



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY

Fiscal Year 2014

**CONGRESSIONAL
BUDGET SUBMISSION**



OFFICE OF NATIONAL DRUG CONTROL POLICY

Fiscal Year 2014 Budget

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY

I. EXECUTIVE SUMMARY

The Office of National Drug Control Policy (ONDCP) advises the Administration on national and international drug control policies and strategies, and works to ensure the effective coordination of drug programs within the National Drug Control Program agencies.

For FY 2014, ONDCP is requesting \$311,423,000 and 97 full-time equivalent (FTE). The Fiscal Year (FY) 2014 budget request reflects three appropriations: the Salaries and Expenses (S&E); Other Federal Drug Control Programs; and High Intensity Drug Trafficking Areas (HIDTA).

The FY 2014 request for S&E is \$22,647,000 and 96 FTE.

The FY 2014 request for the Other Federal Drug Control Programs is \$95,376,000 and 1 FTE. This request includes funds for the Drug Free Communities Support Program, Anti-Doping Activities, and the World Anti-Doping Agency dues.

The FY 2014 request for the High Intensity Drug Trafficking Areas program is \$193,400,000. This request includes \$190,700,000 for grants and Federal transfers, and up to \$2,700,000 for HIDTA auditing services and associated activities.

ONDCP FUNDING SUMMARY
(\$ in thousands)

	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
Salaries & Expenses:			
Operations	\$24,500	\$24,650	\$22,647
Subtotal, Salaries & Expenses	\$24,500	\$24,650	\$22,647
Counterdrug Technology Assessment Center – Cancellation of Prior Year Balances	[-\$5,245]		
Other Federal Drug Control Programs:			
Drug Free Communities Support Program	\$92,000	\$92,563	\$85,676
Anti-Doping Activities	\$9,000	\$9,055	\$7,800
Drug Court Training and Technical Assistance	\$1,400	\$1,409	\$0
Section 1105 of P.L. 109-469	\$1,250	\$1,258	\$0
World Anti-Doping Agency (WADA) Membership Dues	\$1,900	\$1,912	\$1,900
Cancellation of Prior Year Balances	[-\$6,083]	[-\$6,083]	
Subtotal, Other Federal Drug Control Programs	\$105,550	\$106,196	\$95,376
HIDTAs:			
Grants and Federal Transfers	\$235,822	\$237,265	\$190,700
HIDTA Auditing Services and Associated Activities	\$2,700	\$2,717	\$2,700
Subtotal, HIDTAs	\$238,522	\$239,982	\$193,400
Total	\$368,572	\$370,828	\$311,423

1/ Totals may not add due to rounding.

2/ FY 2013 CR reflects annualized amounts provided by P.L. 112-175, per Budget Data Review (BDR) 13-07.

II. MISSION

The Office of National Drug Control Policy (ONDCP) advises the President on national and international drug control policies and strategies, and works to ensure the effective coordination of anti-drug programs within the Federal government. ONDCP seeks to foster healthy individuals and safe communities by effectively leading the Nation's effort to reduce drug use and its consequences.

ONDCP's major responsibilities include:

- Developing the *National Drug Control Strategy (Strategy)*;
- Overseeing a consolidated *National Drug Control Budget (Budget)* to implement the *Strategy* and certifying whether the drug control budgets proposed by National Drug Control Program agencies are adequate to carry out the *Strategy*;
- Coordinating, overseeing, and evaluating the effectiveness of Federal anti-drug policies and programs of National Drug Control Program agencies responsible for implementing the *Strategy*;
- Conducting policy analysis and research to determine the effectiveness of drug-control programs and policies in accomplishing the *Strategy's* goals;
- Encouraging private sector, state, local, and tribal initiatives for drug prevention, treatment, and law enforcement;
- Designating High Intensity Drug Trafficking Areas (HIDTAs) and providing overall policy guidance and oversight for the award and management of Federal resources to HIDTAs in support of Federal, state, local, and tribal law enforcement partnerships within these areas;
- Overseeing the Drug-Free Communities Support (DFC) program, which provides grants to community anti-drug coalitions to reduce substance abuse among youth;
- Developing and issuing the National Interdiction Command and Control Plan (NICCP) to ensure the coordination of the interdiction activities of all the National Drug Control Program agencies, and ensure consistency with the *Strategy*;
- Overseeing the creation and implementation of the *National Southwest Border Counternarcotics Strategy*, which aims to stem the flow of illegal drugs and their illicit proceeds across the Southwest border and reduce associated crime and violence in the region. ONDCP coordinates interagency implementation of the *Strategy* by chairing the Southwest Border Strategy Executive Steering Group (SWB-ESG); and

