

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

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***FY 2019***  
***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 FY 2019 Organized Crime Drug Enforcement Task Forces (OCDETF) Program Budget Request comprises 2,839 positions, 2,824 FTE, and \$521,563,000 in funding for the Interagency Crime and Drug Enforcement (ICDE) Appropriation, to be used for investigative and prosecutorial costs associated with OCDETF cases. OCDETF cases target high-level transnational, national, and regional criminal organizations and networks that present a threat to public safety and national security and are engaged in the illegal production or trafficking of drugs or other controlled substances, priority transnational organized crime, drug-related violence, or the illegal concealment or transfer of proceeds derived from such illicit activities.

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. OCDETF is also an integral part of the President's Executive Order on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking. That Executive Order 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 threats include not only high-level organized drug trafficking but also attempts by organized criminals to exploit our energy and other strategic sectors; support terrorists and hostile governments; manipulate our financial, securities, and commodities markets; victimize large swaths of our citizens, private industry, and government agencies through targeted cyber intrusions; and engage in other serious criminal activities.

The OCDETF Program directly supports:

- The February 9, 2017 Presidential Executive Order 13773 on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking;
- The February 9, 2017 Presidential Executive Order 13776 establishing a Task Force on Crime Reduction and Public Safety;

OCDETF's mission has always involved disruption and dismantlement of drug-centric transnational criminal networks that present a Transnational Organized Crime (TOC) threat to the United States. At any given time, OCDETF's active case inventory includes hundreds of ongoing investigations targeting priority TOC targets. For example, in the report to the White House required by Executive Order 13773 on convictions of TOC actors in the first six months of 2017, OCDETF reported the conviction of 1,230 members of transnational criminal organizations and their subsidiaries, the overwhelming majority of the convictions reported for the Department.

The OCDETF Program does not encompass all federal drug or TOC enforcement efforts, only the efforts targeting the highest priority organized drug trafficking, money laundering, and transnational criminal organizations. These powerful networks represent one of the greatest threats facing our country and have enormous implications for our national security, economic prosperity, and public safety.

## **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 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 11 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 (HSI); the U.S. Coast Guard (USCG); the U.S. Secret Service (USSS); the Department of Labor’s Office of the Inspector General (DOL-OIG); the Department of State’s Diplomatic Security Service (DSS); and the U.S. Postal Inspection Service (USPIS) — in cooperation with the Department of Justice’s Criminal Division, the 94 U.S. Attorneys’ Offices, and state and local law enforcement, to identify, disrupt, and dismantle the drug trafficking, money laundering, and other TOC organizations most responsible for the threat to the public safety and economic and national security of the United States.

EO13773 on Transnational Organized Crime similarly recognizes the need for a true multi-agency platform – a partnership 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 works 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 council to target the highest priority recognized transnational criminal organizations, such as those on the multi-agency Top International Criminal Organization Target (TICOT) 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 harm to the nation posed by the influx of illegal drugs, the violence that accompanies organized drug trafficking, and the growing impact of TOC actors, 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 criminal networks. This 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 and TOC networks worldwide.

Providing resources to the OCDETF Program ensures that resources will be focused on the highest priority drug trafficking, money laundering, and TOC targets, while leveraging the expertise and existing resources of OCDETF's member agencies from the Departments of Justice, Homeland Security, Treasury, Labor, and State, as well as the U.S Postal Service. The disruption and dismantlement of these criminal networks operating regionally, nationally, and internationally is a critical component of the Department's efforts to enhance public safety and national security.

OCDETF continues to focus on disrupting and dismantling transnational drug trafficking and TOC organizations and denying criminal actors their profits by using intelligence-driven, multi-agency operations through the OCDETF Fusion Center (OFC) and through the following 14 OCDETF Co-Located Strike Forces:

- 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 (Panama Express).
- Detroit;
- Dallas.

In addition, in 2018 OCDETF also plans to launch three new Co-located Strike Forces that will include a close focus on violent gangs and other TOC actors in the following locations:

- Baltimore;
- Cleveland; and
- New Orleans.

OCDETF's focus enables its member agencies to achieve the public safety and national security objectives of the Administration's Executive Orders. These objectives are to:

- Enhance intelligence and information sharing capabilities and processes associated with air and maritime domains and with the U.S. borders;
- Interdict drugs, drug proceeds, associated instruments of violence, and instruments and proceeds of priority TOC activity in the air and maritime domains, at the ports of entry, and between the ports of entry along the borders;
- Combat priority TOC cyber-based threats and attacks through the use of all available tools, strong public-private partnerships, and the investigation and prosecution of TOC cyber threat actors;
- Combat the threat, incidence, and prevalence of violent crime by leveraging strategic partnerships to investigate, arrest, and prosecute violent offenders associated with drug trafficking or other priority TOC activity;
- Ensure the prosecution of all significant drug trafficking, money laundering, bulk currency, and weapons trafficking/smuggling cases;
- Investigate and prosecute priority TOC-level corruption and economic crime;
- Disrupt and dismantle drug trafficking and priority TOC organizations operating along the borders;
- Enhance technologies for contraband detection and interdiction along the borders;
- Enhance U.S. – Mexico cooperation regarding joint counterdrug and counter-TOC efforts along the Southwest Border;
- Substantially reduce the level of drug-related violent crime and other priority TOC activity in Puerto Rico and the U.S. Virgin Islands;
- Strengthen communities and reduce the demand for drugs;
- Increase the security of U.S. citizens along the Southwest Border and throughout the country;
- Reduce the flow of contraband entering the United States; and
- Reduce the flow of weapons and illegal cash into Mexico.

To achieve outcomes, the Program fosters coordinated, nationwide investigations and prosecutions that inflict maximum damage on the cartels and TOC actors by incapacitating, through incarceration, large segments of their leadership, as well as their subordinate members and facilitators, while simultaneously destroying the financial infrastructure of the cartels and TCOs through seizure and forfeiture of their assets. The TOC Executive Order specifically embraces 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.

OCDETF's 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 ATF, DEA, FBI, and USMS. Also included are resources to support intelligence activities and the OFC, as well as investigative activities related to priority TOC strategic initiatives. Investigative activities by HSI, USCG, USSS, and IRS in support of the OCDETF Program are funded out of the direct appropriations of their respective Departments – DHS for HSI, USCG, and USSS; Treasury for IRS; State for DSS; Labor for DOL-IG; and the U.S. Postal Service for USPIS.

