

U.S. Department of Justice  
*Organized Crime Drug Enforcement Task Forces*

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***FY 2017***

***Interagency Crime and Drug  
Enforcement  
Congressional Submission***



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# **I. Overview of the Organized Crime Drug Enforcement Task Forces (OCDETF) Program**

## **A. General Overview**

### **1. Budget Summary**

The Organized Crime Drug Enforcement Task Forces (OCDETF) Program directly supports:

- Chapter 5 (Disrupt domestic drug trafficking and production) of the 2015 *President's National Drug Control Strategy*;
- Strategic Objectives 2.1 (Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers), 2.3 (Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs), and 2.4 (Investigate and prosecute corruption, economic crimes, and transnational organized crime) of the *Department of Justice's FY 2014 – FY 2018 Strategic Plan*;
- The Strategic Goals and Strategic Objectives of the 2015 *National Southwest Border Counter Narcotics Strategy (SWB CN Strategy)*, the 2015 *National Northern Border Counter Narcotics Strategy (NB CN Strategy)*, and the 2015 *Caribbean Border Counter Narcotics Strategy (CB CN Strategy)*;
- The 2011 President's *Strategy to Combat Transnational Organized Crime (TOC Strategy)*;
- The 2008 Department of Justice's *Law Enforcement Strategy to Combat International Organized Crime*;
- The 2009 Administration and Department of Justice's *Southwest Border Strategy*; and
- The 2010 Department of Justice's *Strategy for Combating the Mexican Cartels*.

The FY 2017 OCDETF Program Budget Request comprises 2,975 positions, 2,902 FTE, and \$522.135 million in funding for the Interagency Crime and Drug Enforcement (ICDE) Appropriation, to be used for investigative and prosecutorial costs associated with OCDETF cases targeting high-level criminal drug and money laundering networks as well as priority transnational poly-crime organizations whose primary criminal activity may not necessarily be drug-related.

At the direction of the Attorney General, in 2013 the Justice Department launched a comprehensive review of the criminal justice system in order to identify reforms that would ensure federal laws are enforced more fairly and – in an era of reduced budgets – more efficiently. This review resulted in the Department's Smart on Crime Initiative that, among other goals, seeks to ensure that the Department devotes its finite resources to the most important law enforcement priorities that implicate clear, substantial federal interests. The OCDETF Program and the highest priority aspects of Transnational Organized Crime (TOC) initiatives that OCDETF supports collectively embody the concept and goals of the Smart on Crime Initiative.

Established in 1982, the OCDETF Program has long been the centerpiece of the Department of Justice's long-term intra- and inter-agency drug enforcement strategy. It is the Program that

coordinates and channels all elements of federal law enforcement – including components of the Department of Homeland Security (DHS) and the Department of the Treasury – in its efforts against the most powerful and dangerous national and transnational criminal organizations engaged in drug trafficking and money laundering and those organizations primarily responsible for the nation’s illegal drug supply. OCDETF is a nationwide funded Program to reduce the availability of drugs and the violence, corruption, and other criminal activity associated with the drug trade by disrupting and dismantling the major criminal networks operating in or affecting the United States. OCDETF is also an integral part of the Administration’s *TOC Strategy*. The *TOC Strategy* complements the strategy OCDETF has implemented over the last three decades in targeting and dismantling the most powerful and dangerous transnational criminal organizations threatening the United States. The *TOC Strategy* recognizes that organized crime is no longer associated exclusively with traditional domestic groups, but is now fully transnational in its origin, composition, and scope and poses unprecedented threats to the United States’ national and economic security. These TOC threats include attempts by organized criminals to exploit our energy and other strategic sectors; support terrorists and hostile governments; manipulate our financial, securities, and commodities markets; and engage in other serious criminal activities.

The *TOC Strategy* extends the original OCDETF multi-agency, multi-department effort beyond drug enforcement to include the execution of long term, prosecutor-led, intelligence-driven, multi-jurisdictional investigations and prosecutions that target organizations whose transnational criminal conduct encompasses a broad array of criminal activity, often – but not always – including drug trafficking.

OCDETF’s core mission has always involved disruption and dismantlement of drug-centric transnational criminal networks, including several that are also independently priority TOC targets, such as the Sinaloa Cartel, as well as transnational drug trafficking organizations with documented links to terrorist organizations, such as the Fuerzas Armadas Revolucionarias de Colombia (FARC). At any given time OCDETF’s active case inventory includes hundreds of ongoing investigations linked to the Sinaloa Cartel or the FARC. Eleven, or 28%, of the 40 criminal organizations comprising the FY 2015 Mid-Year Consolidated Priority Organization Target (CPOT) List are components of the Sinaloa Cartel, and nine, or 23%, are linked to the FARC. Further, although traditional criminal organizations continue to dominate the international drug trade at all levels, drug income is a source of revenue for some international terrorist groups that are also TOC targets. DEA reports that approximately 38% of the organizations on the Foreign Terrorist Organizations list have possible ties to the drug trade.

Consistent with the Smart on Crime Initiative, the OCDETF Program does not encompass all federal drug enforcement efforts, only the efforts targeting the highest priority organized drug trafficking, money laundering, and recognized transnational criminal organizations. The powerful drug trafficking and money laundering networks targeted by OCDETF over the last thirty years represent one of the greatest threats facing our country and have enormous implications for our national security, economic prosperity, and public safety. Similarly, OCDETF supports investigations and prosecutions against only the highest priority TOC threats that implicate clear, substantial federal interests.

## 2. Introduction

The strategy of the OCDETF Program employs the enterprise theory of investigation to disrupt and dismantle every component of complex and powerful transnational criminal networks that threaten our national security. OCDETF's efforts are not limited to drug enforcement, however. As its name suggests, OCDETF attacks the highest levels of organized crime, including the transnational, national, and regional criminal organizations most responsible for the illegal drug supply in the United States and the diversion of licit drugs. These organizations include the international supply sources, their international and domestic transportation organizations, their regional and local distribution networks, their money launderers and financial infrastructure, and their violent enforcers. Additionally, beginning in FY 2009, OCDETF has supported strategic initiatives addressing the highest priority TOC targets through the International Organized Crime Intelligence and Operations Center (IOC-2).

OCDETF has long recognized that no single law enforcement entity is in a position to disrupt and dismantle sophisticated criminal organizations alone. OCDETF combines the resources and expertise of its seven federal agency members — the Drug Enforcement Administration (DEA); the Federal Bureau of Investigation (FBI); the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); the U.S. Marshals Service (USMS); the Internal Revenue Service, Criminal Investigation Division (IRS); the Homeland Security Investigations/Immigration and Customs Enforcement (ICE); and the U.S. Coast Guard (USCG) — in cooperation with the Department of Justice's Criminal Division, the 93 U.S. Attorneys' Offices, and state and local law enforcement, to identify, disrupt, and dismantle the drug trafficking and money laundering organizations most responsible for the Nation's supply of illegal drugs and the associated violence. Similarly, the *TOC Strategy* recognizes the need for a true multi-agency platform — a merged and badgeless organization that combines the resources and interests of all critical law enforcement partners, the time-tested model OCDETF has been using to disrupt and dismantle transnational drug-focused criminal organizations for more than thirty years. The OCDETF structure of national, regional, and district coordination groups and operational task forces lends itself particularly well to support the TOC interagency partners and help federal law enforcement in prioritizing and targeting the TOC figures and organizations that pose the greatest threat to the United States, take appropriate actions, and effectively coordinate investigations and prosecutions across multiple jurisdictions

The OCDETF Program focuses participants on the mission of attacking high-level organizations through coordinated, nationwide investigations. OCDETF manages the annual formulation of the Attorney General's Consolidated Priority Organization Target (CPOT) List, which is a multi-agency target list of the "command and control" elements of the most prolific international drug trafficking and money laundering organizations affecting the United States. OCDETF also requires its participants to identify major Regional Priority Organization Targets (RPOTs). Program resources are allocated, in part, on the basis of how successfully Program participants focus their efforts on the CPOTs and RPOTs and address the most significant and emerging drug threats. Finally, OCDETF works with its component agencies and representatives of the TOC

interagency to target the highest priority recognized transnational criminal organizations, such as those on the multi-agency Top International Criminal Organization Target List. The nature of the OCDETF Program, including its focus on the highest priority targets both nationally and internationally, ensures that scarce law enforcement resources are used for the greatest impact on the criminal organizations that pose the greatest threat to the United States.

### **3. Issues, Outcomes and Strategies**

Since FY 2002, OCDETF's budget requests have aimed at strategically reducing the nation's drug supply and the violence that accompanies organized drug trafficking, as well as maximizing the Program's performance. OCDETF continually seeks to balance investigative resources with prosecutorial resources. Specifically, OCDETF focuses on ensuring that the OCDETF member agencies continue to develop intelligence-driven strategies and initiatives that identify entire drug trafficking networks, which includes the financial infrastructure of such networks and the channels through which they obtain their weapons, and that OCDETF member agencies launch coordinated efforts designed to disrupt and dismantle every component of drug trafficking networks worldwide.

#### **Department of Justice Strategic Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law**

OCDETF's request is in direct support of the Department of Justice's Strategic Objective 2.1: "Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers;" 2.3: "Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs;" and 2.4: "Investigate and prosecute corruption, economic crimes, and transnational organized crime." Providing resources to the OCDETF Program ensures that resources will be focused on the highest priority drug trafficking, money laundering, and transnational organized crime targets, while leveraging the expertise and existing resources of OCDETF's member agencies from the Departments of Justice, Homeland Security, and Treasury. The disruption and dismantlement of drug trafficking networks operating regionally, nationally, and internationally is a critical component of the drug supply reduction effort.

#### **President's National Drug Control Strategy, Chapter 5: Disrupt Domestic Drug Trafficking and Production**

In addition, OCDETF's FY 2017 budget request directly supports Chapter 5 of the 2015 *President's National Drug Control Strategy*: "Disrupt Domestic Drug Trafficking and Production," by providing resources to attack the CPOTs, and transnational "Gatekeeper" organizations responsible for drug smuggling, money laundering, and violence along the Southwest Border. OCDETF continues to focus on denying drug traffickers their profits by using intelligence-driven counter-drug operations through the OFC and the following 12 OCDETF Co-Located Strike Forces/Southwest Border:

- Arizona (including Phoenix and Tucson);
- Atlanta;



- Boston;
- Chicago;
- Denver;
- El Paso (including southern New Mexico);
- Los Angeles;
- New York;
- Puerto Rico (Caribbean Corridor Strike Force);
- San Diego;
- South Texas (including Houston, Laredo, McAllen, and San Antonio); and
- Tampa/Sarasota (Panama Express).

**2015 National Southwest Border Counter Narcotics Strategy and 2015 National Northern Border Counter Narcotics Strategy, Strategic Goals: Substantially Reduce the Flow of Illicit Drugs, Drug Proceeds, and Associated Instruments of Violence across the Southwest, Northern, and Caribbean Borders**

OCDETF's FY 2017 budget request also directly supports the Strategic Goals of the 2015 *Southwest Border Counter Narcotics Strategy*, the 2015 *Northern Border Counter Narcotics Strategy*, and the 2015 *Caribbean Border Counter Narcotics Strategy*, which are designed to substantially reduce the flow of illicit drugs, drug proceeds, and associated instruments of violence across the Southwest, Northern, and Caribbean borders. OCDETF's focus is designed to enable its member agencies to achieve the objectives of the Strategies. These objectives are to:

- Enhance intelligence and information sharing capabilities and processes associated with air and maritime domains and with the borders;
- Interdict drugs, drug proceeds, and associated instruments of violence, in the air and maritime domains, at the ports of entry, and between the ports of entry along the borders;
- Ensure the prosecution of all significant drug trafficking, money laundering, bulk currency, and weapons trafficking/smuggling cases;
- Disrupt and dismantle drug trafficking organizations operating along the borders;
- Enhance counterdrug technologies for drug detection and interdiction along the borders;
- Enhance U.S. – Mexico cooperation regarding joint counterdrug efforts along the Southwest Border;
- Enhance counterdrug efforts and cooperation with tribal governments along the Northern Border;
- Substantially reduce the level of drug related violent crime in Puerto Rico and the U.S. Virgin Islands; and
- Strengthen communities and reduce the demand for drugs.

**2009 Southwest Border Strategy and 2010 Strategy for Combating Mexican Drug Cartels**

Finally, OCDETF's FY 2017 budget request directly supports, and is squarely aligned with the President's and Attorney General's 2009 *Southwest Border Strategy*, as well as the 2010 Department of Justice *Strategy for Combating the Mexican Cartels*. The specific goals of the

two Strategies are to systematically degrade the power of the Mexican drug cartels, while simultaneously improving the capacity of the Mexican law enforcement institutions to confront the cartels domestically. The desired outcomes of the Strategies are to:

- Increase the security of U.S. citizens along the Southwest Border and throughout the country;
- Reduce the flow of contraband, primarily drugs, entering the United States; and
- Reduce the flow of weapons and illegal cash into Mexico.

The specific law enforcement strategy to be pursued to achieve those desired outcomes is to continue to foster coordinated, nationwide investigations and prosecutions that inflict maximum damage on the cartels by incapacitating, through incarceration, large segments of cartel leadership, as well as subordinate cartel members and facilitators, while simultaneously destroying the financial infrastructure of the cartels through seizure and forfeiture of cartel assets. Both of the Department's Strategies specifically embrace the OCDETF model to achieve their comprehensive, proactive goals.

#### **4. OCDETF Program Costs**

OCDETF's budget request includes funding to reimburse participating OCDETF agencies from the Department of Justice. Funding for OCDETF participation by non-Justice agencies is sought in the budget requests of their respective Departments.

The Decision Units are structured to reflect Investigations and Prosecutions. The administrative program support provided by the OCDETF Executive Office is pro-rated between those two Decision Units, based upon the percentage of total appropriated OCDETF Program funding attributable to the member agencies within each Decision Unit.

Investigations Decision Unit – This Decision Unit includes the resources that support the investigative activities of the following participating agencies: ATF, DEA, FBI, and USMS. Also included are the resources that support the intelligence activities and the OCDETF Fusion Center (OFC), as well as the investigative activities related to priority TOC strategic initiatives. Investigative activities by ICE, USCG, and IRS in support of the OCDETF Program are funded out of the direct appropriations of their respective Departments – DHS for ICE and USCG and Treasury for IRS.

Investigative expenses reimbursed include: Purchase of Evidence/Payment for Information (PE/PI), mission-related travel, training, operational funding, supplies, electronic surveillance costs, and other equipment costs. Intelligence expenses include: basic and advanced training, software, workstations, desktop and laptop computers, other equipment costs, and mission-related travel.