- Overseeing the implementation of the *National Northern Border Counternarcotics Strategy*, which aims to reduce the flow of illicit drugs and their proceeds across the Northern border. ONDCP coordinates interagency updates and implementation.

ONDCP's three primary responsibilities are developing the *Strategy*; developing the *Budget*; and evaluating the effectiveness of the implementation of the *Strategy*.

National Drug Control Strategy

ONDCP develops the President's *Strategy* for submittal to Congress. The *Strategy* sets forth a comprehensive plan for the year to reduce illicit drug use and the consequences of such illicit drug use in the United States by limiting the availability of, and reducing the demand for, illegal drugs.

In preparation of the *Strategy*, ONDCP consults with the heads of the National Drug Control Program agencies; Congress; state, local, and tribal officials; private citizens and organizations, including community and faith-based organizations with experience and expertise in demand reduction; private citizens and organizations with experience and expertise in supply reduction; and appropriate representatives of foreign governments.

Federal Drug Control Budget

The *Budget* identifies resources and performance indicators for programs within the Executive Branch that are integral to the *Strategy*, categorizing the resources for activities of agencies into common drug-control areas. The *Budget* is an accurate, transparent, and reliable accounting of Federal resources spent to reduce drug use and its consequences.

Budget certification is the statutory process by which ONDCP reviews and shapes drug control budget proposals. ONDCP is required to determine the adequacy of an agency's proposed budget to implement the objectives of the *Strategy*. Certification affects the formulation of agency budgets that are incorporated into the President's proposed budget to Congress each year.

To be certified, agency budgets must support the priorities identified in the *Strategy*. The Director of ONDCP provides specific guidance to National Drug Control agencies on how best to support these priorities. National Drug Control Program agencies consider this guidance when formulating budgets.