Investigative expenses reimbursed include the purchase of evidence/payment for information (PE/PI) and 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 94 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 sustain levels of involvement in the Program. 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, the widespread use of the Internet, and more sophisticated encryption of communications, also known as "Going Dark," resulting in the creation of new classes of crimes, and new challenges for law enforcement. These technologies enable drug traffickers, money launderers, and other TOC actors 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, the TOR, and the proliferation of anonymous Dark Net sites 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.

**Competing Agency Priorities:** OCDETF is a Program comprised of multiple federal agencies from multiple 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. 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 the different Departments. This task is particularly challenging with non-Justice agencies. In order to encourage these agencies to continue their participation in the Program even though they are not 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.

**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)	
Addressing Strategic Gaps Identified to Support Executive Order 13773 on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking	The OCDETF Program requests \$4.6 million and 28 positions (19 Agents) to address Strategic Gaps Identified to Support Executive Order 13773 on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking. This includes funding for additional agent and analyst positions at the International Organized Crime Intelligence and Operations Center (IOC-2) to encourage greater support from member agencies. Additionally, funding will support the establishment of a Co-Located Strike Force to conduct foreign-based investigations focusing on international transnational criminal organizations.	28	14	4,563	40

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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, 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 *transnational* organized crime *and* drug trafficking, [\$526,000,000] \$521,563,000, 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.

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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>
2017 Enacted	1,880	1,884	\$358,907
2018 Continuing Resolution	1,820	1,820	\$357,122
Adjustments to Base and Technical Adjustments	(49)	(49)	(\$479)
2019 Current Services	1,771	1,771	\$356,643
2019 Program Increases	28	14	\$4,563
2019 Request	1,799	1,785	\$361,206
<b>Total Change 2018-2019</b>	<b>(21)</b>	<b>(35)</b>	<b>4,084</b>

<b>[Investigations]-Information Technology Breakout (of Decision Unit Total)</b>	<b>Direct Pos.</b>	<b>Estimate FTE</b>	<b>Amount</b>
2017 Enacted	24	24	9,540
2018 Continuing Resolution	24	24	11,060
Adjustments to Base and Technical Adjustments	0	0	(1,519)
2019 Current Services	24	24	9,541
2019 Program Increases	0	0	0
2019 Request	24	24	9,541
<b>Total Change 2018-2019</b>	<b>0</b>	<b>0</b>	<b>(1,519)</b>

##### 1. Program Description

The FY 2019 request for the Investigations Activity is 1,799 reimbursable positions, 1,785 work-years, and \$361,206,000.

OCDETF investigations require the cooperative efforts of OCDETF's various member agencies. OCDETF investigations ensure 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. Firearms, 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. DEA's vast experience in its 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 illicit 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. 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.

In FY 2017, for the first time since its inception in 1982, OCDETF welcomed new investigative agencies as OCDETF members. The four new members are the Department of Labor – Office of the Inspector General, Department of State Diplomatic Security Service, U.S. Secret Service, and U.S. Postal Inspection Service.

**Department of Labor – Office of the Inspector General (DOL-OIG)** The DOL-OIG has an "external" program function to conduct criminal investigations to combat the influence of labor racketeering and organized crime in the nation's labor unions. It is in this area that the DOL-OIG brings a wealth of knowledge of both traditional and emerging domestic and transnational organized crime.

**Department of State Diplomatic Security Service (DSS)** agents in the United States and overseas conduct criminal investigations into passport and visa fraud. The U.S. passport is the most valuable identity document in the world, as it establishes American citizenship and allows its bearer access to virtually every country in the world. Individuals who attempt to obtain a U.S. passport illegally, or use stolen or altered passports, often are seeking to change their identities, and conceal their activities and movements in connection with a wide variety of crimes. Similarly, a U.S. visa permits an alien to travel to a port of entry and apply for entry to the United States for a specific purpose, such as work or tourism. Thousands of people illegally attempt to obtain U.S. visas each year, often through the fraudulent application, issuance, procurement, counterfeiting, or forgery of U.S. visas. DSS works with the Bureau of Consular Affairs on cases involving allegations of corrupt American Embassy employees, fraudulent document vendors, and the use of visas and fraudulent passports by terrorists, as well as those smuggling and trafficking drugs and human beings. These investigations are critical to secure American borders and protect the national security of the United States. DSS has committed personnel and data resources to the OCDETF OFC in order to improve OCDETF's ability to disrupt and dismantle transnational organized criminal (TOC) organizations and their financial components. The DSS is a lead partner in OCDETF's whole of government effort to facilitate investigative leads, target profiles and field query reports to thwart the TOC threat faced by the United States.

**United States Secret Service (USSS)** was created in 1865 to investigate and prevent counterfeiting. Today the agency's investigative mission has evolved from enforcing counterfeiting laws to safeguarding the payment and financial systems of the United States from a wide range of financial and computer-based crimes. To combat these crimes, the USSS has adopted a proactive approach, using advanced technologies and capitalizing on the power of task force partnerships. The USSS has a pivotal role in securing the nation's critical infrastructures, specifically in the areas of cyber, banking, and finance. Other directives address the need to combat transnational organized crime that targets the citizens and financial institutions of the United States. Today, multi-disciplined forensics experts, investigative experts, and intelligence

analysts provide rapid response and critical information in support of financial analysis, infrastructure protection, and criminal investigations.

**United States Postal Inspection Service (USPIS)** is the law enforcement arm of the United States Postal Service. Its mission is to support and protect the U.S. Postal Service, its employees, infrastructure, and customers by enforcing the laws that defend the nation's mail system from illegal or dangerous use. USPIS is responsible for securing U.S. mail (including military and diplomatic mail) transiting to and from foreign postal administrations and U.S. installations overseas, protecting postal revenues generated by international business development, acting as Inspection Service liaison to foreign stakeholders and international organizations, and ensuring that the sanctity of the mail and justice is not hindered by national borders. Working with foreign postal administrations, international organizations like the Universal Postal Union, and law enforcement entities, USPIS strives to improve security of the mail worldwide and protect society from criminal enterprises that use the mail to further their schemes.

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. 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. In addition, the OFC creates strategic intelligence products to enhance the threat analysis and support the national strategic efforts against transnational organized crime.

**International Organized Crime Intelligence and Operations Center (IOC-2)** IOC-2 leverages 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 leverage the resources of both of 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. IOC-2 creates and disseminates to its member agencies important intelligence products that have led to successes in criminal investigations and prosecutions across the country. Additionally, IOC-2 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, 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 has established Co-Located Strike Forces 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 (DTO). 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 2016, OCDETF reimbursed state and local agencies \$29 million for their participation in OCDETF investigations and cases.

