC. 1713. IMPOSITION OF SANCTIONS.**

10 The President shall impose five or more of the sanc-
11 tions described in section 1714 with respect to each for-
12 eign person that is an entity, and four or more of such
13 sanctions with respect to each foreign person that is an
14 individual, that—

15 (1) is identified as a foreign opioid trafficker in
16 a report submitted under section 1711(a); or

17 (2) the President determines is owned, con-
18 trolled, directed by, knowingly supplying or sourcing
19 precursors for, or acting for or on behalf of, such a
20 foreign opioid trafficker.

21 **SEC. 1714. DESCRIPTION OF SANCTIONS.**

22 (a) IN GENERAL.—The sanctions that may be im-
23 posed with respect to a foreign person under section 1713
24 are the following:

1 (1) LOANS FROM UNITED STATES FINANCIAL
2 INSTITUTIONS.—The United States Government
3 may prohibit any United States financial institution
4 from making loans or providing credits to the for-
5 eign person.

6 (2) PROHIBITIONS ON FINANCIAL INSTITU-
7 TIONS.—The following prohibitions may be imposed
8 with respect to a foreign person that is a financial
9 institution:

10 (A) PROHIBITION ON DESIGNATION AS
11 PRIMARY DEALER.—Neither the Board of Gov-
12 ernors of the Federal Reserve System nor the
13 Federal Reserve Bank of New York may des-
14 ignate, or permit the continuation of any prior
15 designation of, the financial institution as a pri-
16 mary dealer in United States Government debt
17 instruments.

18 (B) PROHIBITION ON SERVICE AS A RE-
19 POSITORY OF GOVERNMENT FUNDS.—The fi-
20 nancial institution may not serve as agent of
21 the United States Government or serve as re-
22 pository for United States Government funds.

23 The imposition of either sanction under subpara-
24 graph (A) or (B) shall be treated as one sanction for
25 purposes of section 1713, and the imposition of both

1 such sanctions shall be treated as 2 sanctions for
2 purposes of that section.

3 (3) PROCUREMENT BAN.—The United States
4 Government may not procure, or enter into any con-
5 tract for the procurement of, any goods or services
6 from the foreign person.

7 (4) FOREIGN EXCHANGE.—The President may,
8 pursuant to such regulations as the President may
9 prescribe, prohibit any transactions in foreign ex-
10 change that are subject to the jurisdiction of the
11 United States and in which the foreign person has
12 any interest.

13 (5) BANKING TRANSACTIONS.—The President
14 may, pursuant to such regulations as the President
15 may prescribe, prohibit any transfers of credit or
16 payments between financial institutions or by,
17 through, or to any financial institution, to the extent
18 that such transfers or payments are subject to the
19 jurisdiction of the United States and involve any in-
20 terest of the foreign person.

21 (6) PROPERTY TRANSACTIONS.—The President
22 may, pursuant to such regulations as the President
23 may prescribe, prohibit any person from—

24 (A) acquiring, holding, withholding, using,
25 transferring, withdrawing, or transporting any

1 property that is subject to the jurisdiction of
2 the United States and with respect to which the
3 foreign person has any interest;

4 (B) dealing in or exercising any right,
5 power, or privilege with respect to such prop-
6 erty; or

7 (C) conducting any transaction involving
8 such property.

9 (7) BAN ON INVESTMENT IN EQUITY OR DEBT
10 OF SANCTIONED PERSON.—The President may, pur-
11 suant to such regulations or guidelines as the Presi-
12 dent may prescribe, prohibit any United States per-
13 son from investing in or purchasing significant
14 amounts of equity or debt instruments of the foreign
15 person.

16 (8) EXCLUSION OF CORPORATE OFFICERS.—
17 The President may direct the Secretary of State to
18 deny a visa to, and the Secretary of Homeland Secu-
19 rity to exclude from the United States, any alien
20 that the President determines is a corporate officer
21 or principal of, or a shareholder with a controlling
22 interest in, the foreign person.