Evaluating the Effectiveness of the *Strategy*

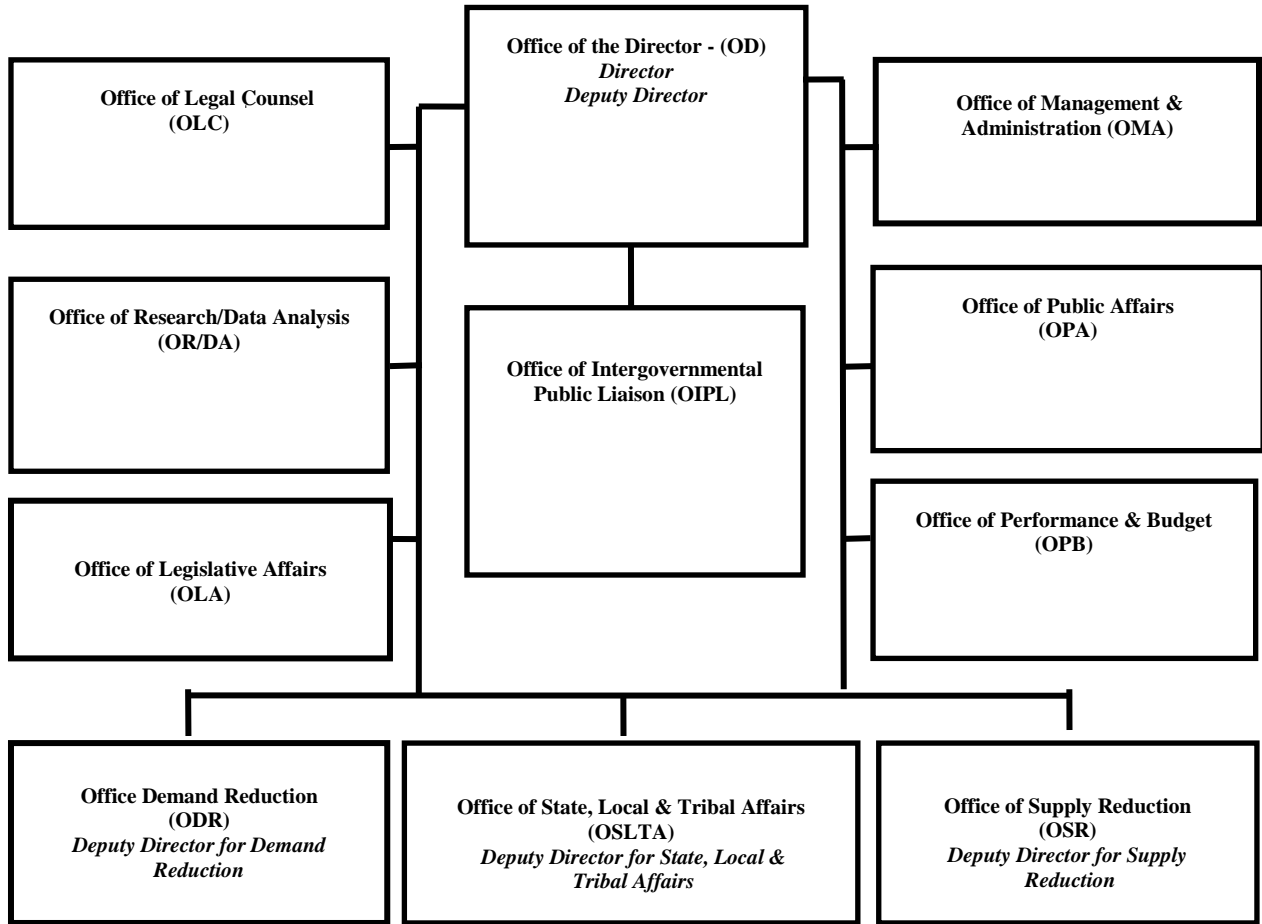
Performance represents a key tool for ONDCP in its oversight of Federal agencies – it enables ONDCP to assess the extent to which the national *Strategy* achieves its goals, and the contributions of drug control agencies. Two laws, the Office of National Drug Control Policy Reauthorization Act of 2006 (P.L. 109-469), and the Government Performance and Results Act Modernization Act of 2010 (GPRMA), set the framework for a range of performance requirements.

ONDCP tracks and reports on progress of the *Strategy* as reflected in performance measures and targets established for each goal and objective in the *Strategy*. ONDCP, in collaboration with its interagency partners, has developed a performance monitoring and assessment mechanism – the Performance Reporting System (PRS). The PRS monitors key performance measures to assess interagency progress towards the goals and objectives of the *Strategy*.

The Performance Reporting System (PRS) was developed through an extensive interagency process that brought together subject matter experts, policy and program analysts, researchers, statisticians, and leadership from National Drug Control Program agencies. Targets were then determined for each measure based on baseline data and trend lines.

ONDCP has begun the process of collecting and analyzing data for each performance measure in the PRS, using PRS data sources as well as auxiliary data to understand the extent and nature of progress-to-date. The 2013 PRS Report will be published in 2013. This information will be used to inform policymaking, planning, *Strategy* development and implementation, and budget formulation and resource allocation.

III. ORGANIZATION CHART



ONDCP is made up of 11 offices that address cross-cutting issues related to prevention, treatment, recovery, domestic law enforcement, international relations, and data and research analysis. The following are summary descriptions of the ONDCP office. The information is not intended to serve as a comprehensive description for each office.

OFFICE OF THE DIRECTOR (OD)

This office supports the Director in the management of the Office and the development and coordination of drug control policy.