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## B. Prosecutions

<b>Prosecutions TOTAL</b>	<b>Direct. Pos.</b>	<b>FTE</b>	<b>Dollars \$(000)</b>
2017 Enacted	1,050	998	\$158,093
2018 Continuing Resolution	1,050	1,050	156,367
Adjustments to Base and Technical Adjustments	(10)	(10)	3,990
2019 Current Services	1,040	1,040	160,357
2019 Request	1,040	1,040	160,357
<b>Total Change 2018-2019</b>	<b>(10)</b>	<b>(10)</b>	<b>\$3,990</b>

### 1. Program Description

The FY 2019 request for the Prosecution Activity is 1,040 positions, 1,040 work years, and \$160,357,000. 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.

**Money Laundering and Asset Recovery Section (MLARS)** provides critical guidance to the field for the development of financial investigations, which are required in every OCDETF case. MLARS 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, MLARS partners with OCDETF to administer OCDETF's nationwide financial training program. OCDETF does not currently fund any positions at MLARS.

**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 OCDETF Program’s mission is to identify, investigate, and prosecute the high-level transnational, national, and regional criminal organizations most responsible for the illegal drug supply in the United States, the diversion of pharmaceutical drugs, and the violence associated with the drug trade, as well as those networks posing the greatest TOC threat to the United States through violence, terrorism, human trafficking, weapons trafficking, cyber crime, corruption, fraud, and other types of criminal activity that threaten the safety and security of our nation. These organizations include the international sources and perpetrators, their international and domestic transportation and facilitation networks, their regional and local cells, their money launderers and financial infrastructure, and their violent enforcers. OCDETF brings to bear the different authorities and expertise of its multiple component agencies to disrupt and dismantle every component of these criminal networks through the formation of prosecutor-led, multi-agency task forces that conduct intelligence-driven, multi-jurisdiction investigations.

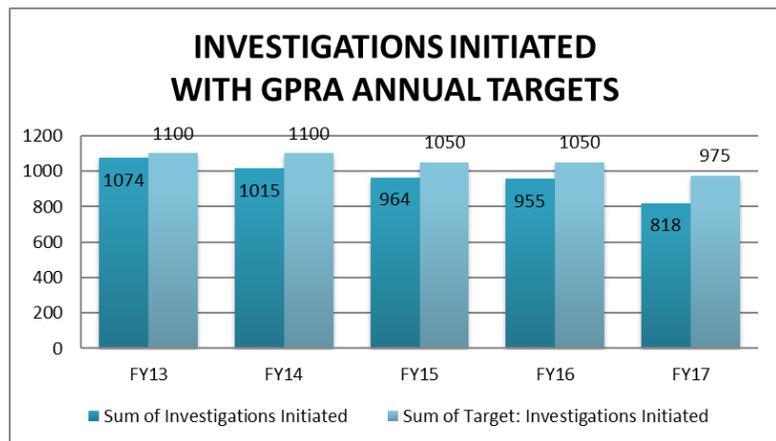
OCDETF participants have been able to initiate over 800 new cases for several fiscal years in a row. However, due to the increasing complexity and requirements of OCDETF investigations as well as limited resources, OCDETF has slightly reduced the annual target for investigation initiations. Therefore, the quantity of investigations may decrease while the complexity of each individual case rises and the intricacies and scope of OCDETF investigations expands.

#### **OCDETF Performance Indicators**

OCDETF continues to vigorously pursue its goals of prosecuting major criminal organizations engaged in drug trafficking, drug related violence, laundering drug proceeds, and other priority transnational crime, 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**

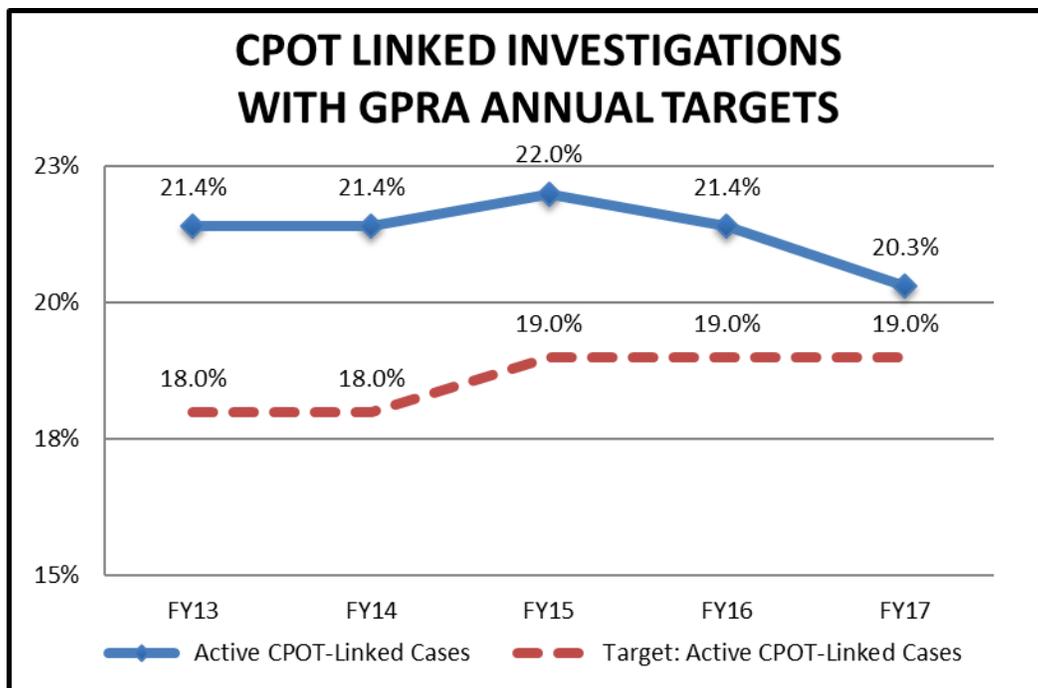
The OCDETF Program Guidelines require that OCDETF participants focus Program resources on coordinated, nationwide investigations of major criminal organizations and prosecute the most culpable and dangerous individuals responsible for the most serious criminal activity. During FY 2017, OCDETF continued its efforts to expand investigations to attack all levels of the targeted criminal organizations regionally, nationally, and internationally.



OCDETF district and regional coordination groups continue 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 targets. 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 transnational drug trafficking organizations and their subsidiaries. Most of these targets are poly-drug, meaning that they manufacture or distribute more than one type of illegal drug. Principal drugs involved in OCDETF investigations are cocaine, 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. Additionally, a growing number of OCDETF investigations involve the extremely dangerous fentanyl or fentanyl derivatives.

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 chain of command and control of every targeted organization in order to make connections among related organizations nationwide. In particular, OCDETF participants strive to identify links to CPOTs, those drug trafficking organizations and related money laundering networks operating internationally and domestically and that have been designated as those organizations most responsible for the nation’s illegal drug supply. OCDETF participants also 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.

