

Questions for the Record from Senator Sheldon Whitehouse
U.S. Senate Caucus on International Narcotics Control
“Office of National Drug Control Policy (ONDCP) and its 2022 *National Drug Control Strategy*”
Submitted on June 22, 2022

1. Illicit financial networks enable transnational criminal organization (TCOs) to repatriate and launder their ill-gotten gains and use those proceeds for legitimate economic activities or further their criminal operations. The Biden administration has prioritized countering illicit finance in whole-of-government efforts, including in the *U.S. Strategy on Countering Corruption* and ONDCP’s 2022 *National Drug Control Strategy*.

- **What steps can ONDCP take to ensure that tackling narcotics-related illicit finance is included in government-wide initiatives such as the Summit for Democracy?**

GAO Response: GAO has not specifically assessed ONDCP’s work on tackling narcotics-related illicit finance, but has identified a set of practices that can help the federal, state, local, and private sectors collaborate effectively including leveraging resources and sharing information. These include enhancing collaboration in interagency groups,¹ implementing collaborative mechanisms,² and building results-oriented and collaborative culture in the federal government.³

2. ONDCP calls for a 25 percent increase in the number of priority OCDETF investigations linked to the Sinaloa and CJNG cartels, and their financial enablers. The DEA in its 2020 *National Drug Threat Assessment* identifies an additional seven Mexican TCOs that pose a significant drug trafficking threat, as well as TCOs from other areas, including Colombia, Asia, and elsewhere.

- **Should ONDCP expand this metric to include other TCOs?**

GAO Response: GAO has not conducted work on how ONDCP developed this specific metric and does not typically reach conclusions on the specific content of a given goal. However, GAO has previously reported that setting goals and objectives and identifying related performance measures with targets are important tools to focus a federal agency’s activities and resources on achieving mission results.⁴ Key practices in setting goals and identifying performance measures include ensuring that agencies monitor their internal and external environments to anticipate future changes and make adjustments to stay focused on long-term goals even as they make changes in the way they intend to achieve them. Additionally, stakeholder involvement helps

¹*Managing for Results: Implementation Approaches Used to Enhance Collaboration in Interagency Groups*, GAO-14-220 (Washington, D.C.: Feb 14, 2014).

²*Managing for Results: Key Considerations for Implementing Interagency Collaborative Mechanisms*, GAO-12-1022 (Washington, D.C.: Sep 26, 2012).

³*Government Performance: Strategies for Building a Results-Oriented and Collaborative Culture in the Federal Government*, GAO-09-1011T (Washington, D.C.: Sep 24, 2009).

⁴*Managing for Results: Enhancing the Use of Performance Information for Management Decision Making*, GAO-05-927 (Washington, D.C.: Sep. 9, 2005).

ensure that agencies target resources at the highest priorities.⁵ GAO has published work on leading practices in managing for results in government, including setting agency priority goals.⁶ GAO encourages federal agencies to consult these publications, as well as Standards for Internal Control in the Federal Government when developing performance measures and goals.⁷

3. To assess the success of substance use prevention efforts, the *Performance Review Plan* indicates that ONDCP will track reductions in youth vaping and alcohol use through surveys such as the *National Survey on Drug Use and Health*.

- **Given that the Drug Free Communities program is the primary federal prevention program, and it is statutorily required to address the illegal use or misuse of drugs in schedules I through V under the *Controlled Substances Act*, in addition to the underage use and misuse of alcohol and tobacco, shouldn't these metrics include a broader category of substances?**

GAO Response: Drug Free Communities Support Program (DFC) coalitions are required to collect and submit new core measures data on the use of alcohol, tobacco, marijuana, and prescription drugs at least every 2 years.⁸ In addition to core measures data, each DFC coalition is to select up to five substances from a list of 16 on which to target prevention efforts. While alcohol, marijuana, prescription drugs, and tobacco/nicotine were the most targeted substances by DFC coalitions, 144 coalitions targeted heroin and fentanyl, 62 coalitions targeted over-the-counter drugs, and 52 coalitions targeted methamphetamine. Other coalitions targeted synthetic/emerging drugs, cocaine/crack, stimulants, inhalants, and hallucinogens.

In **November 2020**, we recommended that the Director of ONDCP report performance measures for the DFC program, and clarify how those measures are being used to assess the program's contributions to achieving specific goals of the National Drug Control Strategy, in the relevant strategy documents.⁹ ONDCP agreed with this recommendation. In August 2021, ONDCP said it was in the process of developing performance measures for the DFC program that can be used to assess the program's contributions to future iterations of the Strategy. ONDCP officials also told us it expects to include these performance measures in the 2022 National Drug Control Assessment.