23 (9) SANCTIONS ON PRINCIPAL EXECUTIVE OF-
24 FICERS.—The President may impose on the prin-
25 cipal executive officer or officers of the foreign per-

1 son, or on individuals performing similar functions
2 and with similar authorities as such officer or offi-
3 cers, any of the sanctions described in paragraphs
4 (1) through (8) that are applicable.

5 (b) PENALTIES.—A person that violates, attempts to
6 violate, conspires to violate, or causes a violation of any
7 regulation, license, or order issued to carry out subsection
8 (a) shall be subject to the penalties set forth in subsections
9 (b) and (c) of section 206 of the International Emergency
10 Economic Powers Act (50 U.S.C. 1705) to the same ex-
11 tent as a person that commits an unlawful act described
12 in subsection (a) of that section.

13 (c) EXCEPTIONS.—

14 (1) INTELLIGENCE AND LAW ENFORCEMENT
15 ACTIVITIES.—Sanctions under this section shall not
16 apply with respect to—

17 (A) any activity subject to the reporting
18 requirements under title V of the National Se-
19 curity Act of 1947 (50 U.S.C. 3091 et seq.); or

20 (B) any authorized intelligence or law en-
21 forcement activities of the United States.

22 (2) EXCEPTION TO COMPLY WITH UNITED NA-
23 TIONS HEADQUARTERS AGREEMENT.—Sanctions
24 under subsection (a)(8) shall not apply to an alien
25 if admitting the alien into the United States is nec-

1 essary to permit the United States to comply with
2 the Agreement regarding the Headquarters of the
3 United Nations, signed at Lake Success June 26,
4 1947, and entered into force November 21, 1947,
5 between the United Nations and the United States,
6 the Convention on Consular Relations, done at Vi-
7 enna April 24, 1963, and entered into force March
8 19, 1967, or other applicable international obliga-
9 tions.

10 (d) IMPLEMENTATION; REGULATORY AUTHORITY.—

11 (1) IMPLEMENTATION.—The President may ex-
12 ercise all authorities provided under sections 203
13 and 205 of the International Emergency Economic
14 Powers Act (50 U.S.C. 1702 and 1704) to carry out
15 this section.

16 (2) REGULATORY AUTHORITY.—The President
17 shall issue such regulations, licenses, and orders as
18 are necessary to carry out this section.

19 **SEC. 1715. WAIVERS.**

20 (a) WAIVER FOR STATE-OWNED ENTITIES IN COUN-
21 TRIES THAT COOPERATE IN MULTILATERAL ANTI-TRAF-
22 FICKING EFFORTS.—

23 (1) IN GENERAL.—The President may waive for
24 a period of not more than 12 months the application
25 of sanctions under this subtitle with respect to an

1 entity that is owned or controlled, directly or indi-
2 rectly, by a foreign government or any political sub-
3 division, agency, or instrumentality of a foreign gov-
4 ernment, if, not less than 15 days before the waiver
5 is to take effect, the President certifies to the appro-
6 priate congressional committees and leadership that
7 the foreign government is closely cooperating with
8 the United States in efforts to prevent opioid traf-
9 ficking.

10 (2) CERTIFICATION.—The President may cer-
11 tify under paragraph (1) that a foreign government
12 is closely cooperating with the United States in ef-
13 forts to prevent opioid trafficking if that government
14 is—

15 (A) implementing domestic laws to sched-
16 ule all fentanyl analogues as controlled sub-
17 stances; and

18 (B) doing two or more of the following:

19 (i) Implementing substantial improve-
20 ments in regulations involving the chemical
21 and pharmaceutical production and export
22 of illicit opioids.

23 (ii) Implementing substantial improve-
24 ments in judicial regulations to combat

1 transnational criminal organizations that
2 traffic opioids.

3 (iii) Increasing efforts to prosecute
4 foreign opioid traffickers.

5 (iv) Increasing intelligence sharing
6 and law enforcement cooperation with the
7 United States with respect to opioid traf-
8 ficking.