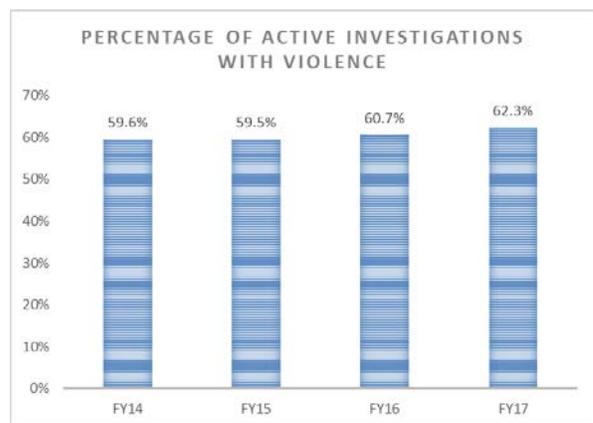
OCDETF’s commitment to pursuing priority targets is evident from the steady percentage of cases linked to these targets. By the end of FY 2017, OCDETF’s active CPOT-linked case inventory was 932 investigations, approximately 20 percent of OCDETF’s active caseload. Furthermore, 38 percent of the active CPOT-linked investigations are currently out of the Southwest Region.

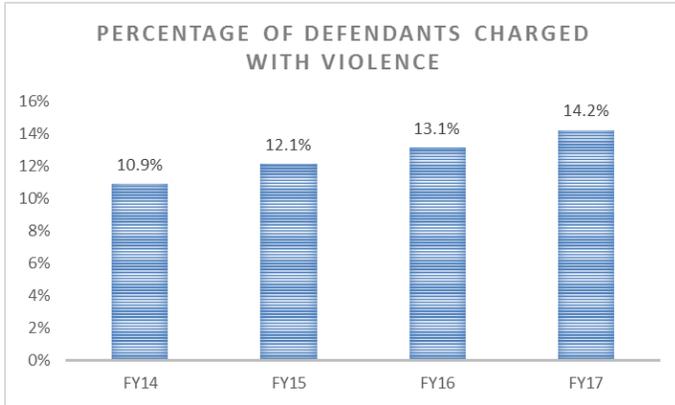
OCDETF data also demonstrates that OCDETF participants are pursuing these investigations to successful conclusions. There are currently 54 CPOTs on the FY 2018 CPOT list. Including current CPOTs, there have been 230 CPOT targets since the inception of the CPOT list in 2003. Between 2003 and 2017, OCDETF agencies dismantled 81 CPOT targets and severely disrupted the operations of another 53. Reasons for removal include disruption, dismantlement, arrest, and/or death. Additionally, between FY 2003 and FY 2017, OCDETF disrupted or dismantled a total of 4,062 CPOT-linked organizations — organizations working with or otherwise associated with a CPOT.

Additionally, the significant enforcement actions of OCDETF agencies against CPOTs themselves have resulted in keeping multi-ton quantities of illegal drugs such as cocaine, heroin, marijuana and methamphetamine from ever entering the United States. CPOT linked investigations resulted in 344 investigations with at least one defendant convicted in FY 2017. OCDETF’s attack on the related components of these major trafficking organizations will not only disrupt the drug market, resulting in a reduction in the drug supply, but will also bolster law enforcement efforts in the fight against organized crime and terrorist groups. 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 2017, approximately 62 percent of active OCDETF investigations targeted criminal organizations engaged in firearms or weapons trafficking, murder, or other violence.





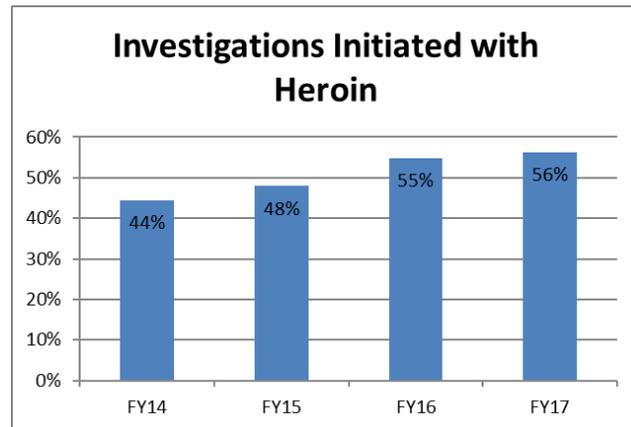
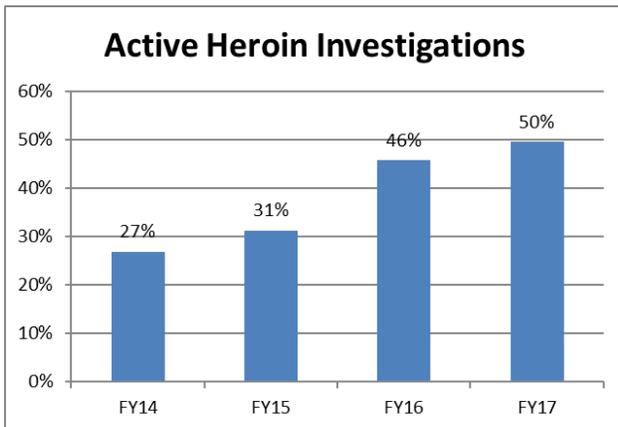
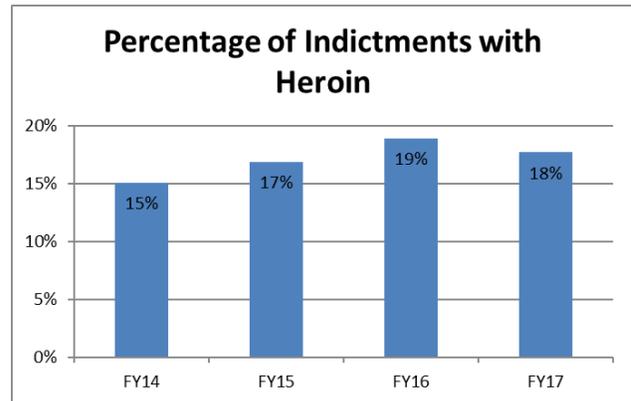
Additionally, in FY 2017, OCDETF charged 1,293 defendants – or 14 percent of all defendants charged – with crimes of violence or firearms-related charges, and convicted 696 defendants – or 9 percent of all defendants convicted – on charges involving violence or firearms.