OFFICE OF INTERGOVERNMENTAL PUBLIC LIAISON (OIPL)

This office works closely with national, state, local, and tribal leaders and law enforcement and substance abuse organizations to provide strategic outreach as ONDCP establishes policies, priorities and objectives for the Nation’s drug control program.

OFFICE OF LEGAL COUNSEL (OLC)

This office provides legal advice on all aspects of the Office business and policy development.

OFFICE OF RESEARCH/DATA ANALYSIS (OR/DA)

This office provides the Director and senior ONDCP staff with analysis of data and recent research results pertaining to drug policy. Additionally, the component oversees the Office’s Policy Research program, which conducts research projects, *via* contractors, to inform policy formulation and assessment.

OFFICE OF LEGISLATIVE AFFAIRS (OLA)

This office works to advance the Administration’s drug policy with the Congress through outreach to Members of Congress and their staff, involvement in Congressional hearings, and the development of legislative strategies for bills and issues.

OFFICE OF MANAGEMENT AND ADMINISTRATION (OMA)

This office provides financial management, human resources, administrative support, and travel services, as well as security and information technology resources for the Office.

OFFICE OF PUBLIC AFFAIRS (OPA)

This office develops and implements communications strategies to convey the Administration’s drug policy priorities to the media and the public.

OFFICE OF PERFORMANCE AND BUDGET (OPB)

This office coordinates policy and budget development, research, and evaluation for the Federal Drug Control Program.

OFFICE OF DEMAND REDUCTION (ODR)

This office coordinates prevention, treatment, and recovery support policies for Federal agencies, and supports state and local efforts to enhance prevention treatment.

OFFICE OF STATE, LOCAL, AND TRIBAL AFFAIRS (OSLTA)

This office coordinates Federal efforts to disrupt the domestic market of illegal drugs. In addition, this office manages the High Intensity Drug Trafficking Areas program and Drug Free Communities Support Program.

OFFICE OF SUPPLY REDUCTION (OSR)

This office coordinates international efforts to disrupt the market for illegal drugs with strategic actions and relations with other countries. OSR provides analytic support of international issues to the Director and senior ONDCP staff and coordinates Intelligence Community and law enforcement intelligence counter-drug efforts.

IV. HISTORICAL FUNDING OVERVIEW

FY 2008 - FY 2014
(\$ in millions)

FISCAL YEAR

	2008 Enacted	2009 Enacted	2010 Enacted	2011 Enacted	2012 Enacted	2013 CR 2/	2014 Request
Salaries & Expenses							
Operations	\$26.2	\$25.9	\$28.3	\$25.8	\$24.5	\$24.6	\$22.6
Policy Research	0.3	1.3	1.3	1.3	0.0	0.0	0.0
Subtotal, Salaries & Expenses	26.4	27.2	29.6	27.1	24.5	24.6	22.6
CTAC	1.0	3.0	5.0	0.0	0.0	0.0	0.0
CTAC – Cancellation of Prior Year Balances					[-5.2]		
HIDTA	230.0	234.0	239.0	238.5	238.5	240.0	193.4
Other Federal Drug Control Programs	164.3	174.7	154.4	140.6	105.6	106.2	95.4
OFDCP – Cancellation of Prior Year Balances 1/					[-6.1]	[-6.1]	
Total ONDCP Resources	\$421.7	\$438.9	\$428.0	\$406.2	\$368.6	\$370.8	\$311.4

1/ In FY 2012, rescissions for Other Federal Drug Control Programs include; \$359,958 for a chronic users study and \$5,723,403 for the National Anti-Drug Youth Media Campaign.

2/ FY13 CR reflects annualized amounts provided by P.L. 112-175, per BDR 13-07.

Totals may not add due to rounding.