Prosecutions Decision Unit – This Decision Unit includes the reimbursable prosecution resources situated at the 93 U.S. Attorneys' Offices around the country (executed through the Executive Office for U.S. Attorneys (EOUSA)) and at the Criminal Division of the Department of Justice (executed through attorneys in the Criminal Division and the OCDETF Executive Office).

Prosecution-related expenses include: case-related travel; training; printing and reproduction of court documents and court instruments; filing and recording fees; reporting and transcripts for deposition, grand jury, and court proceedings; litigation support; litigation graphics; fees for the reproduction of financial records; stenographic/interpreter services; translation expenses for securing foreign evidence and extradition; supplies and materials; and Automated Data Processing (ADP) and other equipment.

## 5. OCDETF Performance Challenges

The following are examples of some of the most significant performance challenges that OCDETF must confront.

### **External Challenges:**

**National Priorities:** National issues have caused some of the OCDETF member agencies to divert resources to responding to individual instances of criminal activity that are the result of the larger problem.

**Local Government:** State and local law enforcement agencies participate in approximately 90 percent of OCDETF investigations nationwide. Changes in the fiscal posture or policies of state and local governments can have dramatic effects on the capacity of state and local agencies to remain effective law enforcement partners. In addition, many state and local law enforcement officers serve as reservists and are called away for military duty.

**Globalization:** Issues of criminal justice increasingly transcend national boundaries, requiring the cooperation of foreign governments and involving treaty obligations and other foreign policy concerns. The nature of the relationships between the United States and particular foreign governments can dramatically impact law enforcement's ability to conduct operations against international sources of supply, to freeze and seize foreign assets, to apprehend fugitives in foreign countries, and to extradite defendants to stand trial in the United States.

**Technology:** Criminals are increasingly taking advantage of advances in telecommunications and the widespread use of the Internet, resulting in the creation of new classes of crimes, and new challenges for law enforcement. These technologies enable drug traffickers and money launderers to conduct their unlawful activities in ways that impede the effective use of traditional physical and electronic surveillance techniques, which otherwise are the most powerful means to infiltrate the highest levels of these organizations. Use of the Internet also makes it more difficult for law enforcement to identify the base of operations of certain criminal organizations.

## **Internal Challenges:**

**Resources:** The OCDETF Program continues to review its resource allocations to determine the optimum balance of personnel costs and operational costs that will maximize the performance of the Program.

**High Proportion of Personnel Costs:** Unlike most other federal agencies and components of the Department of Justice, almost all of OCDETF's appropriated funds are distributed through reimbursable agreements with its components to fund personnel costs of OCDETF prosecutors, investigative agents, and their support staff in the field. As a result, OCDETF does not have the option to absorb cuts by making meaningful reductions in non-personnel categories such as rent, operational costs, or non-essential activities.

**Competing Agency Priorities:** OCDETF is a Program comprised of multiple federal agencies from three separate Executive Branch Departments. Each Department and member agency has mandated its own priorities for carrying out its part of the fight against illegal drugs and transnational organized crime. OCDETF member agencies may prefer to fund their drug enforcement and TOC operations with monies from their direct appropriations, which they use at their own discretion, rather than to use OCDETF-allocated funds that they are accountable to OCDETF for using in support of the consolidated, multi-agency OCDETF mission. OCDETF must unite those agencies behind one single mission and ensure accountability for Program performance in an environment of competing philosophies and funding priorities in three different Departments. This task is particularly challenging with non-Justice agencies. In order to encourage these agencies to continue their participation in the Program now that they are no longer funded through the DOJ OCDETF appropriation, OCDETF relies on its proven track record of success, along with the agencies' historical commitment to the OCDETF mission and approach.

**Performance Measurement:** While Program results are not easily measurable, particularly over the span of a single year, it is possible to discern some measures of success. Measuring Program success is complicated by the fact that drug supply reduction and success against organized crime are reflections of a number of factors, including drug seizures, eradication efforts, precursor chemical interdictions, cash and asset seizures, increased border/transportation security, international military operations, social and political forces, climatic changes and even natural disasters.

**Balance of Direct and OCDETF-Funded Resources:** Experienced OCDETF attorneys and agents are necessary to investigate and prosecute large-scale, sophisticated criminal enterprises operating nationally and internationally. However, many OCDETF investigations against major supply organizations originate as non-OCDETF investigations targeting smaller networks and violent offenders. Thus, both direct-funded and OCDETF-funded resources are essential for effective disruption and dismantlement of the highest level targets, and appropriate staffing levels must be maintained in each category.

**Data Collection:** Processes for case tracking, time reporting, and overtime tracking vary from agency to agency and from region to region, resulting in inconsistencies in data and difficulties in monitoring compliance with OCDETF policies, procedures, and guidelines. The different processes can also complicate efforts to develop and monitor standard performance measures. However, OCDETF resolves these inconsistencies and complications as they occur by conducting regular reviews with its member agencies, addressing these data issues and implementing corrective measures.

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## II. Summary of Program Changes

| Item Name  | Description   |      |     |                 | Page |
|--|---|------|-----|-----------------|------|
|  |   | Pos. | FTE | Dollars (\$000) |      |
| <b>Co-Located Strike Forces/Southwest Border</b> | The requested funding will support OCDETF's efforts to dismantle the sophisticated transnational criminal organizations moving drugs, guns, and illicit drug proceeds across the Southwest Border of the United States pursuant to the Department's Southwest Border Drug Strategy. This initiative seeks to increase attorney and support staff resources in these key United States Attorneys' Offices to address the growing volume and complexity of Southwest Border OCDETF drug and firearms trafficking cases. FY 2017 current services for this program are 116 positions (116 attorneys) and \$28.4 million. | 36   | 18  | 3,793           | 40   |
| <b>Priority Transnational Organized Crime</b>    | OCDETF will use the requested operations funding to disrupt and dismantle recognized high value priority TOC targets such as those included in the Administration's Top International Criminal Organizations Target (TICOT) list. To support these efforts against transnational criminal organizations, OCDETF seeks funding for investigation and prosecutorial costs associated with such cases, including the purchase of evidence and purchase of information.   | 0    | 0   | 1,500           | 48   |
| <b>OCDETF Transnational Drug Prosecutions</b>    | The requested funding will support the growing number of OCDETF cases handled by the Criminal Division's Narcotic and Dangerous Drug Section (NDDS). With the addition of three OCDETF-funded trial attorneys, NDDS would be able to expand its already significant OCDETF work. Further, the additional support staff position would enable NDDS to better organize, monitor, report, coordinate, and de-conflict the information required to fully participate and comply with the OCDETF Program requirements. FY 2017 current services for this program are 3 positions (3 attorneys) and \$475 thousand.         | 4    | 2   | 436             | 52   |

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### III. Appropriations Language and Analysis of Appropriations Language

#### INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the identification, investigation, and prosecution of individuals associated with the most significant drug trafficking organizations, recognized transnational organized crime, and [affiliated] money laundering organizations not otherwise provided for, to include inter-governmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in recognized transnational organized crime and drug trafficking, [\$512,000,000] \$522,135,000, of which \$50,000,000 shall remain available until expended: *Provided*, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation.

*(Department of Justice Appropriations Act, 2016.)*

#### Analysis of Appropriations Language

The Transnational Organized Crime Program targets many transnational criminal organizations that are heavily involved in drug trafficking or drug-related money laundering, but it also targets dangerous poly-criminal networks that may not derive significant proceeds from drug trafficking but whose criminal activities – such as human trafficking, cybercrime, weapons trafficking, terrorism, public corruption – nevertheless threaten U.S. interests. The DOJ International Organized Crime Intelligence and Operations Center (IOC-2) is operated by the OCDETF Program. The language change is requested to clarify that OCDETF has full programmatic authority to engage in non-drug-centric TOC investigations of the highest priority TOC organizations and networks at IOC-2.

Since its inception, OCDETF's primary mission has been to investigate and prosecute the major criminal organizations that are most responsible for the illicit drug supply in the United States. As such, OCDETF has been the centerpiece of the Department of Justice's long-term intra- and inter-agency drug enforcement strategy. In recent years, though, many of the targeted criminal organizations have evolved to become poly-criminal, transnational organizations that also engage in other criminal activity that threatens U.S. public safety and national security interests. As the threat has evolved, so has the OCDETF Program. Since 2011, OCDETF has continued to focus its efforts against the largest national and international criminal organizations engaged in high level drug trafficking and drug-related violence and money laundering, and it has also been an integral part of the Administration's 2011 *Strategy to Combat Transnational Organized Crime (TOC Strategy)* and the Department of Justice's 2008 *Law Enforcement Strategy to Combat International Organized Crime*.

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## IV. Program Activity Justification

### A. Investigations

| <b>Investigations TOTAL</b>                   | <b>Direct. Pos.</b> | <b>FTE</b> | <b>Dollars \$(000)</b> |
|---|---------------------|------------|------------------------|
| 2015 Enacted                                  | 2,001               | 1,911      | \$355,027              |
| 2016 Enacted                                  | 1,885               | 1,884      | \$356,597              |
| Adjustments to Base and Technical Adjustments | 0                   | 0          | \$3,064                |
| 2017 Current Services                         | 1,885               | 1,884      | \$359,661              |
| 2017 Program Increases                        | 0                   | 0          | \$1,050                |
| 2017 Program Offsets                          | 0                   | 0          | 0                      |
| 2017 Request                                  | 1,885               | 1,884      | \$360,711              |
| <b>Total Change 2016-2017</b>                 | <b>0</b>            | <b>0</b>   | <b>4,114</b>           |

| <b>[Investigations]-Information Technology Breakout (of Decision Unit Total)</b> | <b>Direct Pos.</b> | <b>Estimate FTE</b> | <b>Amount</b> |
|--|--------------------|---------------------|---------------|
| 2015 Enacted   | 24                 | 24                  | 15,319        |
| 2016 President's Budget  | 24                 | 24                  | 15,468        |
| Adjustments to Base and Technical Adjustments                                    | 0                  | 0                   | 0             |
| 2017 Current Services  | 24                 | 24                  | 15,468        |
| 2017 Program Increases   | 0                  | 0                   | 0             |
| 2017 Request   | 24                 | 24                  | 15,468        |
| <b>Total Change 2016-2017</b>  | <b>0</b>           | <b>0</b>            | <b>0</b>      |

#### 1. Program Description

The FY 2017 request for the Investigations Activity is 1,885 reimbursable positions, 1,884 work-years, and \$360,711,000.

OCDETF investigations cannot be conducted without the cooperative efforts of OCDETF's various member agencies. OCDETF investigations require a mix of skills, experience, and enforcement jurisdiction, which no single agency possesses. The Program's strength is its ability to draw upon the combined skills, expertise, and techniques of each participating agency, both within, and outside of, the Department of Justice (the non-Justice agencies are funded by their own Departments' appropriations). The OCDETF law enforcement agencies that provide investigative and intelligence efforts in OCDETF cases are identified below:

**Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)** agents focus on major drug traffickers who also have violated laws related to the illegal trafficking and misuse of firearms and explosives. A significant portion of today's violent crime is directly associated with the distribution of drugs by sophisticated organizations. Firearms often serve as a form of payment for drugs and, together with explosives and arson, are used as tools by drug organizations for purposes of intimidation, enforcement and retaliation against their own members, rival

organizations, law enforcement, or the community in general. Thus, given the nexus between drugs, firearms, and violent crime, ATF's jurisdiction and expertise make it a well-suited partner in the fight against illegal drugs and violent crime.

**Drug Enforcement Administration (DEA)** is the agency most actively involved in the OCDETF Program, with an average participation rate in investigations that has continually exceeded 80 percent. The agency's vast experience in this field, its knowledge of international drug rings, its relationship with foreign law enforcement entities, and its working relationships with State and local authorities all have made DEA an essential element of the OCDETF Program.

**Federal Bureau of Investigation (FBI)** brings to OCDETF its extensive expertise in the investigation of national gangs, traditional organized crime, criminal enterprises, public corruption and white collar/financial crimes. The FBI uses its skills to gather and analyze intelligence data and undertake sophisticated electronic surveillance. The FBI remains committed to the OCDETF Program and to the goal of targeting major criminal organizations that traffic drugs and their financial infrastructure.

**Internal Revenue Service-Criminal Investigation (IRS)** agents work to dismantle and disrupt major drug-related money laundering organizations by applying their unique financial forensic skills to investigate all aspects of the organizations' illegal activities. The IRS uses the tax code, money laundering statutes, and asset seizure/forfeiture laws to thoroughly investigate the financial operations of targeted organizations. Given the OCDETF Program's concentration on identifying and destroying the financial systems that support the drug trade, and on seizing the assets and profits of major criminal organizations, IRS is a vital participant in the Program.

**Immigration and Customs Enforcement - Homeland Security Investigations (ICE-HSI)** agents contribute valuable financial and drug investigative expertise and intelligence to the OCDETF Program as a direct result of the agency's responsibility for identifying and dismantling vulnerabilities affecting the nation's border. The vast majority of drugs sold in this country are not produced domestically; the drugs themselves, or their essential precursor chemicals, are smuggled across one of our borders and transported for distribution throughout the country. ICE agents have a wide array of Customs and Immigration authorities at their disposal to support the Program, whether it be targeting high-risk vessels, containers, vehicles, or persons for inspection, or using their immigration expertise to ensure the arrest and prosecution of significant alien targets. In addition, ICE personnel are an invaluable asset in regional, national, and international money laundering investigations due to their financial investigative expertise.

**United States Coast Guard (USCG)** includes drug interdiction as one of its primary missions and has found itself in a unique position to support the work of OCDETF. Although OCDETF does not fund USCG positions, the USCG is the maritime expert for the Program and provides valuable intelligence and guidance on cases with maritime connections. USCG personnel also serve as liaisons with the military services, the Intelligence Community, and the National Narcotics Border Interdiction System.

**United States Marshals Service (USMS)** is the agency responsible for the apprehension of OCDETF fugitives, and it brings unique fugitive tracking and location capabilities to the OCDETF Program. Fugitives are typically repeat offenders who flee apprehension and continue their criminal enterprises elsewhere. The USMS also has responsibility for the pre-seizure investigation of assets in complex cases. The USMS has entered into a formal agreement with the U.S. Attorneys' Offices to ensure that all major drug trafficking or money laundering cases involving real property, ongoing businesses, out-of-district assets, and anything that is perishable will receive a detailed and timely pre-seizure planning investigation by the USMS.