OCDETF’s caseload and prosecutions demonstrate its commitment to targeting criminal organizations that engage in illegal activities such as firearms/weapons violations, murder, material support to

terrorist groups, or other violent activity. Furthermore, nineteen (35%) of the current CPOT targets have links to designated terrorist organizations.

### Investigations Involving Heroin

OCDETF data shows an increasing trend of investigations involving heroin, the use of which has recently been on the rise, 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

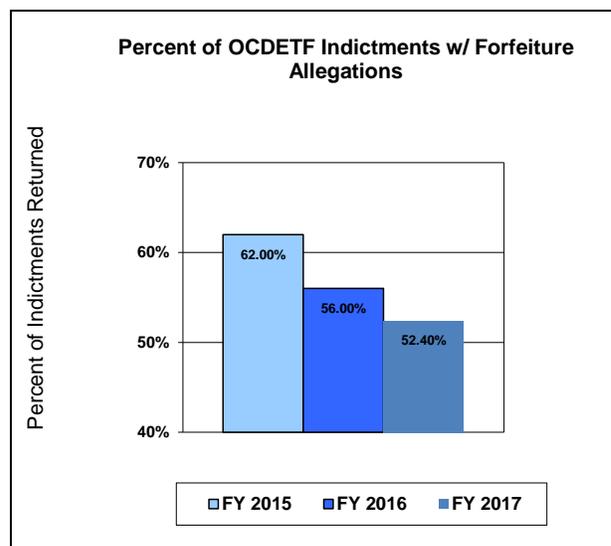
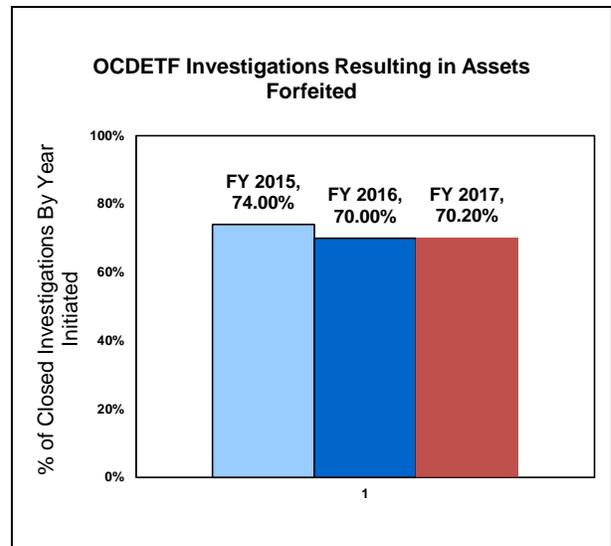
In order to have a significant impact on the financial systems that support the most dangerous transnational, national and regional criminal organizations, OCDETF must be steadfast in charging and convicting those who conduct or facilitate illicit financial activity, and in seizing and forfeiting their 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 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 activity. In FY 2017, 70.2 percent of OCDETF investigations with indictments resulting in assets forfeited. Furthermore, 52 percent of indictments contained forfeiture allegations in FY 2017. In addition, the Asset Forfeiture Program's Consolidated Asset Tracking System (CATS) report for FY 2017 indicates OCDETF seized approximately \$330 million in cash and property. During the last four fiscal years, FY 2014 – FY 2017, OCDETF investigations have been responsible for the seizure of approximately \$1.1 billion.

In FY 2017, 12 percent of all OCDETF defendants were charged with financial violations. Additionally, nine percent of OCDETF's convicted defendants were reported convicted of a financial charge. This is slightly higher than the percentage reported in the past few fiscal years. Additionally, 30 percent of investigations with indictments that were closed in FY 2017 were reported as resulting in defendants convicted of financial violations. Furthermore, eight percent of OCDETF's investigation initiations in FY 2017 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 decreasing numbers, participating agencies have seized or forfeited a substantial amount of the estimated illegal proceeds that attract criminal actors to organized crime. Additionally, due to the increasing complexity of investigations and ever-evolving technological advances, OCDETF's investigative agents and prosecutors still struggle to find expertise sufficient to fully investigate and dismantle the financial infrastructure of these criminal organizations despite continued emphasis on targeting money launderers and facilitators.



### Target Leadership-Level Defendants

OCDETF continues to focus on the targeting of leadership-level defendants in its investigations. At the end of FY 2017, approximately 33 percent of defendants targeted in new OCDETF investigations were leaders of their organizations. Furthermore, by the end of FY 2017, 82 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.

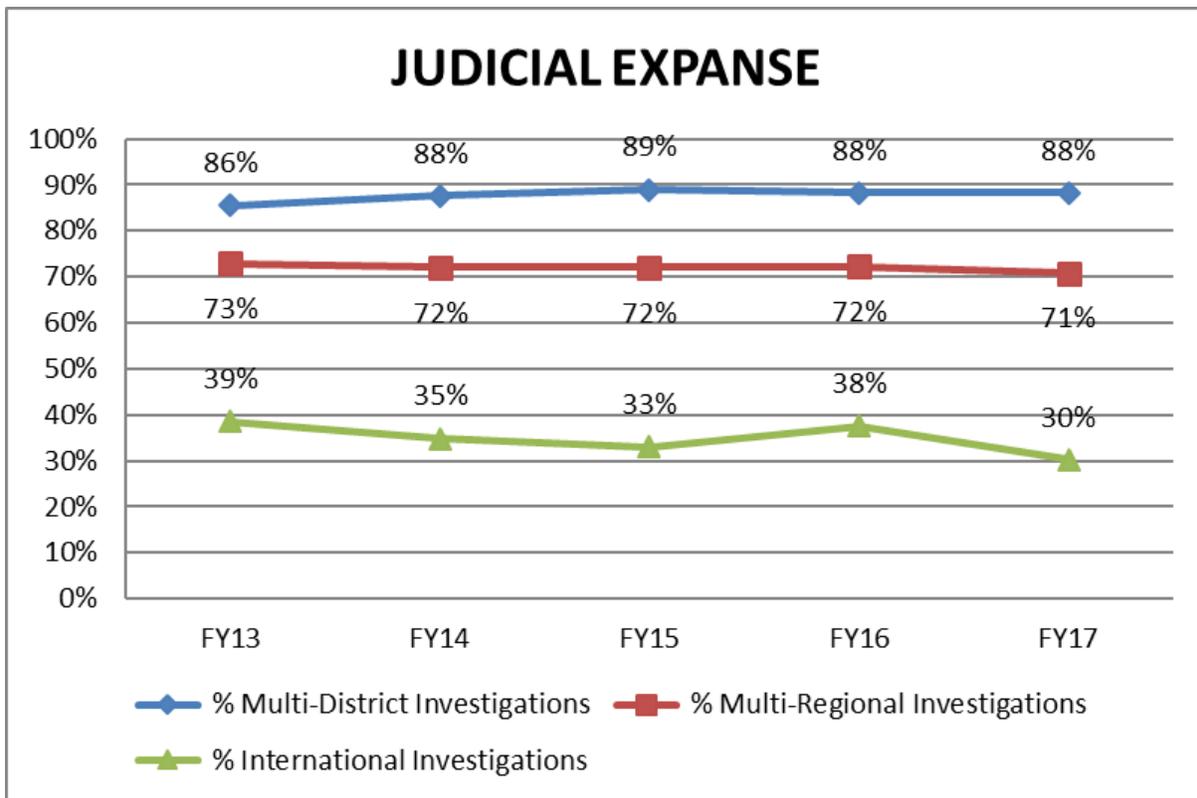
### Efforts to Disrupt/Dismantle Transnational Criminal Organizations and their Subsidiaries