V. SALARIES AND EXPENSES

A. PROGRAM OVERVIEW

Salaries & Expenses: (\$ in thousands)	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
Operations	\$24,500	\$24,650	\$22,647
Total, Salaries & Expenses	\$24,500	\$24,650	\$22,647
Staffing	98	98	96

Funding requested for the S&E account provides personnel compensation and operational support for ONDCP. S&E funds support ONDCP’s ability to meet its responsibilities, advise the President on drug control issues, and ensure the efficient and effective coordination and oversight of National Drug Control Program agencies’ programs and policies. ONDCP’s organization and mission include the following core beliefs:

- Illicit drug use is harmful.
- Drug availability can be reduced.
- Drug abuse can be prevented.
- Drug addiction can be treated.
- Recovery is sustainable.
- Illicit drug production, trafficking, and its associated violence at home and abroad can be reduced.
- Effective and emerging approaches are available to address these problems.

The 2012 Monitoring the Future Study, conducted by the University of Michigan through a grant funded by the National Institute on Drug Abuse, indicates some encouraging downward trends in the use of some substances, however overall drug use has remained unchanged from last year and remains unacceptably high. Pursuing the President’s balanced *Strategy* to prevent illicit drug use in our communities; intervene early in the health care system; strengthen drug treatment services and support those in recovery; break the cycle of drug use, crime, and incarceration; disrupt domestic drug production and trafficking; strengthen international partnerships; and improve drug-related information systems is more critical now than ever before.

B. APPROPRIATION LANGUAGE

General and special funds:

Office of National Drug Control Policy

Salaries and Expenses

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 2006 (Public Law 109-469); not to exceed \$10,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement, \$22,647,000: Provided, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

C. SALARIES & EXPENSES FY 2014 BUDGET REQUEST

ONDCP S&E Operations

The FY 2014 request for ONDCP Operations is \$22,647,000 and supports a full-time equivalent (FTE) level of 96. This funding level will allow ONDCP to continue to pursue the *Strategy's* goals of reducing drug use and its consequences and ensuring improvements in fostering healthier individuals and safe communities by sustaining and building upon significant accomplishments. Since the release of the *Strategy*, ONDCP has forged an unprecedented government-wide public health and public safety approach to reduce drug use and its consequences in the United States. This budget will support the focused coordination and oversight of interagency drug control programs and policies. Below are several accomplishments in support of the *Strategy*:

Prescription Drug Abuse:

- According to the 2011 National Survey on Drug Use and Health, the number of people currently abusing prescription drugs has decreased significantly, from 7.0 million in 2010 to 6.1 million in 2011, a 12 percent decrease. This decline is largely driven by reductions in prescription drug abuse among young adults ages 18 to 25, which was 14 percent lower in 2011 than in 2010.
- Developed and implemented the Prescription Drug Abuse Prevention Action Plan, which identifies four key areas for reducing prescription drug abuse: education for prescribers, patients, and parents; developing effective prescription drug monitoring programs (PDMPs); secure, convenient, and environmentally sound disposal of medications; and law enforcement efforts to reduce the number of illicit pain clinics.
- Partnered with the Food and Drug Administration (FDA) to announce and promote the Risk Evaluation and Mitigation Strategy (REMS) for extended-release and long-acting (ER/LA) opioids, which requires all manufacturers of ER/LA opioids—22 companies in total—to develop free or low-cost educational materials and continuing education courses for prescribers of these medications. The manufacturers must also develop information that prescribers can use when counseling patients about the risks and benefits of opioid use.
- Worked with National Institute on Drug Abuse (NIDA) to develop two free, online continuing education training tools for health care professionals who prescribe opioid analgesics. Released in October 2012, these training tools have provided more than 26,000 hours of continuing medical education (CME) credits and better training for

physicians and nurses on the abuse potential and patient safety for prescribing these medications.