Other investigative and intelligence resources that support the OCDETF Program are identified below:

**OCDETF Fusion Center (OFC)**, the cornerstone of OCDETF's intelligence efforts, is funded through the ICDE account and overseen by the OCDETF Director. The OFC has significantly enhanced OCDETF's overall capacity to engage in intelligence-driven, coordinated law enforcement, an essential component of the OCDETF Program. The OFC is a unique, comprehensive data center containing all drug and related financial intelligence information from all seven OCDETF-member investigative agencies, and FinCEN, as well as relevant data from many other agencies and partner organizations. The OFC is designed to conduct cross-agency integration and analysis of the data, to create comprehensive, fused intelligence pictures of targeted organizations, including those identified as CPOTs and RPOTs, and to pass actionable leads through the DEA-led, multi-agency Special Operations Division (SOD) to OCDETF participants in the field, including the OCDETF Co-Located Strike Forces/Southwest Border. These leads ultimately result in the development of better-coordinated, more comprehensive, multi-jurisdictional OCDETF investigations of the most significant drug trafficking and money laundering networks.

**International Organized Crime Intelligence and Operations Center (IOC-2)** was established in 2009, using staff obtained by shifting existing resources within the participating agencies, to emulate for TOC the successful models used in OCDETF drug enforcement. In partnership with the OFC and SOD, IOC-2 was able to commence operations quickly and at minimal additional expense. IOC-2 leveraged the already existing tools of the OFC and SOD, while simultaneously benefiting those organizations by expanding the scope of their missions, collection, and agency participation. IOC-2 brought several new federal law enforcement agencies into partnership with the OFC and SOD, and significantly enhanced the scope of contribution of current partners. Having the IOC-2 combined with and housed at the existing, multi-agency OFC and SOD provides more effective coordination of drug and non-drug aspects of the Government's overall efforts against the highest level transnational criminal organizations.

From its inception, IOC-2 began creating and disseminating to its member agencies important intelligence products that have led to successes in criminal investigations and prosecutions across the country. Additionally, IOC-2 is now regularly involved in de-confliction and case coordination and has hosted case coordination and threat mapping meetings that bring together agents and prosecutors from law enforcement agencies across the United States and abroad. IOC-2 has spearheaded several significant operations targeting the highest priority TOC targets, and has successfully encouraged its member agencies to merge their investigative efforts in a way that was not previously happening.

Funding provided directly to IOC-2 in recent years has helped to lighten the participating agencies' financial load in intelligence collection and case coordination. Additionally, beginning in FY 2015, OCDETF has supported a number of specific strategic initiatives that provide operational funding for TOC agencies' efforts to address the highest priority TOC targets, including the highest priority criminal networks identified by the Threat Mitigation Working Group as posing the greatest national security threat to the United States.

**OCDETF Co-Located Strike Forces** As noted above, **OCDETF Co-Located Strike Forces** have been established in twelve key locations around the United States, with a heavy focus on the Southwest Border region.

These Co-Located Strike Forces aggressively target the highest-level drug trafficking organizations. They bring a synergy to drug trafficking investigations by combining, side-by-side, the resources and expertise of all of OCDETF's participating investigative agencies, including state and local law enforcement officers and prosecutors. By coordinating their efforts, the participants in these Co-Located Strike Forces eliminate superfluous effort, save valuable resources, and produce some of the largest and most successful cases against national and international level drug trafficking organizations, particularly those organizations operating along and across the Southwest Border.

**State and local law enforcement** agencies participate in approximately 91 percent of all OCDETF investigations. State and local participation significantly expands OCDETF's available resource base and broadens the choice of venue for prosecution. Annually, approximately 1,200 state and local departments nationwide assist in the investigation of OCDETF cases. Currently, OCDETF reimburses state and local agencies for their overtime, travel, and per diem expenses with funds allocated by the Department of Justice Assets Forfeiture Fund. In FY 2015, OCDETF reimbursed state and local agencies \$29 million for their participation in OCDETF investigations and cases.

## B. Prosecutions

| <b>Prosecutions TOTAL</b>                     | <b>Direct. Pos.</b> | <b>FTE</b> | <b>Dollars \$(000)</b> |
|---|---------------------|------------|------------------------|
| 2015 Enacted                                  | 1,050               | 996        | \$152,167              |
| 2016 Enacted                                  | 1,050               | 998        | \$155,403              |
| Adjustments to Base and Technical Adjustments | 0                   | 0          | \$1,342                |
| 2017 Current Services                         | 1,050               | 998        | \$156,745              |
| 2017 Program Increases                        | 40                  | 20         | \$4,679                |
| 2017 Program Offsets                          | 0                   | 0          | 0                      |
| 2017 Request                                  | 1,090               | 1,018      | \$161,424              |
| <b>Total Change 2016-2017</b>                 | <b>40</b>           | <b>20</b>  | <b>\$6,021</b>         |

### 1. Program Description

The FY 2017 request for the Prosecution Activity is 1,090 positions, 1,018 work years, and \$161,424,000. The agencies that provide investigative support and prosecutorial efforts on OCDETF cases are identified below:

**The United States Attorneys' Offices** are essential to nearly every successful OCDETF investigation and prosecution. This is because the OCDETF model is the formulation of prosecutor-led, multi-agency task forces to conduct intelligence-driven, multi-jurisdictional investigations. OCDETF prosecutors participate in the development of the investigative strategy and provide the necessary legal services and counsel that investigators require. Attorney involvement early in the investigation ensures that prosecutions are well-prepared, comprehensively charged, and expertly handled.

#### **Criminal Division Programs**

**The Office of Enforcement Operations (OEO)** offers direct operational support to U.S. Attorneys' Offices by reviewing all applications for electronic surveillance and by providing guidance to agents and prosecutors on the development of such applications. Prompt, thorough processing of time-sensitive Title III applications is crucial to the success of OCDETF's coordinated, nationwide investigations, of which approximately 45 percent use federal wiretaps.

**Narcotic and Dangerous Drug Section (NDDS)** trial attorneys handle an increasing caseload of multi-regional and international OCDETF cases, working in coordination with U.S. Attorneys' Offices and foreign authorities. OCDETF-funded NDDS attorneys also assist in supporting and coordinating nationwide investigations through their work with SOD. OCDETF does not currently fund any litigating positions at NDDS.

**Asset Forfeiture and Money Laundering Section (AFMLS)** provides critical guidance to the field for the development of financial investigations, which are required in every OCDETF case. AFMLS attorneys are skilled in the application of money laundering and other financial statutes to specific types of sophisticated criminal activity, and they are particularly knowledgeable about the means to identify, freeze, seize, and repatriate assets from foreign jurisdictions. In addition,

AFMLS partners with OCDETF to administer OCDETF's nationwide financial training program. OCDETF does not currently fund any positions at AFMLS.

**Office of International Affairs (OIA)** has become increasingly involved in OCDETF investigations. With OCDETF's particular focus on targeting and dismantling international "command and control" organizations and other international sources of drug supply, OIA is called upon with greater frequency to handle requests under Mutual Legal Assistance Treaties, provisional arrest warrants, and extraditions arising out of OCDETF investigations.



## C. PERFORMANCE, RESOURCES, AND STRATEGIES

### 1. Performance Plan and Report for Outcomes

The goal of the Department of Justice’s Drug Strategy is to reduce the illegal drug supply in the United States and the diversion of licit drugs by disrupting and dismantling the most significant drug trafficking organizations and their related money laundering operations. The OCDETF Program, with its multi-agency partnerships and its focus on coordinated, multi-jurisdictional investigations against entire criminal drug networks, is the driving force behind the supply reduction strategy.

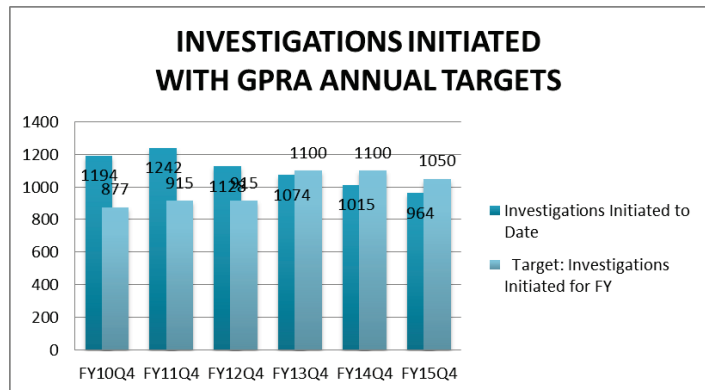
#### OCDETF Performance Indicators

OCDETF continues to vigorously pursue the goals laid out in the Department’s Drug Strategy by targeting major drug trafficking organizations in their entirety. OCDETF also remains committed to maintaining accountability for its resources, and the results of that commitment are evident in the following key performance areas:

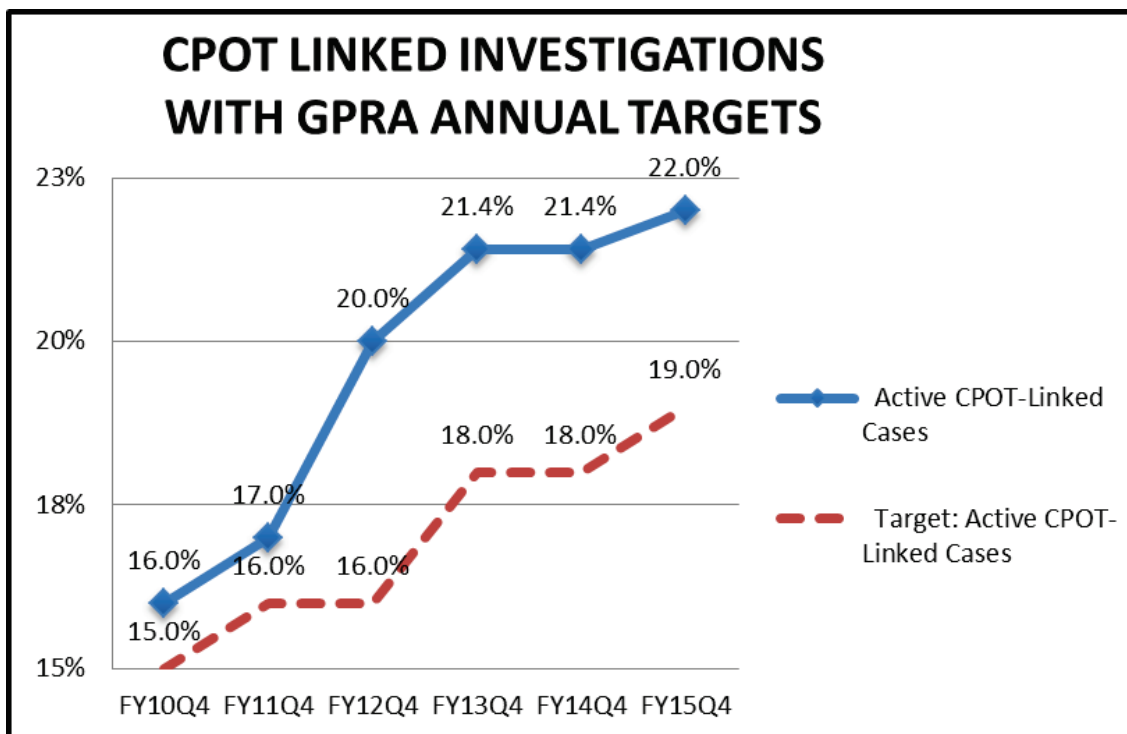
#### Significant New Investigations

The OCDETF Program Guidelines require that OCDETF participants focus Program resources on coordinated, nationwide investigations of major drug trafficking and money laundering organizations. During FY 2015, OCDETF continued its efforts to expand investigations to attack all levels of the supply chain regionally, nationally, and internationally.

OCDETF participants have been able to initiate approximately 1,000 new cases for several fiscal years in a row, resulting in a substantial target increase in FY 2013. During FY 2015, OCDETF initiated 964 new investigations and continued to maintain an active caseload of nearly 5,000 cases.



OCDETF district and regional coordination groups work to ensure that only those investigations that meet the standards established for OCDETF cases are approved and that the quality of these new investigations clearly reflects OCDETF’s commitment to pursue the most significant drug trafficking and money laundering organizations. The investigations are broad in scope and employ complex investigative techniques, including financial investigative techniques, and an increasing percentage of cases targeting transnational “command and control” organizations.



Most of the criminal organizations targeted by OCDETF investigations are poly-drug, meaning that they manufacture or distribute more than one type of illegal drug. Principal drugs involved in OCDETF investigations are cocaine, marijuana, heroin, and methamphetamine. Similarly, the threat posed by the diversion and abuse of prescription drugs is increasing, largely aided by rapidly increasing distribution of the most addictive drugs, such as prescription pain relievers.

Investigations against Consolidated Priority Organization Targets (CPOTs) and Regional Priority Organization Targets (RPOTs)

The goal of every OCDETF case is to continually work up and across the supply chain to make connections among related organizations nationwide. In particular, OCDETF participants strive to identify links to RPOTs, whose drug trafficking activities have a significant impact on the particular drug threats facing each of the OCDETF Regions and, ultimately, to one of the international “command and control” networks identified as a CPOT.

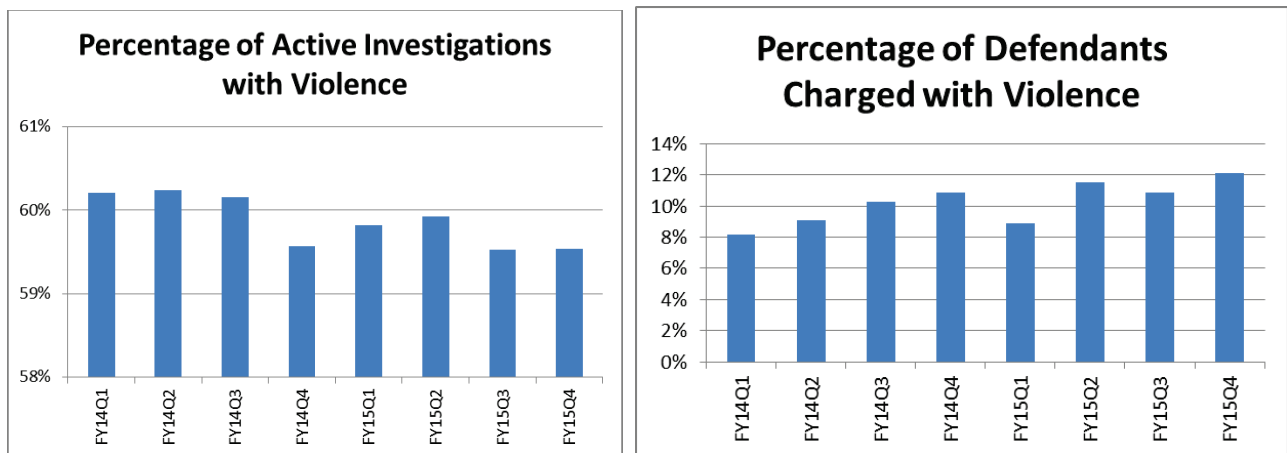
OCDETF’s commitment to pursuing priority targets is evident from the steady increase in the percentage of cases linked to these targets. It is significant to note that by the end of FY 2015, OCDETF’s CPOT-linked case inventory had increased to a total of 1,063 investigations, approximately 22 percent of OCDETF’s active case load. Furthermore, 44 percent of the active CPOT-linked investigations are currently out of the Southwest Region.