For the period beginning July 1, 2017 and ending September 30, 2017, OCDETF recently reported 705 convictions in investigations involving transnational criminal organizations. Also, additional reporting on convictions occurring during the previous quarter raised the number of convictions of members of transnational criminal organizations and their subsidiaries during that time period to 835. In FY 2017, there have been 3,530 convictions of members belonging to transnational criminal organizations and their subsidiaries.

Furthermore, OCDETF investigations have resulted in the disruption and/or dismantlement of 380 Transnational Criminal Organizations (TCOs) in their entirety. The prosecution of transnational criminal organizations is one of the highest priorities of the Department of Justice.

### 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 criminal networks. It is only by attacking these networks in their entirety that OCDETF can make a lasting impact on high-level organized crime.



As of the end of FY 2017, 94 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. Twenty-nine percent of OCDETF’s investigations are international in scope – those investigations where there is active participation by, and coordination with, a foreign government.

Furthermore, all of the current 54 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-six – or 48% – of these current CPOT targets are based in Mexico. Drugs involved in OCDETF investigations are mostly imported into the United States from other countries. Similarly, twenty-six – or 48% – of these current CPOT targets are involved in heroin trafficking. In FY 2017, 1,680 – or 17 % – of defendants charged in OCDETF investigations were 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 2017, 37 percent of

the OCDETF Strike Forces' caseload comprised active CPOT-linked investigations, which was nearly double OCDETF's national average of 21 percent. Similarly, 82 percent of OCDETF Strike Force active cases involved complex investigative techniques, as compared to the national average of 78 percent, and 13 percent of OCDETF Strike Force active cases targeted primary money laundering organizations, which was 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 2019 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; the violence, corruption, and other criminal activity associated with the drug trade; and the threat to the infrastructure and stability of our country by disrupting and dismantling the major criminal networks operating in or affecting the United States, OCDETF has focused its resources on coordinated, multi-jurisdictional investigations targeting the entire infrastructure of major 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; manipulate our financial, securities, and commodities markets; victimize large swaths of our citizens, private industry, and government agencies through targeted cyber intrusions; kidnap and traffic humans; continue their criminal activities as fugitives; perpetuate violence; support terrorists and hostile governments; and engage in other serious criminal activities.

The FY 2019 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 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 criminal 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 integrates and analyzes law enforcement

investigative data and related financial data with the goal of providing law enforcement with the complete intelligence picture of the major transnational and domestic criminal 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 engaged in drug trafficking or transnational crime 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 2018 CPOT list currently contains 54 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 organized crime actors is not enough to ensure the success of the OCDETF Program. In order to permanently disable these high-level criminal 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 the most powerful and dangerous national and transnational criminal organizations engaged in drug trafficking, drug-related violence, transnational organized crime, and money laundering. 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 materials will be provided at a later date.*

**Interagency Crime and Drug Enforcement (ICDE)  
FY 2019 Summary of Resources  
(Dollars in Thousands)**

<u>Estimate by Program</u>	FY 2017 Estimate				FY 2018 Continuing Resolution				FY 2019 President's Budget			
	Perm. Pos.	Agents/Atty	FTE	Amount	Perm. Pos.	Agents/Atty	FTE	Amount	Perm. Pos.	Agents/Atty	FTE	Amount
Law Enforcement:												
Drug Enforcement Administration	1,117	825	1,120	189,720	1,078	795	1,078	186,269	1,033	777	1,033	184,439
Federal Bureau of Investigation	681	455	663	129,798	642	442	642	128,917	624	433	624	128,939
United States Marshals Service	39	36	38	8,225	39	36	39	8,169	39	36	39	7,812
Alcohol, Tobacco, Firearms & Explosives	50	49	50	10,869	49	48	49	10,795	49	48	49	10,507
OCDETF Executive Office (OFC)	1	0	1	10,781	1	0	1	10,708	1	0	1	10,052
OCDETF Executive Office (OFC) Personnel								2,163	14	0	14	2,230
IOC2	0	0	0	1,557	0	0	0	1,557	0	0	0	1,557
Subtotal:	1,868	1,365	1,872	350,950	1,809	1,321	1,809	348,578	1,760	1,294	1,760	345,536
Prosecution:												
United States Attorneys	1,027	555	975	152,927	1,027	555	1,027	151,888	1,017	555	1,017	154,570
Criminal Division	13	10	13	2,041	13	10	13	2,027	13	10	13	2,092
Threat Response Unit	5	5	5	786	5	5	5	781	5	5	5	806
Subtotal:	1,045	570	993	155,754	1,045	570	1,045	154,696	1,035	570	1,035	157,468
National Emerging Threats	0	0	0	2,190	0	0	0	2,175	0	0	0	2,189
Addressing Violence, Drugs and PTOCs	0	0	0	2,500	0	0	0	2,472	0	0	0	5,761
Expansion of Priority Violent and Transnational Organized Crime	0	0	0	0	0	0	0	0	28	19	14	4,563
Administrative Support:												
Executive Office	17	3	17	5,606	16	3	16	5,568	16	3	16	6,046
Subtotal:	17	3	17	5,606	16	3	16	5,568	16	3	16	6,046
<b>TOTAL OCDETF:</b>	<b>2,930</b>	<b>1,938</b>	<b>2,882</b>	<b>517,000</b>	<b>2,870</b>	<b>1,894</b>	<b>2,870</b>	<b>513,489</b>	<b>2,839</b>	<b>1,886</b>	<b>2,825</b>	<b>521,563</b>

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## V. Program Increases by Item

Item Name: Addressing Strategic Gaps Identified to Support Executive Order 13773 on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking

Budget Decision Unit(s): Investigations Decision Unit

Organizational Program: FBI, DEA, ATF

Program Increase: Positions 28 Agt/Atty 19 FTE 14 Dollars \$4.563 million

### Description of Item

The OCDETF Program requests \$4,563,000 and 28 positions (19 Agents) to address Strategic Gaps Identified to Support Executive Order 13773 on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking. This request includes \$2,763,000 for twelve positions and operational support at the IOC-2, as well as \$1,800,000 for sixteen positions and operational support for the establishment of an FBI group at the new International Co-Located Strike Force.