9 (3) SUBSEQUENT RENEWAL OF WAIVER.—The
10 President may renew a waiver under paragraph (1)
11 for subsequent periods of not more than 12 months
12 each if, not less than 15 days before the renewal is
13 to take effect, the Secretary of State certifies to the
14 appropriate congressional committees and leadership
15 that the government of the country to which the
16 waiver applies has effectively implemented and is ef-
17 fectively enforcing the measures that formed the
18 basis for the certification under paragraph (2).

19 (b) WAIVERS FOR NATIONAL SECURITY AND ACCESS
20 TO PRESCRIPTION MEDICATIONS.—

21 (1) IN GENERAL.—The President may waive
22 the application of sanctions under this subtitle if the
23 President determines that the application of such
24 sanctions would—

1 (A) cause a specific articulated harm or set
2 of harms to a specific articulated national secu-
3 rity interest or set of interests of the United
4 States; or

5 (B) subject to paragraph (2), harm the ac-
6 cess of United States persons to prescription
7 medications.

8 (2) MONITORING.—The President shall estab-
9 lish a monitoring program to verify that a person
10 that receives a waiver under paragraph (1)(B) is not
11 trafficking illicit opioids.

12 (3) NOTIFICATION.—Not later than 15 days
13 after making a determination under paragraph (1),
14 the President shall notify the appropriate congres-
15 sional committees and leadership of the determina-
16 tion and the reasons for the determination.

17 (c) HUMANITARIAN WAIVER.—The President may
18 waive, for renewable periods of 180 days, the application
19 of the sanctions under this subtitle if the President cer-
20 tifies to the appropriate congressional committees and
21 leadership that the waiver is necessary for the provision
22 of humanitarian assistance.

1 **SEC. 1716. PROCEDURES FOR JUDICIAL REVIEW OF CLASSI-**
2 **FIED INFORMATION.**

3 (a) IN GENERAL.—If a finding under this subtitle,
4 or a prohibition, condition, or penalty imposed as a result
5 of any such finding, is based on classified information (as
6 defined in section 1(a) of the Classified Information Pro-
7 cedures Act (18 U.S.C. App.)) and a court reviews the
8 finding or the imposition of the prohibition, condition, or
9 penalty, the President may submit such information to the
10 court ex parte and in camera.

11 (b) RULE OF CONSTRUCTION.—Nothing in this sec-
12 tion shall be construed to—

13 (1) confer or imply any right to judicial review
14 of any finding under this subtitle, or any prohibition,
15 condition, or penalty imposed as a result of any such
16 finding; and

17 (2) limit or restrict any other practice, proce-
18 dure, right, remedy, or safeguard that relates to the
19 protection of classified information and is available
20 to the United States in connection with any type of
21 administrative hearing, litigation, or other pro-
22 ceeding.

23 **SEC. 1717. BRIEFINGS ON IMPLEMENTATION.**

24 Not later than 90 days after the date of the enact-
25 ment of the Fentanyl Sanctions Act, and every 180 days
26 thereafter until the date that is 5 years after such date

1 of enactment, the President, acting through the Secretary
2 of State and the Director of National Intelligence, in co-
3 ordination with the Secretary of the Treasury, shall pro-
4 vide to the appropriate congressional committees and lead-
5 ership a comprehensive briefing on efforts to implement
6 this subtitle.

7 **SEC. 1718. INCLUSION OF ADDITIONAL MATERIAL IN**
8 **INTERNATIONAL NARCOTICS CONTROL**
9 **STRATEGY REPORT.**

10 Section 489(a) of the Foreign Assistance Act of 1961
11 (22 U.S.C. 2291(a)) is amended by adding at the end the
12 following:

13 “(9)(A) An assessment conducted by the Sec-
14 retary of State, in consultation with the Secretary of
15 the Treasury and the Director of National Intel-
16 ligence, of the extent to which any diplomatic efforts
17 described in section 1712 of the Fentanyl Sanctions
18 Act have been successful.