OCDETF data also demonstrates that OCDETF participants are pursuing these investigations to successful conclusions. Between 2003 and 2015, OCDETF agencies dismantled 75 CPOT targets and severely disrupted the operations of another 50. Additionally, between FY 2003 and

FY 2015, OCDETF disrupted or dismantled a total of 3,589 CPOT-linked organizations — organizations working with or otherwise associated with a CPOT. OCDETF dismantled 110 CPOT-linked organizations in FY 2015, exceeding its target by 24 percent. OCDETF disrupted 216 CPOT-linked organizations in FY 2015, exceeding its target by 20 percent.

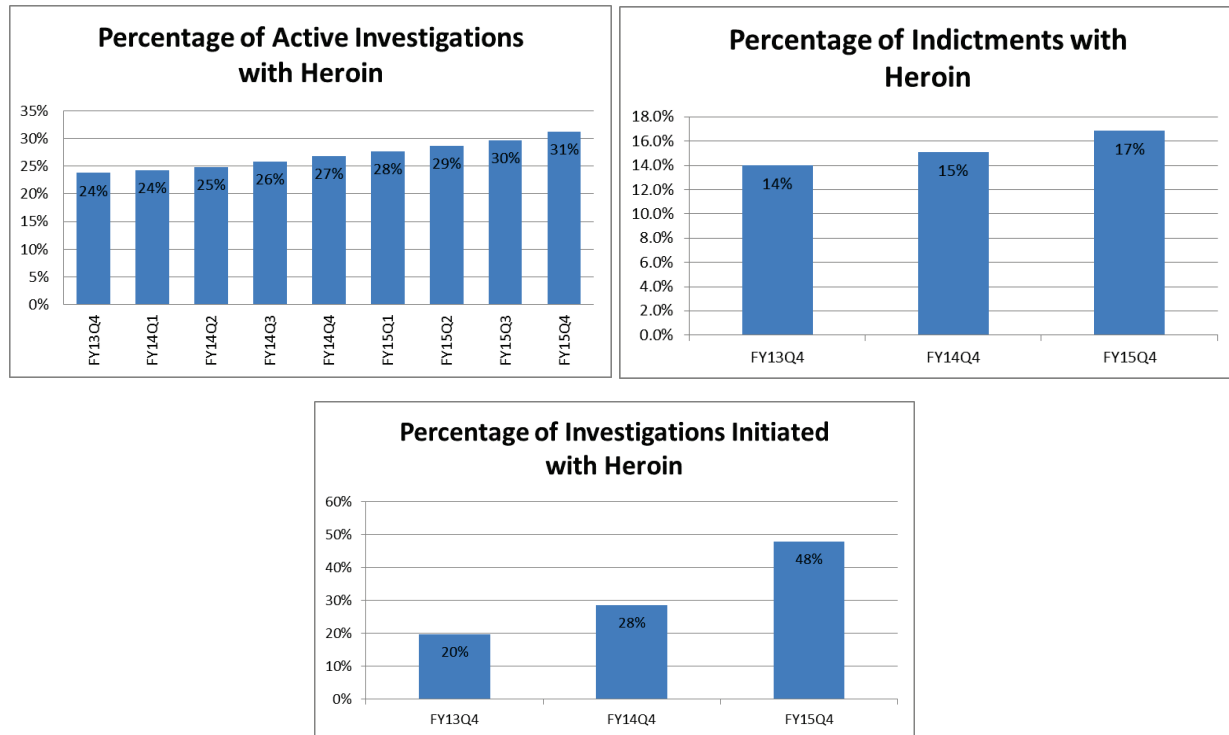
In FY 2015 OCDETF dismantled or disrupted 326 CPOT-linked drug trafficking organizations. Additionally, the significant enforcement actions of OCDETF agencies against CPOTs themselves has resulted in keeping multi-ton quantities of illegal drugs such as cocaine, heroin, marijuana and methamphetamine from ever entering the United States. OCDETF continues to be vigilant in auditing the quality of its data collection in this important performance area. OCDETF ensures that a thorough review of all cases reported to be linked to CPOTs is conducted to determine the validity of each link, and OCDETF has implemented controls to ensure that all links are properly supported.

Investigations against Violent Criminal Organizations



At the end of FY 2015, approximately 60 percent of active OCDETF investigations targeted criminal organizations engaged in firearms or weapons trafficking, murder, or other violence. Additionally, in FY 2015, OCDETF charged 1,215 defendants – or 12 percent of all defendants charged – with crimes of violence or firearms-related charges, and convicted 597 defendants – or 8 percent of all defendants convicted – on charges involving violence or firearms. OCDETF’s caseload and prosecutions demonstrate its commitment to targeting drug trafficking organizations that engage in criminal activities such as firearms/weapons violations, murder, material support to terrorist groups, or other violent activity. Additionally, ten (27%) of the current CPOT targets have links to designated terrorist organizations.

## Investigations Involving Heroin



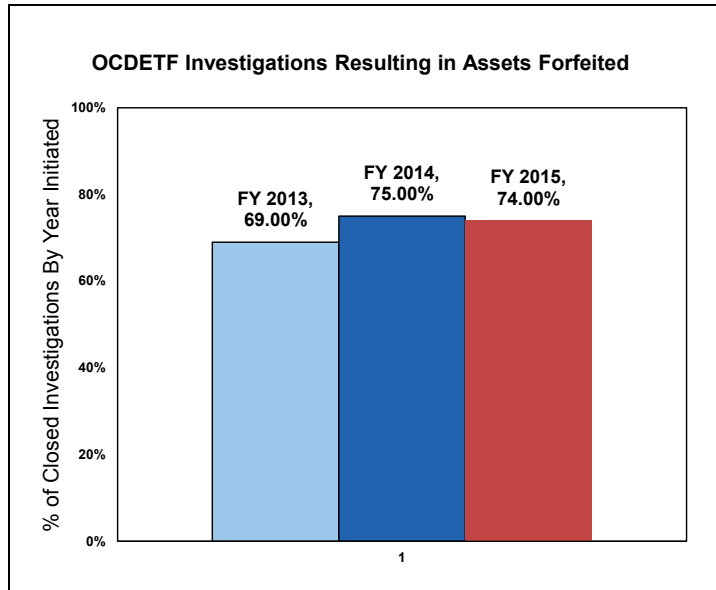
OCDETF data shows an increasing trend of investigations involving heroin, which has recently been on the rise quarterly, and a similar trend in indictments with heroin charges annually. To combat this serious nationwide threat, OCDETF has adjusted its resources to target these investigations in an attempt to reduce the supply.

## Success in Financial Investigations

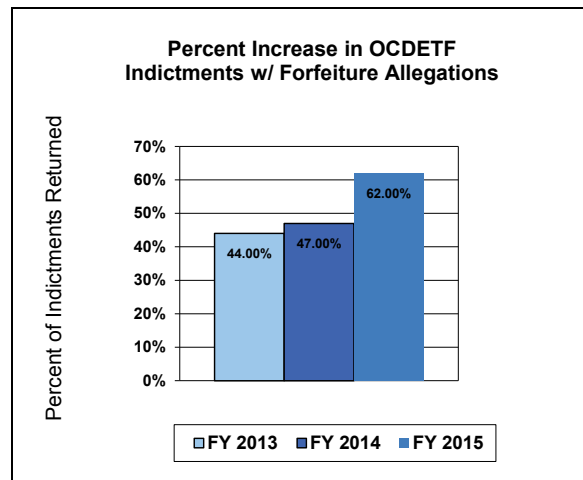
In order to have a significant impact on the financial systems that support the drug trade, OCDETF must be steadfast in charging and convicting those who conduct or facilitate illicit financial activity, and in seizing and forfeiting their assets.

More than 99 percent of OCDETF's active cases have an active financial investigation. This figure represents an all-time high and demonstrates that OCDETF participants are complying with OCDETF mandates that they must pursue financial investigations as an integral part of each drug investigation.

As a result of OCDETF's continuing focus on the importance of financial investigations, a significant percentage of investigations are resulting in the seizure of assets and in charges calling for the forfeiture of assets and proceeds related to illegal drug trafficking activity. The percentage of OCDETF investigations with indictments resulting in assets forfeited was 74 percent in FY 2015. Furthermore, 62 percent of indictments contained forfeiture allegations in FY 2015, a fifteen percent increase from 47 percent in FY 2014. In addition, the Assets Forfeiture Fund's Consolidated Asset Tracking System (CATS) report for FY 2015 indicates OCDETF seized approximately \$264 million in cash and property. During the last four fiscal years, FY 2012 – FY 2015, OCDETF investigations have been responsible for the seizure of over \$2.5 billion dollars.



In FY 2015, 15 percent of all OCDETF defendants were charged with financial violations. This is a sizeable increase from the 12 percent reported at the end of FY 2014. Additionally, ten percent of OCDETF's convicted defendants were reported convicted of a financial charge. This is higher than the eight percent reported at the end of FY 2014. Also, 30 percent of investigations with indictments that were closed in FY 2015 were reported as resulting in defendants convicted of financial violations. Additionally, seven percent of OCDETF's FY 2015 investigation initiations targeted a primary money laundering organization.



Although OCDETF has had many successes in the financial arena, there is still a long way to go. Despite increasing numbers, participating agencies have only seized or forfeited a fraction of the estimated drug proceeds that attract traffickers to the drug trade in the first place. Further, despite continued emphasis on targeting money launderers and facilitators, OCDETF's investigative agents and prosecutors still struggle to find expertise sufficient to fully investigate and dismantle the financial infrastructure of these criminal organizations.

OCDETF has taken a number of steps to assist its field components in improving Program performance in the financial arena. First, OCDETF continues to partner with the Criminal Division's Asset Forfeiture and Money Laundering Section (AFMLS) to provide financial training for agents, analysts, and prosecutors. Second, in FY 2007 OCDETF began addressing a

lack of financial investigators by establishing the Financial Investigator Contractors (FIC) Program. The FIC Program consists of a squad of three or four FICs in each of the nine OCDETF regions, with two teams assigned to the Southwest Region, for a total of ten squads. These investigators are assigned to DEA's Financial Investigation Teams (FITs) and are available to support OCDETF investigations in need of financial expertise. This Program is being funded from the Department of Justice's Assets Forfeiture Fund (AFF). AFF funds provided to support this program in FY 2014 were \$8.6 million.

In addition, OCDETF has used a combination of appropriated funds and AFF funds to provide 33 full time financial analysts and auditors to U.S. Attorney Offices who have demonstrated a need for such positions and has funded an additional nine financial analyst contractors at the OCDETF Co-Located Strike Forces/Southwest Border. OCDETF has also funded the deployment of Document and Media Exploitation teams to each of its Southwest Border Strike Forces. These teams of experienced intelligence analysts review voluminous case files and evidentiary materials to develop investigative leads and identify and trace potentially forfeitable assets. Finally, the financial section of the OFC generates leads that enable Program participants to make even greater headway against the financial components of sophisticated trafficking organizations.

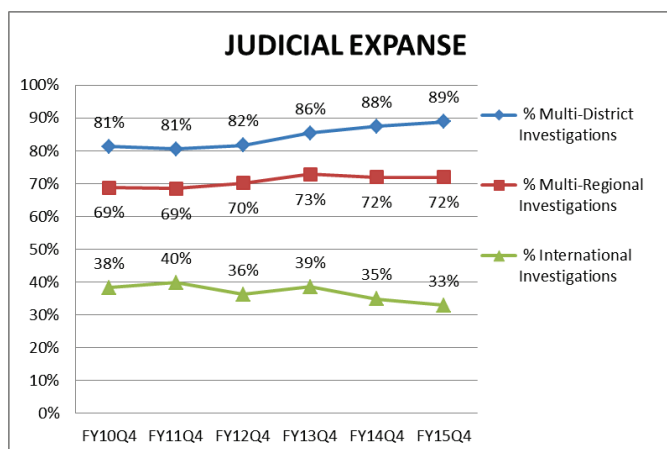
#### Target Leadership-Level Defendants

OCDETF continues to focus on the targeting of leadership-level defendants in its investigations. At the end of FY 2015, approximately 21 percent of prospective defendants targeted in new OCDETF investigations were leaders of their organizations. Furthermore, by the end of FY 2015, 80 percent of OCDETF investigations with indictments that were closed during the year resulted in the conviction of a leader. Additionally, 12 percent of OCDETF investigations with indictments that were closed during the year resulted in the conviction of a CPOT or an RPOT. By focusing on leadership-level targets, OCDETF is more likely to have a lasting impact against significant organizations and their operations.

#### Multi-jurisdictional and International Scope of OCDETF Investigations

One of the primary goals of the OCDETF Program is the development of multi-jurisdictional investigations that simultaneously target and attack the geographically-dispersed components of major trafficking networks. It is only by attacking these networks in their entirety that OCDETF can make a lasting impact on drug trafficking activity and drug supply.

As of the end FY 2015, 93 percent of all active OCDETF investigations were multi-jurisdictional – that is, the investigations are multi-district, multi-state, multi-regional, or international in scope. This significant percentage clearly demonstrates OCDETF's focus on



targeting major organizations operating outside district boundaries with far reaching connections. OCDETF investigations are frequently international in range and involve transnational criminal organizations. Thirty-three percent of OCDETF's investigations are international in scope – those investigations where there is active participation by, and coordination with, a foreign government. These investigations involve more than 100 different foreign law enforcement entities.

Furthermore, all of the current 37 CPOT targets are leaders of the most significant international drug trafficking and money laundering organizations that have the most significant impact on the illegal drug supply in the United States. Twenty-four – or 65% – of these current CPOT targets are based in Mexico. Drugs involved in OCDETF investigations are mostly imported into the United States from other countries. Fifteen – or 41% – of these current CPOT targets are involved in heroin trafficking. In FY 2015, 1,576 – or 16 % – of defendants charged in OCDETF investigations are foreign nationals.

### OCDETF Co-Located Strike Forces

OCDETF believes that one of the greatest opportunities for success in achieving Program goals is through the OCDETF Co-Located Strike Forces. These Co-Located Strike Forces best exemplify the effectiveness of the prosecutor-led, multi-agency task forces model in the attack on transnational organized criminal groups. For example, by the end of FY 2015, 45 percent of the OCDETF Strike Forces' caseload comprised active CPOT-linked investigations, which is more than double OCDETF's national average of 22 percent. Similarly, 80 percent of OCDETF Strike Force active cases involve complex investigative techniques, as compared to the national average of 78 percent, and 13 percent of OCDETF Strike Force active cases target primary money laundering organizations, which is also higher than the national average (nine percent). While there are OCDETF Strike Forces across the United States, they are most heavily focused on the Southwest Border.