- Worked with state leadership to establish and improve PDMPs, bringing the total to 49 states with laws authorizing PDMPs.
- Worked with the Bureau of Justice Assistance (BJA) and National Association of Boards of Pharmacy (NABP) to align interstate data sharing between PDMPs. Fourteen states currently share information, and several more are pending.
- Partnered with the Drug Enforcement Administration (DEA) on five National Take-Back Day initiatives since September 2010. Through these events, DEA has collected and safely disposed of more than 2 million pounds (1,018 tons) of unneeded or expired medications.
- Led efforts to secure bipartisan passage of prescription drug disposal legislation (Secure and Responsible Drug Disposal Act of 2010), signed by the President in October 2010.
- Continued to fund the National Methamphetamine and Pharmaceutical Initiative (NMPI) through ONDCP's HIDTA program, providing training for law enforcement and criminal justice professionals on pharmaceutical crime investigations and prosecutions.
- Through the Prescription Drug Abuse Prevention Plan, identified the need for the Department of Veterans Affairs to share information with state PDMPs, an issue addressed by the U.S. Congress in the FY 2012 Appropriations bill. Removing the prohibition on this data sharing will provide an important patient safety tool for veterans.

Drugged Driving:

- According to the National Survey on Drug Use and Health, the number of Americans reporting that they drove under the influence of illicit drugs dropped by 12 percent between 2010 and 2011.
- During 2010, 2011, and 2012, the President declared December National Impaired Driving Prevention Month, calling on all Americans to help prevent the loss of life by practicing safe driving and reminding drivers to stay sober, drug free, and safe on the road.

- Worked with the international community to secure passage of a United Nations resolution calling on all nations to address the threat of drugged driving.
- Convened a drugged driving summit that brought together a wide coalition of prevention, youth-serving, and safety organizations; automobile and insurance industry representatives; and Federal agencies, to discuss emerging issues and challenges related to drugged driving. At this summit, Mothers Against Drunk Driving (MADD) and ONDCP established an unprecedented partnership to support the victims of drugged driving crashes and raise public awareness regarding the consequences of drugged driving.
- Shared the Drugged Driving Toolkit at more than four national conferences with a total audience of more than 1,500. This toolkit provides tips for parents of teen drivers, sample community activities to raise public awareness regarding drugged driving, and resources to help teens reject negative influences.
- Established an agreement with RADD: The Entertainment Industry's Voice for Road Safety to develop and implement a drugged driving prevention campaign targeting youth and families that includes an in-school program.
- Raised awareness of drugged driving in collaboration with interagency partner National Traffic Safety Board during the first ever "Reaching Zero: Actions to Eliminate Substance-Impaired Driving" conference.
- Partnered with DOT/NHTSA to develop an online version of the Advanced Roadside Impaired Driving Enforcement program, allowing more law enforcement and prosecutor personnel to receive advanced training on drugged driving enforcement.

Drug Prevention:

- In FY 2012, the DFC Program provided \$85 million to fund 60 new grants, 608 continuation grants, 6 new mentoring grants, and 18 continuation mentoring grants. These grants are provided to community-based coalitions to address youth substance use.
- ONDCP led the Nation in observing the 2nd annual National Substance Abuse Prevention Month (October), raising awareness about the importance of prevention to improve the health, safety, and prosperity of our youth and communities.

- Over the past 3 years, ONDCP has provided \$8.6 million to the HIDTA program to increase coordination between law enforcement and prevention communities, thereby helping to reduce drug use and its negative consequences.

Increased Transparency and Outreach:

- Spread ONDCP's public health-based approach to drug policy to a broad audience by hosting public discussions with the Center for American Progress, the National Association for the Advancement of Colored People (NAACP), the Center for Strategic and International Studies, and the Council on Foreign Relations. These discussions were webcast and the messages amplified on ONDCP's blog and Twitter accounts.
- Increased stakeholder outreach through more regular communication, including an e-newsletter distributed twice a month. ONDCP's stakeholder list has grown by nearly 20 percent since October 2011.