19 “(B) Each assessment required by subpara-
20 graph (A) shall include an identification of—

21 “(i) the countries the governments of
22 which have agreed to undertake measures to
23 apply economic or other financial sanctions to
24 foreign traffickers of illicit opioids and a de-
25 scription of those measures; and

1 “(ii) the countries the governments of
2 which have not agreed to measures described in
3 clause (i), and, with respect to those countries,
4 other measures the Secretary of State rec-
5 ommends that the United States take to apply
6 economic and other financial sanctions to for-
7 eign traffickers of illicit opioids.”.

8 **Subtitle B—Commission on Com-**
9 **bating Synthetic Opioid Traf-**
10 **ficking**

11 **SEC. 1721. COMMISSION ON COMBATING SYNTHETIC**
12 **OPIOID TRAFFICKING.**

13 (a) ESTABLISHMENT.—

14 (1) IN GENERAL.—There is established a com-
15 mission to develop a consensus on a strategic ap-
16 proach to combating the flow of synthetic opioids
17 into the United States.

18 (2) DESIGNATION.—The commission estab-
19 lished under paragraph (1) shall be known as the
20 “Commission on Synthetic Opioid Trafficking” (in
21 this section referred to as the “Commission”).

22 (b) MEMBERSHIP.—

23 (1) COMPOSITION.—

1 (A) IN GENERAL.—Subject to subpara-
2 graph (B), the Commission shall be composed
3 of the following members:

4 (i) The Director of the Office of Na-
5 tional Drug Control Policy.

6 (ii) The Administrator of the Drug
7 Enforcement Administration.

8 (iii) The Secretary of Homeland Secu-
9 rity.

10 (iv) The Secretary of Defense.

11 (v) The Secretary of the Treasury.

12 (vi) The Secretary of State.

13 (vii) The Director of National Intel-
14 ligence

15 (viii) Two members appointed by the
16 majority leader of the Senate, one of whom
17 shall be a Member of the Senate and one
18 of whom shall not be.

19 (ix) Two members appointed by the
20 minority leader of the Senate, one of whom
21 shall be a Member of the Senate and one
22 of whom shall not be.

23 (x) Two members appointed by the
24 Speaker of the House of Representatives,
25 one of whom shall be a Member of the

1 House of Representatives and one of whom
2 shall not be.

3 (xi) Two members appointed by the
4 minority leader of the House of Represent-
5 atives, one of whom shall be a Member of
6 the House of Representatives and one of
7 whom shall not be.

8 (B)(i) The members of the Commission
9 who are not Members of Congress and who are
10 appointed under clauses (viii) through (xi) of
11 subparagraph (A) shall be individuals who are
12 nationally recognized for expertise, knowledge,
13 or experience in—

14 (I) transnational criminal organiza-
15 tions conducting synthetic opioid traf-
16 ficking;

17 (II) the production, manufacturing,
18 distribution, sale, or transportation of syn-
19 thetic opioids; or

20 (III) relations between—

21 (aa) the United States; and

22 (bb) the People's Republic of
23 China, Mexico, or any other country
24 of concern with respect to trafficking
25 in synthetic opioids.

1 (ii) An official who appoints members of
2 the Commission may not appoint an individual
3 as a member of the Commission if the indi-
4 vidual possesses any personal or financial inter-
5 est in the discharge of any of the duties of the
6 Commission.

7 (iii)(I) All members of the Commission de-
8 scribed in clause (i) shall possess an appro-
9 priate security clearance in accordance with ap-
10 plicable provisions of law concerning the han-
11 dling of classified information.

12 (II) For the purpose of facilitating the ac-
13 tivities of the Commission, the Director of Na-
14 tional Intelligence shall expedite to the fullest
15 degree possible the processing of security clear-
16 ances that are necessary for members of the
17 Commission.

18 (2) CO-CHAIRS.—

19 (A) IN GENERAL.—The Commission shall
20 have 2 co-chairs, selected from among the mem-
21 bers of the Commission, one of whom shall be
22 a member of the majority party and one of
23 whom shall be a member of the minority party.