## **2. Strategies to Accomplish Outcomes/FY 2017 Budget Request Relationship to Strategies**

### Enhancing OCDETF's Coordinated Pursuit of Entire Organizations

In order to maintain the OCDETF Program's ability to reduce the availability of illegal drugs and illegally diverted licit drugs to our citizens, OCDETF has focused its resources on coordinated, nationwide investigations targeting the entire infrastructure of major drug trafficking criminal organizations. These organizations are extremely complex. Their members traffic in illegal and dangerous drugs, launder illicit proceeds, arm themselves with and traffic in firearms, continue their criminal activities as fugitives, perpetuate violence and participate in terrorist activities. The FY 2017 request provides resources to maintain OCDETF's impact against these significant organizations. In order to truly disrupt and dismantle these criminal enterprises in their entirety, it is critical that OCDETF pursue these organizations at each and every level. This is precisely why the OCDETF Program was established – to combine the resources and expertise of its member agencies, and to exploit their unique investigative capabilities and authorities to achieve the greatest impact from drug law enforcement efforts. Attacking these high-level organizations in their entirety requires the active and coordinated participation of all the OCDETF member

agencies, with sufficient resources to support all phases of OCDETF investigations. It also requires that OCDETF member agencies think strategically about ways in which law enforcement may effectively exploit the vulnerabilities of these organizations. The OCDETF model for formation of prosecutor-led, multi-agency task forces conducting coordinated intelligence-driven investigations and prosecutions is the most effective platform from which to attack organized criminal groups.

#### Focusing on Intelligence-driven, Strategic Enforcement

OCDETF is determined to attack the infrastructure of major drug trafficking organizations at their most vulnerable points. The most effective method for accomplishing this is through carefully planned and comprehensive strategic initiatives pursued by the OCDETF Regions and the Co-Located Strike Forces.

OCDETF focuses on enhancing the capacity of its participants to undertake intelligence-driven, strategic enforcement initiatives. The OFC was established to integrate and analyze law enforcement investigative data and related financial data with the goal of providing law enforcement with the complete intelligence picture of the major international and domestic trafficking organizations. Leads generated from the OFC direct law enforcement efforts, especially those resources located at the OCDETF Co-Located Strike Forces, against those criminal organizations trafficking drugs and their related components nationwide. Such activities are conducted in a manner that will most effectively disrupt the operations of the major trafficking organizations and will result in their ultimate destruction. The twelve Co-Located Strike Forces, as well as SOD, are in unique positions to take advantage of OFC leads.

#### Using the CPOT and RPOT Lists

The Attorney General's CPOT List identifies international "command and control" drug traffickers and money launderers and is compiled through an inter-agency process. The FY 2016 CPOT list currently contains 37 targets, who are the leaders of the most significant drug trafficking organizations around the world that impact the supply of illegal drugs in the United States. The RPOT Lists identify those organizations whose drug trafficking and money laundering activities have a significant impact in a particular OCDETF Region.

The CPOT and RPOT Lists are important management tools for the OCDETF Program. These lists enable the OCDETF Regions and districts to focus enforcement efforts on specific targets that are believed to be primarily responsible for the national and regional drug supply, and to coordinate related nationwide investigations against the CPOT and RPOT organizations. It is through the disruption and dismantlement of these major drug trafficking and money laundering organizations that OCDETF will have its greatest impact on the overall drug supply.

#### Permanently Disabling Drug Organizations through Fugitive Apprehension

Simply indicting high-level drug traffickers and money launderers is not enough to ensure the success of the OCDETF Program. In order to permanently disable drug trafficking enterprises, organization members must be brought to justice, and their illegally-obtained assets must be



seized and forfeited; otherwise, these traffickers continue to operate their illegal enterprises indefinitely.

OCDETF defendants and fugitives are highly mobile, and they typically have extensive resources and an extended network of associates to assist them in avoiding arrest. Consequently, the longer they remain at large, the more difficult they become to apprehend and prosecute.

#### Increasing OCDETF Performance and Accountability

OCDETF is committed to holding its participants accountable for achieving the overall mission and goals of the Program — that is, disrupting and dismantling significant drug, money laundering, and transnational criminal organizations in order to assist in reducing the Nation's illegal drug supply and the diversion of licit drugs, as well as reducing the violence in our communities that is associated with the drug trade. Since May 2003, the OCDETF Executive Office has distributed comprehensive quarterly performance indicator reports to all U.S. Attorneys, OCDETF Lead Task Force Attorneys, and agency managers. These reports have become an essential management tool for field Program managers. The reports track key OCDETF performance indicator data and reporting compliance rates for each judicial district. The OCDETF Director uses this information to conduct district and agency performance reviews, to identify staffing deficits, reallocate existing resources and allocate new resources, and to identify areas for program improvement.

These performance indicator reports also drive OCDETF's budget requests and enable OCDETF to more effectively tie resource requests to Program accomplishments.

**PERFORMANCE AND RESOURCES TABLE**

**Decision Unit:** Organized Crime Drug Enforcement Task Force - Investigations

**DOJ Strategic Goal/Objective:** Goal 2: Prevent Crime, Enforce Federal Laws **Objective 2.1:** Combat the threat, incidence, and prevalence of violent crime **Objective 2.3:** Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs. **Objective 2.4:** Combat corruption, economic crimes, and international crime.

| RESOURCES   |                     |   | Target     |              | Actual     |              | Enacted    |              | Changes   |              | Requested (Total) |              |
|---|---------------------|---|------------|--------------|------------|--------------|------------|--------------|---|--------------|-------------------|--------------|
|   |                     |   | FY 2015    |              | FY 2015    |              | FY 2016    |              | Current Services Adjustments and FY 2017 Program Change |              | FY 2017 Request   |              |
| <b>Workload</b>   |                     |   |            |              |            |              |            |              |   |              |                   |              |
| Number of new OCDEF investigations initiated  |                     |   | 1,050      |              | 964*       |              | 1,050      |              | 0   |              | 1,050             |              |
| Number of active/judicial pending OCDEF investigations  |                     |   | 4,975      |              | 4837*      |              | 4,850      |              | 175   |              | 4,975             |              |
| <b>Total Costs and FTE</b><br>(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total) |                     |   | <b>FTE</b> | <b>\$000</b> | <b>FTE</b> | <b>\$000</b> | <b>FTE</b> | <b>\$000</b> | <b>FTE</b>  | <b>\$000</b> | <b>FTE</b>        | <b>\$000</b> |
|   |                     |   | 2,998      | 507,194      | 2,907      | 507,194      | 2,882      | 512,000      | 20  | 10,135       | 2,902             | 522,135      |
| TYPE  | Strategic Objective | PERFORMANCE 1&2/  | FY 2015    |              | FY 2015    |              | FY 2016    |              | Current Services Adjustments and FY 2017 Program Change |              | FY 2017 Request   |              |
|   |                     |   | FTE        | \$000        | FTE        | \$000        | FTE        | \$000        | FTE   | \$000        | FTE               | \$000        |
| Program Activity  | 2.1                 | Investigations  | 215        | 37,988       | 204        | 37,988       | 207        | 39,054       | 0   | 337          | 207               | 39,391       |
|   | 2.3                 |   | 1,785      | 316,079      | 1,707      | 316,079      | 1,677      | 315,983      | 0   | 2,727        | 1,677             | 318,710      |
|   | 2.4                 |   | 0          | 960          | 0          | 960          | 0          | 1,560        | 0   | 1,050        | 0                 | 2,610        |
| Performance Measure   |                     | A. Percent of active OCDEF investigations linked to CPOT 3/                       | 19%        |              | 22%        |              | 19%        |              | 1%  |              | 20%               |              |
|   |                     | B. Percent of active OCDEF investigations linked to RPOT 4/                       | 16%        |              | 16%        |              | 16%        |              | 0%  |              | 16%               |              |
|   |                     | C. Percent of active investigations involving SOD coordination                    | 33%        |              | 28**       |              | 31%        |              | 2%  |              | 33%               |              |
|   |                     | D. Percent of active investigations utilizing complex investigative techniques 5/ | 76%        |              | 78%        |              | 76%        |              | 1%  |              | 77%               |              |

Note: While participation by non-justice components is no longer funded through the Justice Appropriation, performance targets are calculated taking into account expected resources dedicated to OCDEF by the non-Justice components.

1/ Because OCDEF remains one of the highest of priorities for OCDEF participating agencies, it has been able to maintain many of its performance measure projections in spite of budget reductions. However, if OCDEF suffers further funding reductions it will likely be forced to reduce more of its performance measure projections in the future.

2/ Performance measures for transnational organized crime investigations are presently being developed.

3/ The Department's Drug Enforcement Task force strategy called on federal law enforcement agencies to collaboratively develop a unified national list of drug organization targets. This list has become known as the Consolidated Priority Organization Targets (CPOT) List. There are currently 37 CPOT targets in FY 2016. Targets on this list include heads of drug and/or money laundering organizations, poly-drug traffickers, clandestine manufacturers and producers and major drug transporters, all of whom are believed to be primarily responsible for the domestic drug supply.

4/ OCDEF regions are required to develop and maintain a list of Regional Priority Organization Targets (RPOTs)- that is, those individuals and organizations whose drug trafficking and/or money laundering activities have a significant impact in the region. The RPOT Lists, similar to the CPOT List, enable the OCDEF regions and districts to focus enforcement efforts on specific targets believed to be primarily responsible for the regional drug threat. OCDEF has directed the Regions to limit their RPOTs to only those drug trafficking organizations having the greatest impact on the drug supply to ensure the effective use of this strategic tool.

5/ Complex investigative techniques include the use of investigative grand jury, wiretaps, and/or requests through Mutual Legal Assistance Treaties.

**PERFORMANCE AND RESOURCES TABLE**

Decision Unit: Organized Crime Drug Enforcement Task Force-Prosecutions

DOJ Strategic Goal/Objective: **Goal 2:** Prevent Crime, Enforce Federal Laws **Objective 2.3:** Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs.

| RESOURCES           |                     |  | Target      |         | Actual        |         | Enacted     |         | Changes   |       | Requested (Total) |         |
|---------------------|---------------------|--|-------------|---------|---------------|---------|-------------|---------|---|-------|-------------------|---------|
| TYPE                | Strategic Objective | PERFORMANCE  | FY 2015     |         | FY 2015       |         | FY 2016     |         | Current Services Adjustments and FY 2017 Program Change |       | FY 2017 Request   |         |
|                     |                     |  | FTE         | \$000   | FTE           | \$000   | FTE         | \$000   | FTE   | \$000 | FTE               | \$000   |
| Program Activity    | 2.1                 | Prosecutions   | 110         | 16,738  | 109           | 16,738  | 110         | 17,095  | 8   | 613   | 118               | 17,708  |
|                     | 2.3                 |  | 888         | 135,429 | 887           | 135,429 | 888         | 138,308 | 65  | 4,958 | 953               | 143,266 |
|                     | 2.4                 |  | 0           | 0       | 0             | 0       | 0           | 0       | 0   | 450   | 0                 | 450     |
|                     |                     |  |             |         |               |         |             |         |   |       |                   |         |
| Performance Measure |                     | A. Number of OCDETF Defendants Indicted/Convicted  | 9,600/9,000 |         | 10,072/7,958* |         | 9,600/9,000 |         | 0/0   |       | 9,850/9,250       |         |
|                     |                     | 1. Number and percent of convicted defendants linked to CPOT   | 450/5%      |         | 372*/5%       |         | 450/5%      |         | 25/0%   |       | 475/5%            |         |
|                     |                     | 2. Number and percent of convicted defendants linked to RPOT   | 375/4%      |         | 359*/5%       |         | 375/4%      |         | 20/0%   |       | 395/4%            |         |
|                     |                     | B. Percent of OCDETF investigations with indictments/informations resulting in the conviction of either a CPOT or a defendant that is part of the command structure of a CPOT or otherwise connected to a CPOT or an RPOT or defendant that is part of the command structure of an RPOT or is otherwise connected to an RPOT** | 16%         |         | 12*           |         | 16%         |         | 0%  |       | 16%               |         |
|                     |                     | C. Percent of OCDETF investigations with indictments resulting in financial convictions**  | 25%         |         | 29%           |         | 25%         |         | 2%  |       | 27%               |         |
|                     |                     | D. Percent of OCDETF investigations with indictments/informations resulting in assets forfeited**  | 75%         |         | 74*           |         | 75%         |         | 0%  |       | 75%               |         |

| PERFORMANCE AND RESOURCES TABLE   |                     |   |         |         |            |   |                   |
|---|---------------------|---|---------|---------|------------|---|-------------------|
| <b>Decision Unit:</b> Organized Crime Drug Enforcement Task Force   |                     |   |         |         |            |   |                   |
| <b>DOJ Strategic Goal/Objective:</b> Goal 2: Prevent Crime, Enforce Federal Laws <b>Objective 2.3:</b> Combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs. |                     |   |         |         |            |   |                   |
| WORKLOAD/ RESOURCES   |                     |   | Target  | Actual  | Projected  | Changes   | Requested (Total) |
| TYPE  | Strategic Objective | PERFORMANCE   | FY 2015 | FY 2015 | FY 2016    | Current Services Adjustments and FY 2017 Program Change | FY 2017           |
| Outcome   | 2.3                 | A. Percent of investigations resulting in disruption/dismantlement of targeted organization** | 85%     | 87%     | 85%        | 2%  | 87%               |
|   |                     | B. Conviction Rate  | 90%     | 91%     | 90%        | 1%  | 91%               |
|   |                     | C. Number of CPOT-Linked Organizations disrupted/dismantled in OCDETF Investigations          | 180/89  | 216/110 | 119/107*** | 0/0   | 119/107***        |

\* Performance slightly lower than estimated.

\*\* Data based on information reported in OCDETF Final Reports. Due to the lag in reporting, activity may have occurred in a prior year.

\*\*\* Targets have been adjusted to reflect DEA's amended reporting protocols which do not include Category D PTOs(disrupted pending dismantlements) in the total number of DEA disruptions.