⁵GAO, *Executive Guide: Effectively Implementing the Government and Performance Results Act*, GAO/GGD-96-118 (Washington, D.C.: Jun. 1, 1996).

⁶<https://www.gao.gov/leading-practices-managing-results-government>.

⁷GAO, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C.: Sep. 10, 2014).

⁸The **2021 National Evaluation Report** for the DFC program reports past 30-day prevalence of use, perception of risk of using the substance, perception of parental disapproval, and perception of peer disapproval among middle school and high school students. Award terms and conditions, as described in the Notice of Funding Opportunity, require compliance with core measures reporting requirements related to the DFC National Evaluation.

⁹GAO, *Drug Misuse: Agencies Have Not Fully Identified How Grants That Can Support Drug Prevention Education Programs Contribute to National Goals*, GAO-21-96 (Washington, D.C.: Nov. 18, 2020).

Questions for the Record from Senator Charles E. Grassley
U.S. Senate Caucus on International Narcotics Control
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1. You mentioned in your testimony that ONDCP hasn’t provided details on how to achieve its border strategy goals. This is concerning since we know that the majority of drugs killing Americans originate abroad and come in across the southwest border.

- **Has ONDCP been engaging with GAO on rectifying this error?**
- **Why is fixing this so important?**

GAO Response: The *National Drug Control Strategy* is important for assessing the nation’s capacity to address drug misuse through both the development of federal funding estimates and the certification of agency budget requests that aim to meet the goals of the Strategy. By law, ONDCP must include “[a] description of how each goal established [as part of the Strategy] will be achieved.”¹⁰ Further, the *Southwest* and *Northern Border Counternarcotics Strategies* are required to “identify the specific resources required to enable the relevant National Drug Control Program agencies to implement th[ese] strategies.”¹¹ From GAO’s preliminary review of the *Southwest* and *Northern Border Counternarcotics Strategies*, GAO was unable to identify the information required. In advance of the testimony, GAO met with ONDCP on Friday, June 10th at which ONDCP officials stated that the upcoming issuance of the 2023 *Budget Summary* and the 2022 *National Drug Control Assessment* should address some of the statutory requirements. GAO was unable to identify some of these requirements in its review of the six available National Drug Control Strategy documents. GAO is in the process of reviewing the 2023 *Budget Summary* and plans to assess the 2022 *National Drug Control Assessment* to determine whether ONDCP has identified the specific resources required to implement the Southwest and Northern Border strategies.

2. When writing the Strategy, ONDCP is required by statute to consult with stakeholders, including Congress. While GAO doesn’t comment on whether the goals in the Strategy are good or bad, you provide guidance on how to make sure ONDCP meets its statutory obligations and that the Strategy is an effective document.

- **I understand that this is an ongoing audit, but from your review to date, was ONDCP’s consultation and inclusion of outside stakeholder feedback sufficient?**
- **If not, how would you improve ONDCP’s process?**

GAO Response: In 2019, GAO recommended that ONDCP develop and document key planning elements to help the agency meet the SUPPORT Act requirements for the 2020 *National Drug*

¹⁰ 21 U.S.C. § 1705(c)(1)(F).

¹¹ 21 U.S.C. § 1705(c)(3)(B)(i)(III) and (c)(3)(C)(i)(III).

Control Strategy and future Strategy iterations.¹² In June 2021, ONDCP officials addressed this recommendation by providing several internal guidance documents with key planning elements to help the agency meet the SUPPORT Act requirements for future iterations of the Strategy. As part of our ongoing work, GAO will assess the extent that ONDCP has followed its internal guidance and key planning elements for developing the 2022 *National Drug Control Strategy*, including steps related to consulting with stakeholders and Congress. Depending on the results of our audit work, GAO may have recommendations on how ONDCP could improve the process.

¹²GAO, *Drug Control: The Office of National Drug Control Policy Should Develop Key Planning Elements to Meet Statutory Requirements*, GAO-20-124 (Washington, D.C.: Dec. 18, 2019).

Questions for the Record from Senator Ben Ray Luján
U.S. Senate Caucus on International Narcotics Control
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1. The SUPPORT Act includes a statutory requirement for developing a “systematic plan for increasing data collection to enable real time surveillance of drug control threats, developing analysis and monitoring capabilities, and identifying and addressing policy questions related to the National Drug Control Strategy and Program.” GAO’s preliminary analysis of ONDCP’s 2022 Strategy notes that there is “not a systemic plan for increasing data collection” currently in place.

