

PSM Legislative Agenda for the 118th Congress

Protect Consumers

Stakeholders must work together to improve enforcement and regulations and increase penalties to combat online sales of counterfeit, misbranded and adulterated pharmaceuticals. In addition, PSM rejects proposals which call on HHS to allow foreign drug importation because they will open the U.S. drug supply to unsafe and counterfeit drugs. PSM supports policies such as increasing approvals of generics to help Americans receive safe U.S. medications at prices they can afford without sacrificing safety.

We SUPPORT

Requiring Registries/Registrars to Lock & Suspend Domain Names That Facilitate Illegal Online Drug Sales

- PSM supports legislation that would amend the Federal Food, Drug, and Cosmetic Act (FDCA) to require credible parties (e.g., law enforcement, domain name registries and registrars) to immediately lock and suspend any domain name used to facilitate illegal medicine sales.
- The FDA should be given injunctive authority to seize and reassign domain names that facilitate the illegal online sales of medicines and illicit drugs.
- Failure to comply with such policies should be added to the FDCA's Prohibited Acts and Penalties.

Requiring Online Search/Social Media/Marketplace Platforms to Report Illegal Online Drug Information to Federal/State Authorities ("duty to report")

- PSM supports internet companies having a duty to report communications requisite to tackling illegal content.
- Oversight authorities should be able to assess whether additional measures are needed to ensure swift and proactive detection and removal of illicit drugs sales online.
- Search engines, social media platforms and online marketplaces should submit data including computer-mediated messages, posts, comments, interactions, and multimedia.

Raising Awareness of the Prevalence of Counterfeit Pills and the Lethality of Fentanyl and Fentanyl-Related Substances, and Efforts to Permanently Schedule Fentanyl and Fentanyl-Related Substances

- In February 2018, the DEA issued a temporary scheduling order to schedule fentanyl-related substances that has allowed federal law enforcement authorities to bring criminal actions against individuals who manufacture, distribute, or handle fentanyl-related substances. This scheduling order is set to expire on December 31, 2024.
- If permanent scheduling is not negotiated prior to the expiration date, Congress should extend the temporary emergency scheduling order for as long as possible.
- Multiple bills have been introduced to codify the DEA precedent to permanently schedule illicitly manufactured and deadly fentanyl-related substances, and several pieces of legislation have been introduced to extend the order, ranging from 2-, 5- and 14-month extensions.



We OPPOSE

<u>117th Congress Legislation</u>: H.R. 832/S. 259, the Safe and Affordable Drugs from Canada Act; and the HHS Safe Importation Action Plan; S. 920, the Affordable and Safe Prescription Drug Importation Act 117th Congress Legislation: S. 1898, the Affordable Medications Act

- PSM opposes any legislation or administrative action that would legalize the importation of prescription drugs from other countries.
- Foreign drug importation would weaken our borders and open more loopholes for criminals trafficking dangerous drugs into the U.S.
- Importation will lead to the proliferation of counterfeit pharmaceuticals, including fentanyl-laced counterfeit drugs. This creates a significant interior enforcement issue and an unfunded mandate for law enforcement at the federal, state and local levels.
- Enforcement against illegal foreign actors is difficult because the FDA's and other U.S. law enforcement agencies' jurisdiction and powers of prosecution end at the border.
- Most drug importation legislation proposes to import drugs from Canada, a country with one-ninth the
 population of the U.S. Canada already experiences drug shortages. If just 20% of U.S. residents
 purchased their medications from the Canadian drug supply, we would exhaust their supply of
 prescription drugs in five months.

Protect and Support Law Enforcement

PSM has partnered with law enforcement on the frontlines of interdicting counterfeit drugs to better understand their needs. We support giving law enforcement the tools to combat counterfeit drugs, enacting policies to curb the trafficking and sale of counterfeit drugs, and increasing penalties for the commission of the counterfeit pills laced with synthetic opioids that have become increasingly common in recent years.

We SUPPORT

<u>118th Congress Legislation</u>: S. 2934, the Stopping Harmful Offers on Platforms by Screening Against Fakes in E-Commerce Act, or SHOP SAFE Act

- This bill would protect consumers by reducing the presence of counterfeits online, targeting counterfeit goods that have the most serious impacts for consumer health and safety.
- Reduces the availability of harmful counterfeit products by incentivizing online platforms to adopt best practices that will prevent third-party sellers from listing counterfeit products for sale.
- Combats the sale of unsafe counterfeit goods by incentivizing platforms to engage in best practices for screening and vetting sellers and goods, addressing repeat counterfeiter sellers, and ensuring that consumers have relevant information available to them when they make their online purchases.