24 (B) SELECTION.—The individuals who
25 serve as the co-chairs of the Commission shall

1 be jointly agreed upon by the President, the
2 majority leader of the Senate, the minority
3 leader of the Senate, the Speaker of the House
4 of Representatives, and the minority leader of
5 the House of Representatives.

6 (c) DUTIES.—The duties of the Commission are as
7 follows:

8 (1) To define the core objectives and priorities
9 of the strategic approach described in subsection
10 (a)(1).

11 (2) To weigh the costs and benefits of various
12 strategic options to combat the flow of synthetic
13 opioids from the People’s Republic of China, Mexico,
14 and other countries.

15 (3) To evaluate whether the options described
16 in paragraph (2) are exclusive or complementary,
17 the best means for executing such options, and how
18 the United States should incorporate and implement
19 such options within the strategic approach described
20 in subsection (a)(1).

21 (4) To review and make determinations on the
22 difficult choices present within such options, among
23 them what norms-based regimes the United States
24 should seek to establish to encourage the effective
25 regulation of dangerous synthetic opioids.

1 (5) To report on efforts by actors in the Peo-
2 ple's Republic of China to subvert United States
3 laws and to supply illicit synthetic opioids to persons
4 in the United States, including up-to-date estimates
5 of the scale of illicit synthetic opioids flows from the
6 People's Republic of China.

7 (6) To report on the deficiencies in the regula-
8 tion of pharmaceutical and chemical production of
9 controlled substances and export controls with re-
10 spect to such substances in the People's Republic of
11 China and other countries that allow opioid traf-
12 fickers to subvert such regulations and controls to
13 traffic illicit opioids into the United States.

14 (7) To report on the scale of contaminated or
15 counterfeit drugs originating from the People's Re-
16 public of China and India.

17 (8) To report on how the United States could
18 work more effectively with provincial and local offi-
19 cials in the People's Republic of China and other
20 countries to combat the illicit production of synthetic
21 opioids.

22 (9) In weighing the options for defending the
23 United States against the dangers of trafficking in
24 synthetic opioids, to consider possible structures and

1 authorities that need to be established, revised, or
2 augmented within the Federal Government.

3 (d) FUNCTIONING OF COMMISSION.—The provisions
4 of subsections (c), (d), (e), (g), (h), and (i) of section 1652
5 of the John S. McCain National Defense Authorization
6 Act for Fiscal Year 2019 (Public Law 115–232) shall
7 apply to the Commission to the same extent and in the
8 same manner as such provisions apply to the commission
9 established under that section, except that—

10 (1) subsection (c)(1) of that section shall be ap-
11 plied and administered by substituting “30 days” for
12 “45 days”;

13 (2) subsection (g)(4)(A) of that section shall be
14 applied and administered by inserting “and the At-
15 torney General” after “Secretary of Defense”; and

16 (3) subsections (h)(2)(A) and (i)(1)(A) of that
17 section shall be applied and administered by sub-
18 stituting “level V of the Executive Schedule under
19 section 5316” for “level IV of the Executive Sched-
20 ule under section 5315”.

21 (e) TREATMENT OF INFORMATION FURNISHED TO
22 COMMISSION.—

23 (1) INFORMATION RELATING TO NATIONAL SE-
24 CURITY.—

1 (A) RESPONSIBILITY OF DIRECTOR OF NA-
2 TIONAL INTELLIGENCE.—The Director of Na-
3 tional Intelligence shall assume responsibility
4 for the handling and disposition of any informa-
5 tion related to the national security of the
6 United States that is received, considered, or
7 used by the Commission under this section.

8 (B) ACCESS AFTER TERMINATION OF COM-
9 MISSION.—Notwithstanding any other provision
10 of law, after the termination of the Commission
11 under subsection (g), only the members and
12 designated staff of the appropriate congres-
13 sional committees and leadership, the Director
14 of National Intelligence (and the designees of
15 the Director), and such other officials of the ex-
16 ecutive branch as the President may designate
17 shall have access to information related to the
18 national security of the United States that is
19 received, considered, or used by the Commis-
20 sion.