- **To your knowledge, does ONDCP collect any sort of data related to the amount of drug money laundered through the U.S. banking system?**

GAO Response: In the 2022 *National Drug Control Strategy*, ONDCP outlines a number of drug data sets that ONDCP uses to inform and monitor drug policy. These data sets derive from a number of National Drug Control Program agencies or their components, including the Drug Enforcement Agency, the Centers for Disease Control, and the FBI. However, the Strategy does not specifically name data related to drug money laundered through the U.S. banking system. The Strategy outlines a number of objectives focusing on data, including strengthening data systems, establishing new data systems and analytical methods, and enhancing the utility of drug data. Further, in 2021, ONDCP re-established the Drug Data Interagency Working Group to enhance collaboration in addressing drug policy data. While ONDCP has not yet developed a systematic data plan, ONDCP included information in the Strategy on its development and stated that it may take approximately 1 year to fully develop the plan, depending on the availability of staff and funding resources. GAO has not conducted work to determine whether data related to the amount of drug money laundered through the U.S. banking system will be included in the data work described in the Strategy or in ONDCP’s participation in the Drug Data Interagency Working Group.

2. One of the goals of the 2022 strategy is to increase the number of defendants convicted in active Organized Crime Drug Enforcement Taskforces investigations that incorporate FinCEN/SAR data by 14 percent by 2025.

- **Does the ONDCP currently have in place a plan to accurately track progress on that goal?**

GAO Response: In its 2022 National Drug Control Strategy Performance Review System Report, ONDCP stated that it plans to work with relevant departments and agencies to reach its objective of increasing the number of defendants convicted in active Organized Crime Drug Enforcement Task Forces (OCDETF) investigations that incorporate Financial Crimes Enforcement Network (FinCEN) Suspicious Activity Reports data by 14 percent by 2025. Specifically, it said it plans to work with relevant departments and agencies through existing coordination mechanisms, including the Interdiction Committee, as well as new coordinating mechanisms, such as the U.S. Council on Transnational Organized Crime, to address whole-of-

government efforts against TCOs engaged in the manufacture and trafficking of illicit drugs and their illicit finance enablers. Additionally, ONDCP said it plans to work with interagency partners to support the establishment of a sustainable and repeatable mechanism for implementing the Executive Order entitled Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade.¹³ ONDCP plans to use the Office of Foreign Assets Control's and OCDETF's management information system as the definitive sources of data for assessing progress toward this objective, along with input from FinCEN based on Bank Secrecy Act data. However, a January 2022 Department of Justice report noted that, "numerous other government agencies – including law enforcement agencies, federal functional regulators, and others – rely on [Bank Secrecy Act] data for a range of functions. These uses span investigations, international engagement, the preparation of key strategy documents, the examination of financial institutions, licensing applications, and enforcement actions, to name only a few. Like the Department, however, these agencies generally do not maintain or have access to data on how frequently [Bank Secrecy Act] filings lead to law enforcement processes or actions by other agencies, the time elapsed between the filing of a report and its use by federal agencies, and the number of legal entities and individuals identified, among other things."¹⁴

In the Performance Review System Report, ONDCP said there is currently not a single source database that can track whole-of-government efforts against the illicit finance activities of TCOs or their enablers. For example, Bank Secrecy Act data owned by FinCEN are shared with multiple agencies for analysis and use against TCOs and their enablers—including OCDETF. However, they said, there is not an existing feedback mechanism to track all enforcement action and prosecutorial outcomes against the full FinCEN data set. While ONDCP said individual agency case management systems can track agency work against illicit finance enablers and TCOs, no coordinating mechanism between departments can currently track interagency coordination or collaboration.

While the Performance Review System is to focus on the overall progress toward achieving the goals and objectives of the Strategy, according to ONDCP officials, ONDCP plans to release the 2022 National Drug Control Strategy Assessment in summer 2022. The Assessment is to establish each National Drug Control Program agency's specific performance measures, and include an evaluation of the progress of meeting the annual targets of those performance measures.

¹³ Exec. Order No. 14,059, Imposing Sanctions on Foreign Persons Involved in the Global Illicit Drug Trade (Dec. 15, 2021).

¹⁴U.S. Department of Justice, *FY2021 National Defense Authorization Act (NDAA), Section 6201 Department of Justice Report for the Secretary of the Treasury*, (Washington, D.C.: Jan., 2022).