118th Congress Legislation: S. 1080, the Cooper Davis Act

- This bill would require social media companies and other communication service providers to take on a more proactive role in working with federal agencies to combat the illegal sale and distribution of drugs on their platforms by creating a standardized and comprehensive framework.
- This critical data will also empower state and local law enforcement to combat fake fentanyl-laced pills and prosecute those who prey on America's youth.

118th Congress Legislation: S. 1235, Bruce's Law

- This bill would establish an awareness campaign related to the lethality of fentanyl and fentanyl-contaminated drugs and provides community-based coalition enhancement grants to mitigate the effects of drug misuse.
- Establishes a Federal Interagency Working Group on fentanyl contamination of illegal drugs.

118th Congress Legislation: S. 2531, Stopping Online Confusion for Investigative Agencies and Law Enforcement by Maintaining Evidence Determined Interparty Arrangements Act, or SOCIAL MEDIA Act

- This bill would allow for better law enforcement coordination in criminal cases with social media
 platforms by requiring call centers for fielding information requests with clear guidelines for agencies
 to best expedite the process.
- Promotes enhanced data collection, transparency in the data collected, and uniformity in data presented to better compare platform to platform on their efforts to combat illegal drug sales.

118th Congress Legislation: H.R. 1549, the Criminalizing Abused Substance Templates Act, or the CAST Act

- This bill would amend the Controlled Substances Act to prohibit the knowing possession of a counterfeit pill press mold for a controlled substance with intent to manufacture.
- Those found in possession of a Schedule I or II counterfeit substance in a capsule, tablet or other form intended for distribution, shall be fined and imprisoned for not more than 20 years.
- All sentencing guidelines would be in accordance with the Sentencing Commission.
- Enhancing statutory minimums and increasing fines and penalties will provide a stronger deterrence against criminals and criminal organizations seeking to make easy profits from counterfeit drugs.

118th Congress Legislation: S. 1475 / H.R. 4105, the Stop Pills That Kill Act

- This bill would implement new penalties for counterfeit pill production and ensure existing penalties
 for possessing paraphernalia used to manufacture methamphetamine would also apply to possessing
 paraphernalia used to make counterfeit pills that contain methamphetamine, fentanyl and fentanyl
 analogues.
- The DEA would be required to develop a comprehensive plan to tackle the increasing spread of
 counterfeit pills containing fentanyl or methamphetamines, and report to Congress on the scope of
 seizures, investigations, prosecutions, and public awareness of the dangers of counterfeit pills laced
 with illicit substances.



118th Congress Legislation: S. 600, the Stopping Overdoses of Fentanyl Analogues Act, or SOFA Act

• This bill would permanently schedule the entirety of fentanyl-related substances to the Controlled Substances Act.

118th Congress Legislation: S. 1507 / H.R. 3148, the Providing Officers with Electronic Resources Act, or the POWER Act

- This bill would provide grants for state, local, territorial and Tribal law enforcement agencies to purchase chemical screening devices and train personnel to use them.
- The devices would address the backlog of drugs awaiting laboratory identification. By alerting officers
 quickly to dangerous substances in the field, they will ensure officers can test substances like fentanyl
 safely.
- All law enforcement should have the necessary tools to protect themselves and quickly take bad actors
 off the street.

118th Congress Legislation: S. 3431, the Customs Modernization Act

 This bill would increase CBP's visibility into international supply chains to resolve CBP data collection constraints, expand the legal use of trade data, increase supply chain visibility and accountability, improve enforcement effectiveness, and direct federal agencies to share trade data.

118th Congress Legislation: S. 2278 / H.R. 5990, the Border Enforcement, Security, and Trade Facilitation Act, or BEST Facilitation Act

- This bill would support law enforcement by providing additional personnel to scan cargo for illegal or illicit or counterfeit drugs and by creating within CBP positions for "image adjudicators" who will review and assess scans of cargo images and either recommend entry to the primary inspection CBP officer or refer for further inspection any cargo suspected to have illegal or illicit items.
- Enhances the federal government's inspection capabilities and help uncover more criminal activity at our ports and improves the processing efficiency at our ports of entry because law enforcement agents could make more-informed inspection decisions in real time.