Improved International Relations and Reduced Drug Supply:

- Sustained the mutually beneficial relationship with Colombia through high-level exchanges. United States-Colombia collaboration efforts resulted in an overall 72 percent decrease in cocaine potential pure production since 2001, placing Colombia third in cocaine production behind Peru and Bolivia for the first time since 1995. Between 2006 and 2011, the United States experienced a dramatic 50 percent drop in the rate of current cocaine use.
- Developed, in partnership with the Government of Mexico, a resolution promoting alternatives to incarceration for drug offenders that was enacted by U.N. Member States at the 2012 Commission on Narcotics Drugs meeting in Vienna, Austria.
- Served as Chair of the Organization of American States Inter-American Drug Abuse Control Commission (CICAD) Demand Reduction Experts Group and led efforts, in collaboration with OAS/CICAD staff, to develop policy papers on drugged driving, prescription drug abuse prevention, community-based prevention, and data collection.
- Built global support for strong and balanced drug strategies around the world through the development and dissemination of the *Principles of Modern Drug Policy* and intensified bilateral relationships with the United Kingdom, Sweden, Russia, Italy, the European Union, and China.

- Provided funding and support for a joint study regarding Screening, Brief Intervention, and Referral to Treatment in primary care clinics in Tijuana and Los Angeles.
- Improved relations with Central American countries by establishing an ongoing dialogue with the seven Central American Ambassadors to the United States. Further augmented relationships through visits to six of the seven countries in the region.
- Provided the latest drug-related information to prepare the President and Vice President for travel and meetings with key international drug control partners.
- Participated in a global drug conference in Lima, Peru, showcasing United States demand reduction efforts and support for alternative development initiatives by visiting sites in the Peruvian countryside with key government officials.
- Developed increased cooperation with the President of Peru on counternarcotics issues, including the development of higher illicit crop eradication goals.

Improved Interagency Communications:

- Maintained a formal interagency process to track the progress of all 112 Action Items in the *Strategy*.
- 107 of the 112 *Strategy* Action Items have been completed or are on track for completion. Of the remaining Action Items, three were negatively affected by funding issues.
- Drew together interagency partners and encouraged internal collaboration among ONDCP components, providing a platform for communication to support the development of the 2013 *Strategy*.

Gifts and Donations

The FY 1990 appropriation for Salaries and Expenses and subsequent authorization language established a Gift Fund (GF) for ONDCP. The GF includes a trust fund into which all private monetary gifts and donations made to ONDCP are deposited.

D. SUMMARY TABLES OF PROGRAM AND FINANCING

**Salaries and Expenses
(\$ in thousands)**

Line Number	Program by activities	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
00.01	Salaries & Expenses	\$24,500	\$24,650	\$22,647
10.00	Total Obligations	\$24,500	\$24,650	\$22,647
	Financing:			
39.00	Budget Authority	\$24,500	\$24,650	\$22,647
	Budget Authority:			
40.00	Appropriation	\$24,500	\$24,650	\$22,647
	Relation of Obligations to Outlay:			
90.00	Total Outlays	\$24,500	\$24,650	\$22,647

(SUMMARY TABLES OF PROGRAM AND FINANCING, Continued)

Gifts and Donations
(\$ in thousands)

Line Number	Financing Schedule	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
21.40	Unobligated Balance Available, Start of Year	\$57	\$55	\$45
24.40	Unobligated Balance Available, End of Year	\$55	\$45	\$35
	Relation of Obligations to Outlays:			
90.00	Outlays (net)	\$2	\$10	\$10

E. SUMMARY TABLES OF PERSONNEL

PERSONNEL	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
Total Number of Appropriated Full-Time Permanent Positions	98	98	96

F. DETAIL OF PERMANENT POSITIONS

Permanent Positions	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
EX 1	1	1	1
EX 2	1	1	1
EX 3	3	3	3
SES	11	11	11
GS-15	28	28	28
GS-14	23	23	23
GS-13	9	9	9
GS-12	10	10	8
GS-11	6	6	6
GS-10	3	3	3
GS-9	2	2	2
GS-8	0	1	1
GS-7	1	0	0
Total Permanent Positions	98	98	96