21 (2) INFORMATION PROVIDED BY CONGRESS.—
22 The Commission may obtain information from any
23 Member, committee, or office of Congress, including
24 information related to the national security of the
25 United States, only with the consent of the Member,

1 committee, or office involved and only in accordance
2 with any applicable rules and procedures of the
3 House of Representatives or Senate (as the case
4 may be) governing the provision of such information
5 by Members, committees, and offices of Congress to
6 entities in the executive branch.

7 (f) REPORTS.—The Commission shall submit to the
8 appropriate congressional committees and leadership—

9 (1) not later than 270 days after the date of
10 the enactment of this Act, an initial report on the
11 activities and recommendations of the Commission
12 under this section; and

13 (2) not later than 270 days after the submis-
14 sion of the initial report under paragraph (1), a final
15 report on the activities and recommendations of the
16 Commission under this section.

17 (g) TERMINATION.—

18 (1) IN GENERAL.—The Commission, and all the
19 authorities of this section, shall terminate at the end
20 of the 120-day period beginning on the date on
21 which the final report required by subsection (f)(2)
22 is submitted to the appropriate congressional com-
23 mittees and leadership.

24 (2) WINDING UP OF AFFAIRS.—The Commis-
25 sion may use the 120-day period described in para-

1 graph (1) for the purposes of concluding its activi-
2 ties, including providing testimony to Congress con-
3 cerning the final report required by subsection (f)(2)
4 and disseminating the report.

5 **Subtitle C—Other Matters**

6 **SEC. 1731. DIRECTOR OF NATIONAL INTELLIGENCE PRO-** 7 **GRAM ON USE OF INTELLIGENCE RE-** 8 **SOURCES IN EFFORTS TO SANCTION FOR-** 9 **EIGN OPIOID TRAFFICKERS.**

10 (a) PROGRAM REQUIRED.—

11 (1) IN GENERAL.—The Director of National In-
12 telligence shall, in consultation with the Director of
13 the Office of National Drug Control Policy, carry
14 out a program to allocate and enhance use of re-
15 sources of the intelligence community, including in-
16 telligence collection and analysis, to assist the Sec-
17 retary of the Treasury, the Secretary of State, and
18 the Administrator of the Drug Enforcement Admin-
19 istration in efforts to identify and impose sanctions
20 with respect to foreign opioid traffickers under sub-
21 title A.

22 (2) FOCUS ON ILLICIT FINANCE.—To the ex-
23 tent practicable, efforts described in paragraph (1)
24 shall—

1 (A) take into account specific illicit finance
2 risks related to narcotics trafficking; and

3 (B) be developed in consultation with the
4 Undersecretary of the Treasury for Terrorism
5 and Financial Crimes, appropriate officials of
6 the Office of Intelligence and Analysis of the
7 Department of the Treasury, the Director of
8 the Financial Crimes Enforcement Network,
9 and appropriate Federal law enforcement agen-
10 cies.

11 (b) QUARTERLY REPORTS ON PROGRAM.—Not later
12 than 90 days after the date of the enactment of this Act,
13 and every 90 days thereafter, the Director of National In-
14 telligence, in consultation with the Director of the Office
15 of National Drug Control Policy, shall submit to the ap-
16 propriate congressional committees and leadership a re-
17 port on the status and accomplishments of the program
18 required by subsection (a) during the 90-day period end-
19 ing on the date of the report. The first report under this
20 paragraph shall also include a description of the amount
21 of funds devoted by the intelligence community to the ef-
22 forts described in subsection (a) during each of fiscal years
23 2017 and 2018.

24 (c) INTELLIGENCE COMMUNITY DEFINED.—In this
25 section, the term “intelligence community” has the mean-

1 ing given that term in section 3(4) of the National Secu-
2 rity Act of 1947 (50 U.S.C. 3003(4)).

3 **SEC. 1732. DEPARTMENT OF DEFENSE OPERATIONS AND**
4 **ACTIVITIES.**

5 (a) IN GENERAL.—The Secretary of Defense is au-
6 thorized to carry out the operations and activities de-
7 scribed in subsection (b) for each of fiscal years 2020
8 through 2025.

