

## TESTIMONY OF DETECTIVE HECTOR ALCALA

Acting Chair Pryor and distinguished members of the United States Sentencing Commission. We want to thank you for holding this very timely hearing and inviting us to testify today regarding the impact of Synthetic Drugs in our communities. Today, I will specifically testify on some disturbing distributing methods used by wholesalers, large scale drug trafficking offenders and street level dealers.

I was born and raised in Ponce, Puerto Rico; joined United States Army in 1986 and spent nine years in active duty. During that time I served in Desert Storm. I am currently assigned to Federal Bureau of Investigations as a Task Force Officer through the Kentucky State Police. I graduated from Kentucky Department of Criminal Justice in July 2003, later graduated of Kentucky State Police Academy December 2005. I have been investigating drug trafficking organizations since 2010. During my law enforcement career, I have selected as Trooper of the Year (2008) and Kentucky Narcotics Officer of the Year (2012).

I am assigned to the 9<sup>th</sup> Circuit Eastern District of Kentucky; this geographical location, as most large cities of the United States, is a convenient location to the Mexican Cartel. Lexington, Kentucky, a city of approximately 318,000 persons, happens to be the largest city of the 9<sup>th</sup> Circuit. We have two major interstates with access to the northeast part of the United States. For the past couple of years we have seen a significant increase of fentanyl and fentanyl analogues in our communities. Through investigations we have learned the supply lines for fentanyl and heroin are often essentially the same. Kilograms are sent hidden inside vehicles from Mexico and eventually distributed in person to mid-level dealers. These individuals would add cutting agents and distribute by ounces.

Data from Kentucky State Police Forensic Laboratories regarding fentanyl and fentanyl analogues submission results are clear. In 2010, fentanyl accounted for just 0.1% of all submissions. By 2017, submissions had increased to 9.2%. As of March 1<sup>st</sup>, 2018 the numbers are staggering, with fentanyl already accounting for 8.8% of all submissions.

Just recently, the Federal Bureau of Investigation, Kentucky State Police and Lexington Police Department conducted a multi-agency investigation targeting a career drug trafficking offender in Lexington. Through our investigation we learned of his ties to the Sinaloa Cartel in Mexico. This offender would order kilograms of fentanyl and heroin to be delivered to Lexington, through phone conversations. The offender would normally not meet with the couriers, but would direct other persons to carry the narcotics and money to and from his stash house. By his own confession, he knew he was purchasing fentanyl. At \$55,000 - \$60,000 per kilo delivered, fentanyl is about the same price of heroin but yields far more, once it is cut and packaged.

Once this offender received the narcotics he would add cutting agents splitting one kilogram of fentanyl into three kilograms, increasing his profits to an average of 340%. When asked, this unconcerned offender informed investigators of his method of testing the purity of his product; simply by giving samples to a street level dealer who in turn would sell or provide the fentanyl to a user and observe his/her reaction.

This particular offender would sell by kilograms to other drug traffickers, it's unclear if he would always inform them the type of substance they were purchasing. But it's very likely they knew, by the price they were paying for the narcotics. In our area, fentanyl price ranks among the highest of all narcotics, this is due to the strength of the drug. Traffickers could use larger amounts of cutting agents, heroin and/or cocaine to increase their profits. There are

reports of fentanyl added to marijuana for dealers to gain edge with their competition. That is why we are seeing fentanyl used as the primary drug type among drug trafficker offenders.

The question was asked regarding proposed enhancements to the sentencing guidelines when dealing with fentanyl. As we all know, enhancements do not fit every charge. As investigators, we feel that proposed language of knowingly misrepresenting fentanyl during the transaction or knowingly marketing fentanyl as another substance would be hard to prove. Previously used by the Commission 2016 federal sentencing data on fentanyl cases regarding the knowledge of offenders showed that approximately 16% of offenders clearly knew they had fentanyl, while the majority 53% did not seem to know they had fentanyl. While the remaining 31%, investigators could not tell if the offender knew they had fentanyl.

Currently Kentucky State Police and Federal Bureau of Investigations are investigating a different drug trafficking organization that operates in Lexington and Louisville, Kentucky. We began the investigation purchasing 28 grams of heroin. At the fourth purchase, the amount was increased to 56 grams. After receiving the laboratories results, we learned of the drug trafficker offender beginning to mix fentanyl from the second purchase, each time increasing the amount of fentanyl and decreasing the amount of heroin. The fourth purchase was stickily fentanyl, never informing the purchaser the contents of the narcotics.

To conclude, it has been my investigative experience with large quantity drug trafficking offenders (offenders who deal in kilograms) having knowledge of the contents in their products. Depending in customer base, somewhere in the chain the transparency of the product changes, often ending with street dealer

(a person distributing by ounces or less), not having complete knowledge of the product they are selling. These practices often lead to overdose results.

Thank you, and I look forward to your questions.