### Justification

#### ***Funding to Strengthen IOC-2***

OCDETF requests \$2,763,000 to fund nine reimbursable agent and three analyst positions at the International Organized Crime Intelligence and Operations Center (IOC-2). The IOC-2 cannot fulfill its mission without the agents and analysts provided by its member agencies. These agents and analysts are engaged in intelligence analysis, case de-confliction and coordination, threat mapping, and helping develop critical relationships with foreign law enforcement partners. Designating these positions as reimbursable will encourage member agencies to assign agents and analysts to IOC-2 to support the mission against transnational organized crime.

The IOC-2 was created in 2009 in order to collectively combat the threats posed by international criminal organizations to domestic safety and security. The mission of the IOC-2 is to disrupt and dismantle TCOs posing the greatest threat to the United States, including those criminal organizations named to the DOJ/TICOT List. To achieve this mission, the IOC-2 leverages the resources of its member agencies, the OCDETF Fusion Center (OFC), the DEA Special Operations Division (SOD), and other domestic and international resources in order to:

- 1) De-conflict and coordinate multi-jurisdictional, multi-agency, and multi-national law enforcement operations, investigations, prosecutions, and forfeiture proceedings;
- 2) Identify and analyze all-source information and intelligence related to TOC; and,
- 3) Disseminate such information and intelligence to support member agency investigative efforts.

The IOC-2 allows partner agencies to join together in a task force setting, combine data, and produce actionable leads for investigators and prosecutors working nationwide to combat TOC, as well as to coordinate the resulting multi-jurisdictional investigations and prosecutions. The IOC-2 has spearheaded several significant operations targeting highest-priority TOC targets, and has enhanced interagency coordination among its member agencies. The IOC-2 agents and analysts work to disrupt and dismantle TCOs engaged in money laundering, narcotics trafficking, extortion, cybercrime, counterfeit currency, visa fraud, labor and sex trafficking, identity theft, skimming, tax fraud, wire fraud, and wide range of other illegal activity. The agents and analysts provided by the member agencies are necessary to meet the size and scope of the demand presented by TOC. The variety of expertise and jurisdictions is invaluable in the IOC-2 fight against TOC.

The Intelligence Division of the IOC-2 analyzes data to create intelligence products, provide de-confliction and produce actionable leads for exploitation by field offices. The Intelligence Division is currently understaffed by six full-time analysts and one part-time agent, meaning the Intelligence Division is not able to respond to product requests at the desired pace. Reimbursing these positions will ensure that these agencies have the opportunity to assign agents and analysts to the IOC-2. The Operations Division works with the multi-agency, DEA-led SOD to exploit telecommunications technology, supplying the field with actionable intelligence from telephone and internet data, and providing coordination of multi-agency investigations. The Operations Division is also crucial to developing and maintaining relationships with foreign law enforcement partners.

The interagency coordination and intelligence analysis delivered by the IOC-2 agents and analysts has led to numerous law enforcement successes in combatting TOC. One example of an IOC-2 success is Operation Outsource, an investigation initiated after the identification of a TCO controlling call centers in India that contact individuals in the U.S., impersonating U.S. government officials, typically DHS or IRS officers. The callers demand payments from the victims in order to clear purported enforcement actions, such as warrants of deportation and outstanding arrest warrants or to cover unpaid income taxes. The total victim loss is estimated to be in the hundreds of millions of dollars. The IOC-2 involvement in this case includes HSI, USSS, DSS, and the DOJ Criminal Division's Money Laundering and Asset Recovery Section (MLARS). In October 2016, 61 defendants were indicted in relation to Operation Outsource. Search warrants yielded counterfeit identity documents, cell phones, electronic devices, debit cards, money orders, bank documents and currency. Approximately \$70,000 in cash, gold and silver was seized. In April and May 2017, three high-value targets of Operation Outsource pleaded guilty to counts of conspiracy to commit money laundering.

Based on the Memorandums of Understanding (MOUs) between the IOC-2 and its member agencies, IOC-2's Operations and Intelligence Divisions should each include at least one representative from each member agency, subject to the agencies' resource constraints. The IOC-2's Operations Division currently includes at least one agent from each IOC-2 member agency, while the Intelligence Division currently includes federal representatives from just five of the ten member and partner agencies. Having these positions be reimbursable will encourage agencies to assign agents and analysts to the IOC-2 to support the mission against TOC. Moreover, if these

positions are reimbursable, these agents and analysts will be primarily reporting to the IOC-2, rather than dividing time between the IOC-2 and their home agency. The funding for these positions allows the member agencies to devote resources to focusing on disrupting and dismantling the TOC threat.

### *International Co-Located Strike Force*

OCDETF seeks \$1,800,000 to establish an International focused Co-Located Strike Force, by funding a single law enforcement group which will serve as the foundation for the Strike Force located in the National Capitol Region. Its mission will be to conduct foreign-based investigations focusing on high value targets, leadership, and destabilizing influences supporting TCO criminal activities, such as corrupt foreign officials. Executive Order 13773 highlighted the threats posed to the United States by TCOs. Specifically, the Executive Order directed federal law enforcement agencies to prioritize and devote sufficient resources to identify, disrupt, and dismantle TCOs through investigation, apprehension, and prosecution. Further, the Order directed federal agencies to maximize coordination and information sharing among domestic partners, as well as enhance cooperation with foreign counterparts.

The Foreign-Based Investigation Strike Force's mission, directly aligned to the Executive Order, would be to target leadership and support elements throughout the hierarchy of the most significant TCOs around the world, including Consolidated Priority Organization Targets (CPOTs), Top International Criminal Organization Targets (TICOT), and Threat Mitigation Working Group (TMWG) Targets operating around the globe. The Strike Force would fill the investigative and intelligence gaps related to those threats. It would supplement field office investigations by targeting the command and control structure of these networks, which, based upon the compartmentalized and hierarchical nature of these organizations, physically operate outside the geographical boundaries of the United States, and therefore the area of responsibility of individual agency field offices.