### Data Valuation and Verification Issues

#### Data Collection:

The OCDETF Program currently collects/collates data from OCDETF agents and attorneys working on investigations within each district through the use of five OCDETF forms: (1) the Investigation Initiation Form, which is used to provide information as a basis to obtain approval for each investigation; (2) the Indictment/Information Form, which is used to record each indictment returned in OCDETF cases; (3) the Disposition and Sentencing Report, which is used to record all charges in OCDETF cases and to record final resolution of those charges; (4) the OCDETF Interim Report, which is to be filed every six months while an OCDETF case is open and active, and which is used to update the status of the investigation and all case information; (5) and the OCDETF Final Report, which provides information at the end of a case and is used to measure both the extent to which a targeted organization was disrupted or dismantled and the overall impact of the investigation. All report information is input into the OCDETF Management Information System (MIS)

#### Data Validation:

Data submitted on OCDETF forms and reports is verified by the OCDETF District Coordination Group, the OCDETF Regional Coordination Group, and the OCDETF Executive Office. Data is reviewed periodically, monthly and annually to ensure that data is accurate and reliable. Additional data reviews are conducted as necessary on an ongoing basis.

OCDETF cross-checks its data with data collected by other entities, including: the EOUSA which collects data on indictments, convictions and sentences; CATS, which captures data on seized and forfeited assets, and DEA's PTARRS database, which contains information regarding DEA's CPOT-linked and RPOT-linked organizations and investigations.

**PERFORMANCE MEASURE TABLE**

**Decision Unit: Investigations**

| Performance Report and Performance Plan Targets |   | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 |        | FY 2016 | FY 2017 |
|---|---|---------|---------|---------|---------|---------|---------|--------|---------|---------|
|   |   | Actual  | Actual  | Actual  | Actual  | Actual  | Target  | Actual | Target  | Target  |
| <b>Performance Measure</b>                      | Percent of active OCDETF investigations linked to CPOT  | 16%     | 17%     | 20%     | 22%     | 21%     | 19%     | 22%    | 19%     | 20%     |
| <b>Performance Measure</b>                      | Percent of active OCDETF investigations linked to RPOT  | 18%     | 17%     | 16%     | 17%     | 16%     | 16%     | 16%    | 16%     | 16%     |
| <b>Performance Measure</b>                      | Percent of active investigations involving SOD Coordination or OFC Involvement (Discontinued) | 40%     | 41%     | 40%     | N/A     | N/A     | N/A     | N/A    | N/A     | N/A     |
| <b>Performance Measure</b>                      | Percent of active investigations involving SOD Coordination                                   | N/A     | N/A     | 35%     | 34%     | 31%     | 33%     | 28%    | 31%     | 33%     |
| <b>Performance Measure</b>                      | Percent of active investigations utilizing complex investigative techniques                   | 76%     | 75%     | 76%     | 78%     | 77%     | 76%     | 78%    | 76%     | 77%     |

| PERFORMANCE MEASURE TABLE                       |  |                  |                  |                   |                  |                 |                 |                  |                 |                 |
|---|--|------------------|------------------|-------------------|------------------|-----------------|-----------------|------------------|-----------------|-----------------|
| Decision Performance Unit: Prosecutions         |  |                  |                  |                   |                  |                 |                 |                  |                 |                 |
| Performance Report and Performance Plan Targets |  | FY 2010          | FY 2011          | FY 2012           | FY 2013          | FY 2014         | FY 2015         |                  | FY 2016         | FY 2017         |
|   |  | Actual           | Actual           | Actual            | Actual           | Actual          | Target          | Actual           | Target          | Target          |
| <b>Performance Measure</b>                      | Number of OCDETF Defendants Indicted/Convicted   | 10,888/<br>8,972 | 13,038/<br>9,443 | 12,140/<br>10,382 | 11,652/<br>9,663 | 9,325/<br>9,050 | 9,600/<br>9,000 | 10,072/<br>7,958 | 9,600/<br>9,000 | 9,850/<br>9,250 |
| <b>Performance Measure</b>                      | 1. Number and percent of convicted defendants linked to CPOT***  | 501/5%           | 523/5%           | 624/5%            | 431/4%           | 464/5%          | 450/5%          | 372/5%           | 450/5%          | 475/5%          |
| <b>Performance Measure</b>                      | 1. Number and percent of convicted defendants linked to RPOT***  | 5915/6%          | 523/5%           | 384/3%            | 399/4%           | 341/4%          | 375/4%          | 359/5%           | 375/4%          | 395/4%          |
| <b>Performance Measure</b>                      | Percent of OCDETF investigations resulting in the conviction of a leader (Discontinued)  | 80%              | 76%              | 80%               | N/A              | N/A             | N/A             | N/A              | N/A             | N/A             |
| <b>Performance Measure</b>                      | Percent of OCDETF investigations with indictments/informations resulting in the conviction of either a CPOT or a defendant that is part of the command structure of a CPOT or otherwise connected to a CPOT or an RPOT or defendant that is part of the command structure of an RPOT or is otherwise connected to an RPOT* | N/A              | N/A              | N/A               | 15%              | 14%             | 16%             | 18%              | 16%             | 16%             |
| <b>Performance Measure</b>                      | Percent of OCDETF investigations with indictments resulting in financial convictions   | 24%              | 27%              | 25%               | 24%              | 26%             | 25%             | 29%              | 25%             | 27%             |
| <b>Performance Measure</b>                      | Percent of OCDETF investigations with indictments/informations resulting in assets forfeited*  | N/A              | N/A              | 77%               | 73%              | 75%             | 75%             | 74%              | 75%             | 75%             |
| <b>OUTCOME Measure</b>                          | Percent investigations resulting in disruption/dismantlement of targeted organization  | 80%              | 86%              | 85%               | 85%              | 87%             | 85%             | 87%              | 85%             | 87%             |
| <b>OUTCOME Measure</b>                          | Number of CPOT-Linked Organizations disrupted/dismantled in OCDETF investigations  | 214/120          | 231/130          | 243/113           | 301/145          | 222/123         | 180/89          | 216/110          | 119/107         | 119/107         |
| <b>OUTCOME Measure</b>                          | Conviction Rate  | N/A              | N/A              | 91%               | 91%              | 92%             | 90%             | 91%              | 90%             | 91%             |

N/A = Data unavailable  
\*\*\*Data for these measures has been updated.

**Interagency Crime and Drug Enforcement (ICDE)**  
**FY 2017 Summary of Resources**  
(Dollars in Thousands)

| Estimate by Program                     | 2015 Enacted |              |              |                | FY 2016 Estimate |              |              |                | FY 2017 Request |              |              |                |
|---|--------------|--------------|--------------|----------------|------------------|--------------|--------------|----------------|-----------------|--------------|--------------|----------------|
|   | Perm. Pos.   | Agents/Atty  | WY           | Amount         | Perm. Pos.       | Agents/Atty  | WY           | Amount         | Perm. Pos.      | Agents/Atty  | WY           | Amount         |
| Law Enforcement:                        |              |              |              |                |                  |              |              |                |                 |              |              |                |
| Drug Enforcement Administration         | 1,225        | 838          | 1,134        | 189,011        | 1,120            | 825          | 1,120        | 189,759        | 1,120           | 825          | 1,120        | 191,404        |
| Federal Bureau of Investigation         | 676          | 464          | 676          | 130,426        | 663              | 455          | 663          | 130,560        | 663             | 455          | 663          | 131,693        |
| United States Marshals Service          | 39           | 36           | 38           | 8,078          | 39               | 36           | 38           | 8,080          | 39              | 36           | 38           | 8,150          |
| Alcohol, Tobacco, Firearms & Explosives | 50           | 49           | 50           | 10,866         | 50               | 49           | 50           | 10,869         | 50              | 49           | 50           | 10,963         |
| OCDETF Executive Office (OFC)           | 1            | 0            | 1            | 10,300         | 1                | 0            | 1            | 10,300         | 1               | 0            | 1            | 10,389         |
| IOC2                                    | 0            | 0            | 0            | 960            | 0                | 0            | 0            | 1,560          | 0               | 0            | 0            | 1,560          |
| Subtotal:                               | 1,991        | 1,387        | 1,899        | 349,641        | 1,873            | 1,365        | 1,872        | 351,128        | 1,873           | 1,365        | 1,872        | 354,159        |
| Prosecution:                            |              |              |              |                |                  |              |              |                |                 |              |              |                |
| United States Attorneys                 | 1,027        | 555          | 975          | 147,086        | 1,027            | 555          | 975          | 150,228        | 1,063           | 579          | 993          | 155,323        |
| Criminal Division                       | 13           | 10           | 13           | 2,002          | 13               | 10           | 13           | 2,045          | 17              | 13           | 15           | 2,499          |
| Threat Response Unit                    | 5            | 5            | 5            | 771            | 5                | 5            | 5            | 787            | 5               | 5            | 5            | 794            |
| Subtotal:                               | 1,045        | 570          | 993          | 149,859        | 1,045            | 570          | 993          | 153,060        | 1,085           | 597          | 1,013        | 158,616        |
| National Emerging Threats               | 0            | 0            | 0            | 2,194          | 0                | 0            | 0            | 2,194          | 0               | 0            | 0            | 2,194          |
| Priority Transnational Organized        | 0            | 0            | 0            | 0              | 0                | 0            | 0            | 0              | 0               | 0            | 0            | 1,500          |
| Administrative Support:                 |              |              |              |                |                  |              |              |                |                 |              |              |                |
| Executive Office                        | 15           | 3            | 15           | 5,500          | 17               | 3            | 17           | 5,617          | 17              | 3            | 17           | 5,666          |
| Subtotal:                               | 15           | 3            | 15           | 5,500          | 17               | 3            | 17           | 5,617          | 17              | 3            | 17           | 5,666          |
| <b>TOTAL OCDETF:</b>                    | <b>3,051</b> | <b>1,960</b> | <b>2,907</b> | <b>507,194</b> | <b>2,935</b>     | <b>1,938</b> | <b>2,882</b> | <b>512,000</b> | <b>2,975</b>    | <b>1,965</b> | <b>2,902</b> | <b>522,135</b> |

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## V. Program Increases by Item

|                          |   |
|--------------------------|---|
| Item Name:               | <b>Priority OCDETF Co-Located Strike Forces/Southwest Border</b>  |
| Strategic Goal:          | <b>Goal 2:</b> Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law  |
| Strategic Objectives:    | <b>Objective 2.1:</b> Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers;<br><b>Objective 2.3:</b> Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs; and<br><b>Objective 2.4:</b> Investigate and prosecute corruption, economic crimes, and transnational organized crime. |
| Budget Decision Unit(s): | Prosecutions Decision Units   |
| Organizational Program:  | United States Attorneys   |
| Program Increase:        | Positions <u>36</u> Agt/Atty <u>24</u> FTE <u>18</u> Dollars <u>\$3.793 million</u>   |

### **Prosecutors along the Southwest Border**

#### Description of Item

OCDETF is seeking \$3.793 million, 24 attorney positions, and 12 support positions to dismantle the sophisticated transnational criminal organizations moving drugs, guns, and illicit drug proceeds across the Southwest Border of the United States. This enhancement will allow OCDETF to add 10 new prosecutor positions to fully support the OCDETF Co-Located Strike Forces and 14 attorneys along the Southwest Border that target those organizations having a significant impact on the overall U.S. drug supply and those contributing to the violence along the Southwest Border. This initiative seeks to increase attorney and support staff resources in these key United States Attorneys' Offices to address the growing volume and complexity of Southwest Border OCDETF drug cases, including the growing scope of firearms trafficking investigations. It will also ensure attorneys and agents are better able to work together to continue the implementation of the Department's Southwest Border Drug Strategy. The United States Attorneys need more prosecutors and support staff to appropriately support the OCDETF cases developed by partner agencies. This enhancement will provide sufficient attorney and analytical resources to ensure that these investigations have adequate legal oversight and that identified organizations are fully prosecuted.

## Justification

### Background

The Southwest Border serves as the principal arrival zone for most of the illegal drugs smuggled into the United States. Mexican drug cartels operating along both sides of the border have become the world's preeminent drug traffickers. Organizationally complex, and with a high propensity for violence, these groups transport multi-ton shipments of heroin, methamphetamine, and marijuana produced in Mexico. They are also hired by Central and South American trafficking organizations to transport equally large amounts of heroin and cocaine into the United States. These powerful Mexican drug cartels currently threaten the national security of our Mexican neighbors, pose an organized crime threat to the United States, and are mostly responsible for the scourge of illicit drugs and accompanying violence in both countries.

As noted in the 2015 *Southwest Border Counter Narcotics Strategy*, there have been numerous successes against cartel leaders in Mexico in recent years, but these powerful transnational criminal networks still pose a threat to both the United States and Mexico. Smaller criminal organizations continue to establish alliances with the larger Mexican organizations and operate on behalf of them in several hundred U.S. cities. It remains imperative to focus law enforcement efforts on conducting investigations and prosecutions that emphasize disrupting and dismantling these criminal organizations in a multi-layered effort.

According to DEA's 2014 *National Drug Threat Assessment (NDTA)*, the threat posed by heroin in the United States is increasing in areas across the country, especially in the Northeast and North Central regions. Further, the heroin source areas that remained fairly steady in the last three decades have begun to change. In 2012, heroin from Mexico accounted for 45 percent (by weight) of the heroin analyzed through the DEA's Heroin Signature Program. Heroin seizures at the Southwest Border are rising, as Mexican transnational criminal organizations increase heroin production and transportation. Heroin seizures at the border more than doubled over the five years from 2009 (846 kilograms) to 2013 (2,196 kilograms). During that time, the average seizure size along the Southwest Border increased from 2.9 kilograms to 3.8 kilograms and the number of seizure incidents increased from 295 incidents to 580 incidents. The *NDTA* also reports that most cocaine available in the United States continues to be produced in Colombia and smuggled across the Southwest Border.

Further, the *NDTA* reports that the majority of methamphetamine available in the United States is Mexico-produced. It is highly pure and potent and is increasingly available. Thousands of kilograms of Mexican methamphetamine are seized along the Southwest Border annually. In 2013, as in 2012, methamphetamine seizures at the border continued to rise. Large shipments (50 pounds or more) are regularly seized at the Southwest Border. Between calendar year (CY) 2012 and CY 2013, the amount of powder and crystal methamphetamine seized at the Southwest Border increased 18.5 percent. From CY 2009 to CY 2013, seizures at the border increased over 200 percent. Additionally, trafficking of liquid methamphetamine, that is, finished methamphetamine that has been dissolved in a liquid solvent, or methamphetamine-in-suspension, continues to be challenging for law enforcement because of its ease of concealment. While most methamphetamine is smuggled into the United States in powder or crystal form,

methamphetamine is increasingly smuggled into the United States in liquid form for conversion into crystal methamphetamine.