<u>118th Congress Legislation</u>: S. 1711 / H.R. 4023, Uniform Postal Data Acquisition for Transparency and Early Detection within the United States Postal Service Act, or UPDATED USPS Act

 This bill would curb the flow of fentanyl through the mail by strengthening electronic data requirements on shipments from foreign adversaries, which blocks packages that lack digital tracking data.

Past Bills We SUPPORTED that Became Law

PSM is committed to the safety of prescription drugs and protecting consumers against counterfeit, substandard or otherwise unsafe medicines. PSM's principles include unifying the fight against counterfeit drugs, securing and protecting the pharmaceutical supply chain, the education of public and government



agencies of fraudulent and counterfeit products and ensuring online sellers operate in compliance with existing laws, regulations and platforms' terms of service.

Previously, PSM has supported proposals and worked with legislators to pass legislation that promote these principles. Examples of such efforts that successfully became law include:

S. 61, Combating Cartels on Social Media Act – incorporated into FY24 NDAA and SIGNED INTO LAW December 22, 2023

- This bill establishes and implements a national strategy to combat illicit recruitment activity by transnational criminal organizations on social media and other online platforms to fight back against cartels using online platforms to recruit Americans for smuggling operations along the Southwest border.
- Requires DHS to analyze cartels' illicit usage of social media and establishes a portal for technology companies to report cartel recruitment efforts in the U.S. to DHS and state and local partners.

S. 936, the Integrity, Notification, and Fairness in Online Retail Marketplaces for Consumers Act, or the INFORM Consumers Act – incorporated into the FY23 Omnibus Funding Bill and SIGNED INTO LAW December 29, 2022

 This bill directs online marketplaces to verify high-volume third-party sellers by authenticating the seller's government ID, tax ID, bank account information, and contact information, and instructs online marketplaces to ensure that their high-volume third-party sellers disclose to consumers basic identity and contact information.

S. 3850, the Securing America's Ports of Entry Act – incorporated into FY23 NDAA and SIGNED INTO LAW December 23, 2022

- This bill increases federal research & development into new technologies to identify, track, and interdict illicit fentanyl coming through America's borders and ports of entry.
- It also provides for additional resources for increased CBP officers and personnel, as well as analysis of current staffing, infrastructure and equipment needs to enhance ports of entry security.

H.R. 5274, the Prevent Exposure to Narcotics and Toxins Act, or the PREVENT Act – incorporated into the FY23 NDAA and SIGNED INTO LAW December 23, 2022

• This bill protects U.S. Custom and Border Protection (CBP) officers from accidental exposure to fentanyl and other potentially lethal substances they encounter while on the job, as well as requires CBP to make containment devices available to its officers and provide mandatory annual training on the use of containment devices to prevent secondary exposure to fentanyl and other lethal substances.

S 2796, the Rural Opioid Abuse Prevention Act – SIGNED INTO LAW December 20, 2022

This bill expands the allowable uses of grant funds under the Comprehensive Opioid, Stimulant, and
 Substance Abuse Program administered by the Department of Justice by allowing grants to be used for



pilot programs for rural areas to implement community response programs that focus on reducing opioid overdose deaths, which may include presenting alternatives to incarceration.

S. 400 / H.R. 1098, the Blocking Deadly Fentanyl Imports Act – incorporated into the FY22 NDAA and SIGNED INTO LAW December 27, 2021

This bill requires a study of the production of illicit fentanyl in foreign countries and determines which
nations exporting illicit fentanyl without emergency scheduling of fentanyl would be ineligible for
foreign aid or export-import bank loans. Essentially, it closes the loophole for illicitly manufactured
fentanyl, which is the primary driver of fatal fentanyl overdoses, and holds countries accountable for
producing/manufacturing fentanyl into the U.S.

H.R.5663, the Safeguarding Therapeutics Act of the 116th Congress – SIGNED INTO LAW January 5, 2021

• This bill bolsters our ability to keep dangerous counterfeit medical devices out of the country by granting the FDA and other U.S. customs authorities the power to seize and destroy them at international mail ports in the same way they have the authority to destroy counterfeit medicines.