9 (b) OPERATIONS AND ACTIVITIES.—The operations
10 and activities described in this subsection are the oper-
11 ations and activities of the Department of Defense in sup-
12 port of any other department or agency of the United
13 States Government solely for purposes of carrying out this
14 title.

15 (c) SUPPLEMENT NOT SUPPLANT.—Amounts made
16 available to carry out the operations and activities de-
17 scribed in subsection (b) shall supplement and not sup-
18 plant other amounts available to carry out the operations
19 and activities described in subsection (b).

20 (d) NOTIFICATION REQUIREMENT.—Amounts made
21 available to carry out the operations and activities de-
22 scribed in subsection (b) may not be obligated until 15
23 days after the date on which the President notifies the
24 appropriate committees of Congress of the President's in-
25 tentation to obligate such funds.

1 (e) CONCURRENCE OF SECRETARY OF STATE.—Op-
2 erations and activities described in subsection (b) carried
3 out with foreign persons shall be conducted with the con-
4 currence of the Secretary of State.

5 **SEC. 1733. TERMINATION.**

6 The provisions of this title, and any sanctions im-
7 posed pursuant to this title, shall terminate on the date
8 that is 7 years after the date of the enactment of this
9 Act.

10 **SEC. 1734. EXCEPTION RELATING TO IMPORTATION OF**
11 **GOODS.**

12 (a) IN GENERAL.—The authorities and requirements
13 to impose sanctions under this title shall not include the
14 authority or a requirement to impose sanctions on the im-
15 portation of goods.

16 (b) GOOD DEFINED.—In this section, the term
17 “good” means any article, natural or manmade substance,
18 material, supply or manufactured product, including in-
19 spection and test equipment, and excluding technical data.

20 **SEC. 1735. APPROPRIATE COMMITTEES OF CONGRESS DE-**
21 **FINED.**

22 In this subtitle, the term “appropriate committees of
23 Congress” means—

24 (1) the Committee on Armed Services, the
25 Committee on Banking, Housing, and Urban Af-

1 fairs, the Committee on Foreign Relations, the Se-
2 lect Committee on Intelligence, and the Committee
3 on Appropriations of the Senate; and

4 (2) the Committee on Armed Services, the
5 Committee on Financial Services, the Committee on
6 Foreign Affairs, the Permanent Select Committee on
7 Intelligence, and the Committee on Appropriations
8 of the House of Representatives.

9 **SEC. 1736. FUNDING.**

10 (a) INCREASE.—Notwithstanding the amounts set
11 forth in the funding tables in division D—

12 (1) the amount authorized to be appropriated in
13 section 301 for Operation and Maintenance, De-
14 fense-Wide, as specified in the corresponding fund-
15 ing table in section 4301, for the Office of the Sec-
16 retary of Defense, is hereby increased by \$5,000,000
17 for purposes of carrying out subtitle B (relating to
18 the Commission on Synthetic Opioid Trafficking);
19 and

20 (2) the amount authorized to be appropriated
21 for Counter-Drug Activities, Defense-Wide, for
22 Counter-Narcotics Support, as specified in the cor-
23 responding funding table in section 4501, is hereby
24 increased by \$25,000,000 for purposes of carrying

1 out section 1732 (relating to Department of Defense
2 operations and activities).

3 (b) OFFSETS.—Notwithstanding the amounts set
4 forth in the funding tables in division D—

5 (1) the amount authorized to be appropriated in
6 section 301 for Operations and Maintenance, De-
7 fense-Wide, as specified in the corresponding fund-
8 ing table in section 4301, for the Defense Security
9 Cooperation Agency, line 310, is hereby reduced by
10 \$14,000,000 for unjustified growth; and

11 (2) the amount authorized to be appropriated in
12 section 101 for Procurement of Wheeled and
13 Tracked Combat Vehicles, Army, as specified in the
14 corresponding funding table in section 4101, for
15 Bradley Program (Mod), is hereby reduced by
16 \$16,000,000.