Marijuana is the most widely available and commonly abused illicit drug in the United States. According to the 2014 *NDTA*, high availability levels are due to large-scale marijuana importation from Mexico, as well as increasing domestic indoor grows. Mexico-produced marijuana continues to be transported into the United States across the Southwest Border. Between 2010 and 2013, marijuana seizures by U.S. Customs and Border Protection (CBP) remained stable at 1.3 to 1.4 million kilograms per year along the Southwest Border. Mexico-produced marijuana seizures are typically larger than domestic seizures. Mexico-produced marijuana is smuggled into the United States by various means: subterranean tunnels, shipment containers, and hidden compartments in personal vehicles. Tunnels along the Southwest Border are often used to transport large quantities of drugs, particularly bulk quantities of marijuana. Tunnels often include sophisticated rail and lighting systems. In October 2013, more than eight tons of marijuana were seized linked to an elaborate cross border tunnel. Since 2006, federal authorities have detected at least 80 cross-border smuggling tunnels, most of them in California and Arizona.

At the same time, billions of dollars in drug proceeds continue to make their way across the border into Mexico to further fuel the drug trade and its attendant violence. Mexican and Colombian drug trafficking organizations generate, remove, and launder between \$18 billion and \$39 billion in wholesale drug proceeds annually, a large portion of which is believed to be smuggled in bulk across the border back into Mexico. With access to billions of dollars, the powerful cartels have almost limitless resources that enable them to bribe, extort, threaten, intimidate, and terrorize.

Finally, firearms trafficking from the United States to Mexico contributes to violence on both sides of the border, as paramilitary groups and U.S.-based prison and street gangs serve as enforcement arms of the Mexican drug cartels. Mexican drug trafficking organizations obtain firearms, including handguns, rifles, assault rifles, and explosive devices, from locations throughout the U.S., but most are acquired in Southwest Border states.

OCDETF's member agencies have been able to achieve significant progress in attacking the major Mexican drug cartels not only through the sustained efforts of the many OCDETF investigators and prosecutors across the United States, but also through the OCDETF Co-Located Strike Forces/Southwest Border. The original OCDETF concept of prosecutors and agents from different agencies working together to achieve the common goal was actually realized as a coalition of "virtual task forces." Those task force members report to work each day to their own agency's offices and come together as needed to work on particular investigations and prosecutions. Several years ago, in order to foster enhanced intelligence sharing and coordination of activity against the most enduring and elusive targets, OCDETF established Co-Located Strike Forces in key cities across the country. The OCDETF Co-Located Strike Forces/Southwest Border operate as true task forces, whose multi-agency members are housed in a common office separate and distinct from any of their parent agencies. Through constant, daily interaction with each other, while still enjoying the resources and support of their parent agencies, the members of the OCDETF Co-Located Strike Forces/Southwest Border

epitomize the prosecutor-led, multi-agency task force model that has proven most effective in combating transnational organized crime.

Assistant U.S. Attorneys (AUSAs) play the critical role of prosecuting the cases the Strike Forces build. This often involves managing multiple intensive judicially-authorized wiretaps, working with OEO and the investigative agencies to satisfy the complex statutory and policy requirements of using this significant investigative tool, or locating and extraditing fugitives, with the expert assistance of the OIA and USMS. It always involves marshalling massive amounts of evidence, with an eye to legal admissibility and sufficiency, into a coherent picture that is painted through one witness at a time. The attorneys who handle these complex investigations and prosecutions are among the most experienced and hard-working in the Department. They prosecute the small cases that lead to bigger cases, and they lead teams that present complex cases lasting months in trial and years in appellate litigation. These attorneys develop expertise in the sophisticated legal investigative techniques, as well as the substantive areas of law, that are needed to attack the full range of criminal activity in which the large drug cartels engage.

In prior years, the OCDETF Program has attempted to buttress the staffing of its Southwest Border Initiative, including all the Strike Forces along the Southwest Border. In FY 2009, OCDETF was able to enhance the capabilities and effectiveness of its Co-Located Strike Forces by securing funding to hire a full-time financial analyst contractor for each of the Strike Forces and to place Document and Media Exploitation (DOMEX) Teams at several of the Southwest Border Strike Forces to assist in developing information gathered from ongoing investigations to pinpoint illicit drug shipments and to identify assets derived from illicit drug proceeds. These enhancements have helped the Strike Forces to expand their ability to identify and dismantle the financial infrastructure of the targeted drug trafficking organizations. Both of these initiatives are funded through the Assets Forfeiture Fund.

Additionally, in August of 2010 the Southwest Border Supplemental Security legislation provided temporary funding for 47 additional OCDETF AUSAs to augment prosecutorial resources in the Southwest Border Strike Forces and handle prosecutions in Southwest Border cases. However, this funding was not annualized in succeeding years, and no new positions were created. Thus, the number of attorney positions in OCDETF's base budget has not increased since FY 2006, and in FY 2009 and FY 2010, the cascading effect of continual budget reductions forced OCDETF to eliminate those 47 temporarily funded AUSA positions nationwide, along with even more support positions.

### Federal Prosecutors

Five of the busiest United States Attorneys' Offices in the nation are located on the Southwest Border: the Southern District of California, the District of Arizona, the District of New Mexico, the Western District of Texas and the Southern District of Texas. Each of the Southwest Border U.S. Attorney's offices works closely with federal, state, and local investigative agencies to combat the Southwest Border threats described above. They are on the front lines of the national effort to prosecute both large-scale criminal enterprise cases involving significant trafficking organizations as well as other criminal offenses arising at the border with Mexico. The AUSAs

also coordinate with Mexican prosecutors to share evidence in appropriate cases to ensure that justice is achieved either in U.S. or Mexican courts. As their numbers have remained static while their responsibilities and the overall threat have risen sharply, the federal prosecutors in the OCDETF Southwest Region have been continuously challenged to devise innovative strategies and initiatives to address the evolving drug trafficking and money laundering threats. Prosecutorial resources, as well as investigative resources, are critical to implement those strategies and initiatives.

A comprehensive Southwest Border strategy must ensure that the U.S. Attorneys' Offices are more fully staffed with OCDETF AUSAs to handle Southwest Border drug trafficking prosecutions. Successful and timely prosecutions also require more support resources, including paralegals, support staff, equipment, office space, and document translation services. Future funding allocations must be annualized in order to lead to meaningful increases in prosecutorial capacity. Failure to increase the prosecution resources within the United States Attorneys' Offices in the Southwest Region and the Co-Located Strike Forces will result in more fragmented federal prosecutions which will neither dismantle nor disrupt the criminal organizations operating along the Southwest border.

For example, the District of Arizona shares a border with the Republic of Mexico that is approximately 372 miles in length and includes six significant Ports of Entry. The vast majority of this border traverses sparsely populated desert with little to no border fencing. The land between the offices in Tucson and Phoenix is also sparsely populated desert affording multiple routes enabling drug traffickers to avoid major highways. Drug seizures within the District of Arizona routinely are among the highest in the nation, and the quantities of heroin being smuggled into the United States through Arizona are staggering. Yet, the funding level for OCDETF attorneys has not changed for the Arizona Region since 2006. Although the District was under-resourced even in 2006, the realities of the illegal drug trade have changed dramatically since that time, and the need for additional resources has intensified. With the advancement of the Sinaloa Cartel, operating in Mexico directly south of Arizona, the flood of illegal drugs into the United States through the remote Arizona desert has increased drastically.

Arizona has become a gateway district for the country, serving as a major distribution point for the tons of illegal narcotics brought into the United States. The drugs are then further broken down by cartel members in Arizona and transported to other jurisdictions to be sold. Millions of dollars in narcotics proceeds are moved through Arizona to Mexico, through bulk cash smuggling, body carrying money through the Ports, deposits and immediate withdrawals from major financial institutions, wire transfers through entities such as Western Union, and the use of nominee senders through money remitter services. But there are simply not enough OCDETF attorneys and support staff to effectively handle the investigations and prosecutions arising from the steady stream of drugs entering the United States through the Arizona/Mexico border and the drug proceeds returning back to Mexico.

The federal investigative agencies report that the District of Arizona does not have the current capacity in its OCDETF program to handle case-referrals from law enforcement that implicate clear, substantial federal interests. The DEA Phoenix Field Division estimates that it is able to take no more than 25 percent of the 600 to 700 cases it generates each year for federal

prosecution by the United States Attorney's Office, which has only 13 OCDETF-funded prosecutors. In CY 2014, the District of Arizona accounted for the second most reported wiretaps by the Administrative Office of U.S. Courts. Yet, shortage of AUSAs caused DEA to take 75 percent of its cases to the state for prosecution, including hundreds of cases involving judicially-authorized state wiretaps.

#### Impact on Performance

This item will address *Strategic Goal 2, Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law, including Strategic Objective 2.3: Disrupt and Dismantle Major Drug Trafficking Organizations to Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs Objective 2.4: Investigate and prosecute corruption, economic crimes, and transnational organized crime.*

## Total Item Funding

### Base Funding

| FY 2015 Enacted |              |            |                 | FY 2016 Enacted |              |            |                 | FY 2017 Current Services |              |            |                 |
|-----------------|--------------|------------|-----------------|-----------------|--------------|------------|-----------------|--------------------------|--------------|------------|-----------------|
| Pos             | agt/<br>atty | FTE        | \$(000)         | Pos             | agt/<br>atty | FTE        | \$(000)         | Pos                      | agt/<br>atty | FTE        | \$(000)         |
| <u>116</u>      | <u>116</u>   | <u>116</u> | <u>\$27,719</u> | <u>116</u>      | <u>116</u>   | <u>116</u> | <u>\$28,084</u> | <u>116</u>               | <u>116</u>   | <u>116</u> | <u>\$28,449</u> |

### Personnel Increase Cost Summary

| Type of Position/Series               | Modular<br>Cost<br>per Position<br>(\$000) | Number of<br>Positions<br>Requested | FY 2017<br>Request<br>(\$000) | FY 2018 Net<br>Annualization<br>(change from<br>2017)<br>(\$000) | FY 2019 Net<br>Annualization<br>(change from<br>2018)<br>(\$000) |
|---------------------------------------|--|-------------------------------------|-------------------------------|--|--|
| Attorneys (0905)                      | 129  | 24                                  | 3,071                         | 6,142  |  |
| Paralegals / Other Law<br>(0900-0999) | 60   | 12                                  | 722                           | 1,444  |  |
| Total Personnel                       |  | 36                                  | 3,793                         | 7,596  |  |

### Total Request for this Item

|                     | Pos | Agt/<br>Atty | FTE | Personnel<br>(\$000) | Non-<br>Personnel<br>(\$000) | Total<br>(\$000) | FY 2018<br>Net Annualization<br>(change from 2017)<br>(\$000) | FY 2019<br>Net Annualization<br>(change from 2018)<br>(\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|---|---|
| Current<br>Services | 116 | 116          | 116 | 28,449               | 0                            | 28,449           |   |   |
| Increases           | 36  | 24           | 18  | \$3,793              | 0                            | \$3,793          | \$7,596   |   |
| Grand<br>Total      | 152 | 140          | 134 | \$32,242             | 0                            | \$32,242         | \$7,596   |   |

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Item Name: **Priority Transnational Organized Crime**

Strategic Goal: **Goal 2:** Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law

Strategic Objectives: **Objective 2.3:** Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs; and **Objective 2.4:** Investigate and prosecute corruption, economic crimes, and transnational organized crime.

Budget Decision Unit(s): Investigations Decision Unit

Organizational Program: DEA, FBI, USMS

Program Increase: Positions 0 Agt/Atty 0 FTE 0 Dollars \$1.5 million

### ***Priority Transnational Criminal Organizations***

The OCDETF Program's efforts are not limited to drug enforcement. As its name suggests, OCDETF attacks the highest levels of organized crime. Nearly all of the OCDETF Program's CPOTs are involved in multiple forms of organized criminal activity in addition to drug trafficking, such as violence, corruption, human smuggling, weapons trafficking, complex financial crimes, cybercrime, and other illegal activities, which may either be the primary activity of those organizations, or simply the means by which the targeted organizations accomplish their primary goals. As such, the OCDETF Program has been a critical component of the federal government's efforts against Transnational Organized Crime (TOC) threats long before there was a defined *TOC Strategy*. For example, the *TOC Strategy* notes that 29 of the 63 drug trafficking organizations on OCDETF's 2010 CPOT List were associated with terrorist groups and, further, that international terrorist groups are increasingly turning to high-level drug trafficking organizations and other transnational criminal organizations to generate funding and acquire logistical support. One hand feeds the other in these huge enterprises. In many cases, drug trafficking is a connector. Once the drug connection is found, it often leads investigators to numerous other criminal activities. Conversely, activities such as money laundering and human trafficking often lead investigators to links to vast drug networks. By leveraging the infrastructure that OCDETF has developed for more than 33 years in drug centered transnational organized crime investigations, the Program will be able to overcome the investigative stovepipes which often occur within law enforcement agencies. Thus the OCDETF Program seeks to utilize its expertise and experience of coordinating prosecutor-led, multi-agency investigations to enhance the Department's ability to attack the largest and most sophisticated transnational criminal organizations.

## Description of Item

OCDETF seeks \$1.5 million in operational funding to pursue high value priority TOC targets. In FY 2015, OCDETF provided over \$1 million in ad hoc funding from carryover accounts to support investigations against three major transnational criminal networks designated as priority national security threats by the inter-agency Threat Mitigation Working Group. In an effort to continue to expand its efforts against transnational criminal organizations, OCDETF seeks funding for operational costs, such as TDY expenses, travel, purchase of evidence and purchase of information.

## Justification

OCDETF is an integral part of the Administration's *Strategy to Combat Transnational Organized Crime (TOC Strategy)*, published in July 2008. The *TOC Strategy* complements the strategy OCDETF has implemented over the last three decades in targeting and dismantling the most powerful and dangerous transnational criminal organizations threatening the United States. The *TOC Strategy* recognizes that organized crime is no longer associated exclusively with traditional, domestic groups, but is now fully transnational in its origin, composition, and scope and poses unprecedented threats to the United States' national and economic security. These TOC threats include attempts by organized criminals to exploit our energy and other strategic sectors; support terrorists and hostile governments; manipulate our financial, securities, and commodities markets; and engage in other serious criminal activities. The *TOC Strategy* extends the multi-agency, multi-department effort beyond drug enforcement to include the execution of intelligence-driven, multi-jurisdictional investigations and prosecutions that target organizations whose transnational criminal conduct encompasses a broad array of criminal activity, often – but not always – including drug trafficking.

For over thirty years OCDETF has disrupted and dismantled those transnational criminal networks which were primarily focused on illegal narcotics trafficking, including several that are also independently priority TOC targets established by the Threat Mitigation Working Group, such as the Sinaloa Cartel, as well as transnational drug trafficking organizations with documented links to terrorist organizations, such as the Fuerzas Armadas Revolucionarias de Colombia (FARC). As evidenced by the approximately 38% of the organizations on the Foreign Terrorist Organizations list which have possible ties to the drug trade, drug income is a major source of revenue for some international terrorist groups that are also TOC targets.