By targeting the upper echelon leadership of TCO networks, the Strike Force would infiltrate, disrupt, and dismantle TCOs, resulting in cross-programmatic intelligence. The Strike Force would be strategically positioned to collect intelligence pertinent to key intelligence gaps and information, including organizational hierarchies, alliances formed between TCOs, high volume illicit drug trafficking into the United States and weapons trafficking out of the United States, money laundering, violence, and foreign government officials aiding the TCOs.

As TCOs continue to exert influence throughout the country, including the regional impact of specific TCOs, the valuable intelligence collected by the new Strike Force would have immediate impact to field offices nationwide, as well as enhance the law enforcement community's global perspective on the most significant TCO threat actors. With an integrated intelligence component, the Strike Force would incorporate tactical and strategic intelligence support and facilitate dissemination of relevant intelligence products expeditiously, and to the benefit of impacted field offices in regions throughout the country.

Through an investigative and intelligence strategy, creation of the Strike Force would lead to enhanced information sharing throughout the government, increased foreign partnerships, and

investigation, apprehension, and prosecution of TCO leadership, effectively minimizing the impact of TCOs on the United States. It is expected that this would ultimately have a major impact on stemming the flow of illicit contraband into the United States, reducing the effects on commerce through identification of illicit money laundering, curbing violence plaguing our streets, and minimizing TCO activities and their impact on U.S. citizens.

In addition, the Strike Force, based on the level of witnesses and cooperators developed, would be in a position to assist in combating the “Going Dark” Syndrome. Because of the increasing sophistication of communications technology and the easy availability of fully encrypted communications, the U.S. Government is losing its ability to employ sophisticated techniques such as Title III wiretaps to target TOC actors around the globe. However, the Strike Force would be well positioned to exploit derivative intelligence to identify means of communication for TOC syndicates and provide intelligence into gaps and vulnerabilities in communications among criminal elements. Over time, this intelligence would be able to be used proactively in investigations to exploit encrypted communications and target those responsible for facilitating those aspects of TOC networks.

Among the metrics used to track the progress of the Foreign-Based Investigation Strike Force would be increased disruption and dismantlement of CPOTs, TICOT list targets, and TMWG targets. The leaders of the most significant TCO networks are either documented as CPOTs, TICOT list actors, TMWG targets, or meet the requirements to be submitted for nomination. OCDETF and its component members have successfully conducted investigations targeting high value targets such as CPOTs, TICOT list targets, and TMWG targets. However, recent successes have highlighted the need for an ongoing, co-located Strike Force focused on continually conducting investigations against the most significant leadership of TOC networks around the world. Lessons learned from those investigations have shown the need for a dedicated enforcement group to ensure continued success and impact in mitigating the TOC threat. If funded, the Strike Force would enable the partner agencies to collectively surge resources dedicated to combating the highest-level TOC actors around the globe. In addition, the Strike Force would be best positioned to continue the pursuit of high-value targets and their networks for the purpose of disrupting their illicit operations and dismantling their organizations.

Successful investigation of high value targets such as CPOTs, TICOT list targets, and TMWG targets will ultimately lead to a decrease in gang and gang-related violence throughout the country. Money gained through illicit activity such as drug and weapons trafficking is the primary source of income for most gangs in the United States. Through investigation of the criminal actors most responsible for the importation and distribution of illegal drugs and benefiting from weapons trafficking, combined with U.S.- based investigations of foreign-based and domestic gangs, the U.S. Government would be able to curb this primary source of income for most criminal gangs, stemming the violence and incarcerating the most culpable members of TOC networks.

Finally, by targeting the upper echelon leadership of TOC networks, the Strike Force would be strategically positioned to collect and share intelligence relevant to the international TOC threat. Through proactive investigative techniques, such as the use of cooperative witnesses, Title-III wiretaps, and proffers of subjects with close access to high-level targets, the Strike Force would

be aligned to advance DOJ's intelligence base. The intelligence would include information on organizational hierarchies, alliances formed between TOC groups and transnational gangs, and potential connections to terrorism matters. With imbedded Intelligence Analysts, and the resources of the OFC, the proposed Strike Force would be best positioned for the collection, analysis, and cross-agency dissemination of intelligence on significant TOC networks. The collection of high value intelligence and investigative information developed through the Strike Force initiative would lead to the identification of additional/new CPOT/TICOT/TMWG targets, opening of several new CPOT/PTOC-linked OCDETF investigations throughout the United States, and thereby placing U.S. law enforcement in a position to completely dismantle TCO networks from the highest level actors to the street level actors.

Title	Positions	Agents	FTE	Cost (\$000)
IOC-2	12	9	6	\$2,763
Int'l Strike Force	16	10	8	\$1,800
<b>Total</b>	<b>28</b>	<b>19</b>	<b>14</b>	<b>\$4,563</b>

Base Funding

FY 2017 Enacted				FY 2018 President's Budget				FY 2019 Current Services			
Pos	Agt/Atty	FTE	\$(000)	Pos	Agt/Atty	FTE	\$(000)	Pos	Agt/Atty	FTE	\$(000)
0	0	0	4,057	0	0	0	6,257	0	0	0	6,257

Personnel Increase Cost Summary

Type of Position/Series	Full-year Modular Cost per Position (\$000)	1 <sup>st</sup> Year Annualization	Number of Positions Requested	FY 2019 Request (\$000)	2 <sup>nd</sup> Year Annualization	FY 2020 Net Annualization (change from 2019) (\$000)	FY 2021 Net Annualization (change from 2020) (\$000)
Criminal Investigative Series (1811)	207	103	19	1,969	1,969	0	0
Intelligence Series (0132)	131	65	6	392	392	0	0
Clerical and Office Services (0300-0399)	102	51	3	153	153	0	0
<b>Total Personnel</b>			<b>28</b>	<b>2,514</b>	<b>2,514</b>		

Non-Personnel Increase/Reduction Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2019 Request (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)	FY 2021 Net Annualization (change from 2020) (\$000)
Operations	2,049	1	2,049	0	0
<b>Total Non-Personnel</b>	<b>2,049</b>	<b>1</b>	<b>2,049</b>	<b>0</b>	<b>0</b>

Total Request for this Item

	Pos	Agt/Atty	FTE	Personnel (\$000)	Non-Personnel (\$000)	Total (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)	FY 2021 Net Annualization (change from 2020) (\$000)
Current Services	0	0	0	0	6,257	6,257	0	0
Increases	28	19	14	2,514	2,049	4,653	2,514	0
<b>Grand Total</b>	<b>28</b>	<b>19</b>	<b>14</b>	<b>2,514</b>	<b>8,306</b>	<b>10,910</b>	<b>2,514</b>	<b>0</b>

Affected Crosscut

- Transnational Organized Crime
- Drugs
- Violent Crime