Consistent with the Smart on Crime Initiative, the OCDETF Program does not encompass all federal drug enforcement efforts, only the highest priority organized crime investigations. The powerful drug trafficking and money laundering networks targeted by OCDETF over the last thirty years represent one of the greatest threats facing our country and have enormous implications for our national security, economic prosperity, and public safety. Similarly, the component of the overall TOC effort that OCDETF embraces and supports does not encompass all transnational organized crime, but only the highest priority TOC threats that implicate clear, substantial federal interests, such as those designated as priority national security targets by the Threat Mitigation Working Group.

Impact on Performance

This item will address *Strategic Goal 2, Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law, including Strategic Objective 2.3: Disrupt and Dismantle Major Drug Trafficking Organizations to Combat the Threat, Trafficking, and Use of Illegal Drugs and the Diversion of Licit Drugs and Objective 2.4: Investigate and prosecute corruption, economic crimes, and transnational organized crime.*

**Total Item Funding**

Base Funding

| FY 2015 Enacted |              |     |         | FY 2016 Enacted |              |     |         | FY 2017 Current Services |              |     |         |
|-----------------|--------------|-----|---------|-----------------|--------------|-----|---------|--------------------------|--------------|-----|---------|
| Pos             | agt/<br>atty | FTE | \$(000) | Pos             | agt/<br>atty | FTE | \$(000) | Pos                      | agt/<br>atty | FTE | \$(000) |
| 0               | 0            | 0   | \$0     | 0               | 0            | 0   | \$0     | 0                        | 0            | 0   | \$0     |

Non-Personnel Increase/Reduction Cost Summary

| Non-Personnel Item  | Unit Cost | Quantity | FY 2017 Request (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) | FY 2019 Net Annualization (change from 2018) (\$000) |
|---------------------|-----------|----------|-------------------------|--|--|
| Operations          | 0         | 0        | 1,500                   |  |  |
| Total Non-Personnel | 0         | 0        | 1,500                   |  |  |

Total Request for this Item

|                  | Pos | Agt/<br>Atty | FTE | Personnel (\$000) | Non-Personnel (\$000) | Total (\$000) | FY 2018 Net Annualization (change from 2017) (\$000) | FY 2019 Net Annualization (change from 2018) (\$000) |
|------------------|-----|--------------|-----|-------------------|-----------------------|---------------|--|--|
| Current Services | 0   | 0            | 0   | 0                 | 0                     | 0             |  |  |
| Increases        | 0   | 0            | 0   | 0                 | 1,500                 | 1,500         | 0  |  |
| Grand Total      | 0   | 0            | 0   | 0                 | 1,500                 | 1,500         | 0  |  |

### Affected Crosscuts

- Drugs
- Transnational Organized Crime
- Violence

Item Name: **OCDETF Transnational Drug Prosecutions**

Strategic Goal: **Goal 2: Prevent Crime, Protect the Rights of the American People, and Enforce Federal Law**

Strategic Objectives: **Objective 2.1:** Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders and illegal firearms traffickers;  
**Objective 2.3:** Disrupt and dismantle major drug trafficking organizations to combat the threat, trafficking, and use of illegal drugs and the diversion of licit drugs; and  
**Objective 2.4:** Investigate and prosecute corruption, economic crimes, and transnational organized crime.

Budget Decision Unit(s): Prosecutions Decision Unit

Organizational Program: Criminal Division

Program Increase: Positions 4 Agt/Atty 3 FTE 2 Dollars \$0.436 million

***OCDETF Transnational Drug Prosecutions***

Description of Item

OCDETF requests 4 positions (3 attorneys), 2 FTE, and \$436,000 to support the growing number of OCDETF cases handled by the Criminal Division’s Narcotic and Dangerous Drug Section (NDDS).

Justification

Currently, OCDETF does not fund any of the salaries of NDDS’s Litigation Unit or support staff, although all of the prosecutors and paralegals in the unit work on OCDETF investigations, and many work nearly exclusively on them. NDDS has demonstrated that, despite limited resources, it is capable of targeting and prosecuting the truly most significant transnational criminal drug trafficking and money laundering organizations in the world. Given NDDS’s staffing shortages, the number of cases being prosecuted, and the number of ongoing, complex investigations it is leading around the country and world, however, NDDS has had to limit intake of new cases and delay worthwhile investigations during the past several months. With the addition of three OCDETF-funded trial attorneys, NDDS would be able to expand its already significant OCDETF work and impressive results. Further, the additional support staff position would enable NDDS to better organize, monitor, report, coordinate, and de-conflict the information required to fully participate and comply with OCDETF program requirements. NDDS’s enormous success – just in the last few years – is proof of what NDDS can do if given the appropriate resources to accomplish its mission.

## Background

NDDS's mission is to identify, investigate, and prosecute the most significant international narcotics trafficking, narco-terrorism, transnational money laundering and other narcotics-based transnational criminal organizations in the world (1) having a substantial multi-district effect on the supply of drugs in the United States; (2) causing violence, corruption and instability in the countries that manufacture or act as a transshipment point for the international narcotics trade; or (3) that are actively involved in financing terrorism or terrorist organizations that threaten U.S. interests throughout the world.

Because of its singular focus, NDDS's Litigation Unit has some of the most experienced personnel in the nation at investigating and prosecuting priority target organizations. The unit's prosecutors understand the complexities involved in these types of cases, including how to work with the intelligence community; how to conduct enforcement operations abroad, including provisional arrest capture operations and extraditions to secure the presence for prosecution of priority targets; how to obtain and ultimately introduce evidence gathered overseas in a U.S. courtroom; how to investigate, seize, and forfeit illicit properties located abroad; and how to navigate difficult diplomatic and unique international legal issues that, without its expertise, overseas assets, and personal connections, might otherwise result in insurmountable challenges or obstacles. Unit prosecutors understand the importance and benefits of regularly coordinating and de-conflicting its investigations and prosecutions with law enforcement agents and prosecutions from around the country and the world. Further, NDDS prosecutors provide guidance and training to other prosecutors and agents around the country on complex, trending issues such as synthetic drug and heroin trafficking.

NDDS often investigates cases that could not otherwise be done by other districts. NDDS is frequently asked by law enforcement agencies and U.S. Attorneys' Offices to consider taking on or joining in an investigation because specific venue has not been established in a particular district in the United States yet, or because the U.S. Attorney's Office does not have the resources or expertise to sufficiently investigate and prosecute the organization up to the head source of supply. Nearly all of NDDS's Title III investigations during the past three years were at the request of federal agents in a district that indicated it could not, or would not, be able to work the investigation properly, often because the lead targets were international in nature and deemed too remote to the district or the investigation was too complex. NDDS's position is not to "poach" cases or targets from other districts; instead, it coordinates and de-conflicts with its OCDETF colleagues in other districts in advance to ensure that the Department's and OCDETF's overall missions are carried out as effectively and efficiently as possible.

NDDS now has more than 40 active OCDETF investigations assigned for OCDETF Management Information System (MIS) purposes to the Criminal Division as a tenth OCDETF Region, and it is involved, directly or indirectly, in more than 25 other OCDETF operations out of other Regions across the country. Most of these operations are linked to one or more CPOTs and/or RPOTs, nearly all are linked to an organized crime group, and all have a financial and/or asset forfeiture component to them. Currently, 160 of NDDS's more than 225 active investigations and cases target CPOTs, RPOTs, OFAC Kingpins, or other high-value priority

targets. The vast majority of these cases are multi-defendant, multi-district, multi-agency, and international (with targeting activity in well over 20 different countries) in scope or have a financial or asset forfeiture component. In addition, in CY 2013, NDDS was the lead prosecution office requesting 583 pen/toll orders and 71 Title III wiretap orders (on 160 different devices in 6 different districts around the country). In CY 2014, NDDS was the lead on 549 pen/toll orders and 66 Title III wiretap orders (on 188 different devices in 10 different districts, all outside of the District of Columbia). In CY 2015, NDDS was the lead on 463 pen/toll orders and 53 Title III wiretap orders (on 65 different devices in 6 different districts outside of the District of Columbia). So far in CY 2016, NDDS has been the lead on 180 pen/toll orders and 23 Title III wiretap orders. These wiretap investigations have resulted in numerous and significant domestic and international drug, firearm, and illicit asset and cash seizures, involving several million dollars' worth of assets. They have also resulted in successful capture or expulsion operations in various countries of numerous CPOTs and high-value fugitives.

NDDS has active OCDETF investigations against at least six active RPOTs. In addition, NDDS has active cases against several OFAC Specially Designated Counter-Narcotics and Counter-Terrorists, such as the FARC, the Ejército de Liberación Nacional (ELN), the Ejército Popular de Liberación (EPL), the former Autodefensas Unidas de Colombia (AUC), the Sinaloa Cartel, los Zetas, the Gulf Cartel, and the Beltran Leyva-Organization, among numerous other groups and individuals.

In addition, NDDS's Litigation Unit has numerous significant investigations and prosecutions that, while not designated as OCDETF matters, include cases targeting former or current CPOTs and/or narco-terrorist leaders, and many of those cases have resulted in successful prosecutions. The Litigation Unit's work on these non-OCDETF cases often supports, either directly or indirectly, other current OCDETF operations around the country that are often linked to OCDETF investigations from other regions. One such example is an approved transnational money laundering investigation linked to a CPOT with close ties to at least two Foreign Terrorist Organizations and other organized criminal groups. NDDS was asked to join the investigation pre-indictment to assist in developing the international narcotics and money laundering components of the case which the local district did not feel it could adequately do in a timely manner. Multiple individuals were indicted, millions of dollars of cash seizures were made around the world, and ton quantities of cocaine were seized from the sources of supply.

The following are examples of the type of complex, high-profile international narcotics, narco-terrorism, and transnational organized crime cases, along with the successful results; NDDS has handled during the past three years:

- Successfully convicted, after a lengthy jury trial, only the second narco-terrorist defendant, a member of the Taliban, a Foreign Terrorist Organization, ever tried in a U.S. courtroom (the first also being indicted and convicted at trial by NDDS) <http://www.justice.gov/opa/pr/2012/June/12-crm-744.html>. The defendant received a life sentence.
- Secured, after his provisional arrest and extradition, the guilty plea and cooperation of one of the founding members of Los Zetas, a violent transnational criminal

organization. Since then, working in partnership with law enforcement offices and U.S. Attorneys' Offices across the county, NDDS has supported numerous other high-value Los Zetas-related OCDETF investigations and prosecutions by facilitating his cooperation in those cases as well. In addition to the several new indictments and convictions that his testimony has helped procure, his testimony was also instrumental in securing over \$25 billion dollars of narcotics-related forfeiture judgments in the District of Columbia, in two separate, but related Los Zetas and Gulf Cartel prosecutions. <http://www.justice.gov/opa/pr/2013/May/13-crm-546.html> <http://www.justice.gov/opa/pr/2013/October/13-crm-1126.html>. His trial testimony was also key in obtaining guilty verdicts against four Los Zetas leaders in the Western District of Texas, who were convicted after a jury trial for their roles in a multi-million dollar narcotics-related money laundering scheme and are expected to be ordered to forfeit millions of dollars in illicit properties and assets. <http://www.fbi.gov/sanantonio/press-releases/2013/federal-jury-in-austin-convicts-four-in-multi-million-dollar-money-laundering-conspiracy-involving-los-zetas-drug-trafficking-proceeds-extortion-and-bribery>.

- Partnered with the Criminal Division's Organized Crime and Gang Section, the U.S. Attorney's Office in the District of Columbia and a multi-agency priority task force to investigate and secure guilty pleas against three members of Los Zetas, all of whom were involved in the February 11, 2011 murder of an HSI agent and the attempted murder of another HSI agent while working on official business in Mexico. <http://www.fbi.gov/news/pressrel/press-releases/three-defendants-plead-guilty-to-participating-in-ambush-murder-and-attempted-murder-of-ice-agents-in-mexico>.
- Along with its U.S. and Mexican law enforcement partners, NDDS played a significant role in the initial capture and re-capture of Sinaloa Cartel leader, CPOT Joaquin "Chapo" Guzman, viewed by many to be the world's top drug trafficking fugitive prior to his arrest. [http://www.washingtonpost.com/world/national-security/worlds-top-drug-trafficker-arrested-in-mexico-us-official-says/2014/02/22/c001927c-9be0-11e3-ad71-e03637a299c0\\_story.html](http://www.washingtonpost.com/world/national-security/worlds-top-drug-trafficker-arrested-in-mexico-us-official-says/2014/02/22/c001927c-9be0-11e3-ad71-e03637a299c0_story.html)



## Item Funding

### Base Funding

| FY 2015 Enacted |              |     |         | FY 2016 President's Budget |              |     |         | FY 2017 Current Services |              |     |         |
|-----------------|--------------|-----|---------|----------------------------|--------------|-----|---------|--------------------------|--------------|-----|---------|
| Pos             | agt/<br>atty | FTE | \$(000) | Pos                        | agt/<br>atty | FTE | \$(000) | Pos                      | agt/<br>atty | FTE | \$(000) |
| 3               | 3            | 3   | \$462   | 3                          | 3            | 3   | \$472   | 3                        | 3            | 3   | \$475   |

### Personnel Increase Cost Summary

| Type of Position/Series               | Modular<br>Cost<br>per Position<br>(\$000) | Number of<br>Positions<br>Requested | FY 2017<br>Request<br>(\$000) | FY 2018 Net<br>Annualization<br>(change from<br>2017)<br>(\$000) | FY 2019 Net<br>Annualization<br>(change from<br>2018)<br>(\$000) |
|---------------------------------------|--|-------------------------------------|-------------------------------|--|--|
| Attorneys (0905)                      | \$122                                      | 3                                   | \$368                         | \$321  | \$0  |
| Paralegals / Other Law<br>(0900-0999) | \$68                                       | 1                                   | \$68                          | \$43   | \$53   |
| <b>Total Personnel</b>                |  | 4                                   | \$436                         | \$364  | \$53   |

### Total Request for this Item

|                     | Pos | Agt/<br>Atty | FTE | Personnel<br>(\$000) | Non-<br>Personnel<br>(\$000) | Total<br>(\$000) | FY 2018<br>Net Annualization<br>(change from<br>2017)<br>(\$000) | FY 2019<br>Net Annualization<br>(change from<br>2018)<br>(\$000) |
|---------------------|-----|--------------|-----|----------------------|------------------------------|------------------|--|--|
| Current<br>Services | 3   | 3            | 3   | \$475                | \$0                          | \$475            | \$0  | \$0  |
| Increases           | 4   | 3            | 2   | \$436                | \$0                          | \$436            | \$364  | \$53   |
| <b>Grand Total</b>  | 7   | 6            | 5   | \$911                | \$0                          | \$911            | \$364  | \$53   |

## **VI. Exhibits**

**(See attachment)**