G. SUMMARY TABLES OF BUDGET AUTHORITY BY OBJECT CLASS

**Salaries and Expenses – Operations
(\$ in thousands)**

Line Number	Salaries and Expenses Operations	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
10.0	Personnel Compensation & Benefits	\$15,745	\$15,745	\$15,450
21.0	Travel & Transportation of Persons	\$675	\$675	\$500
22.0	Transportation of Things	\$18	\$18	\$18
23.1	Rental Payments to GSA	\$3,097	\$3,025	\$3,332
23.3	Communications, Utilities, & Miscellaneous Charges	\$278	\$295	\$282
24.0	Printing & Reproduction	\$69	\$69	\$69
25.0	Other Contractual Services	\$4,180	\$4,471	\$2,709
26.0	Representation Funds	\$10	\$10	\$10
26.0	Supplies & Materials	\$258	\$267	\$267
31.0	Equipment	\$170	\$75	\$10
99.0	Total Obligations	\$24,500	\$24,650	\$22,647

(SUMMARY TABLES OF BUDGET AUTHORITY BY OBJECT CLASS, Continued)

Gifts and Donations
(\$ in thousands)

Line Number	Gifts and Donations	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
26.00	Supplies & Materials	\$57	\$55	\$45
99.00	Total Budget Authority	\$57	\$55	\$45

H. EXPLANATION OF BUDGET REQUEST BY OBJECT CLASS
(\$ in thousands)

	FY 2013 CR	FY 2014 Request
Personnel Compensation & Benefits	\$15,745	\$15,450

Funds in this object class provide full-year salaries and benefits for 96 FTE.

	FY 2013 CR	FY 2014 Request
Travel and Transportation	\$675	\$500

The amount funds the full-year cost of travel for ONDCP staff and invitational travel.

	FY 2013 CR	FY 2014 Request
Transportation of Things	\$18	\$18

This object class includes express mail and miscellaneous moving expenses.

	FY 2013 CR	FY 2014 Request
Rental Payments to GSA	\$3,025	\$3,332

This amount includes an estimated \$3,332,050 for the full year cost of office space at rates established by the General Services Administration (GSA) for office space in the Washington, D.C. central business district. The building is privately owned and ONDCP is located on five separate floors (57,130 rentable square feet of space and 13 structured/reserved parking spaces). The building includes office space, four conference rooms, video teleconferencing center, mapping center, and a Sensitive Compartmented Information Facility (SCIF). Note: The increase supports the full fiscal year cost impact of re-negotiated office space at rates established by GSA. Rent was increased due to a one-time reduction in FY 2013 of tenant credits.

	FY 2013 CR	FY 2014 Request
Communications, Utilities, and Miscellaneous Charges	\$295	\$282

The amount funds commercial and wireless services, including BlackBerry service charges, parking space rental charges, video teleconferencing center Internet charges, miscellaneous rental charges, and television charges.

	FY 2013 CR	FY 2014 Request
Printing and Reproduction	\$69	\$69

This amount reflects basic printing needs to include the publication of the *Strategy*, the *Budget*, *National Southwest Border Counternarcotics Strategy*, research reports, as well as the Federal Register and the Code of Federal Regulations. Printing services are provided by the U.S. Government Printing Office and the Defense Automated Printing Service. We will be limiting the publication and printing of hard copy documents and will continue to provide documents on our agency website in addition to other electronic formats.

	FY 2013 CR	FY 2014 Request
Other Services	\$4,471	\$2,709

This amount reflects contract services including: information technology (IT) contract support services; staff training to provide professional development opportunities and enhance employees' ability to accomplish the objectives of the *Strategy*; guard services through the Federal Protective Services' contract; Director's protection; copier labor support agreements; building maintenance; service and equipment maintenance renewal; transcription services; travel service fees; website services; intelligence leased line; and foreign language translation services.

	FY 2013 CR	FY 2014 Request
Supplies and Materials	\$277	\$277

This amount reflects office supplies, materials, electronic subscriptions, and publications. This also includes \$10,000 for Reception and Representation funds which would allow the Director to host meetings with non-Federal partners and stakeholders participating in the effort to reduce drugs and its consequences.

	FY 2013 CR	FY 2014 Request
Equipment	\$75	\$10

This amount funds the purchase of miscellaneous equipment that needs replacement.

	FY 2013 CR	FY 2014 Request
Total All Object Classes	\$24,650	\$22,647

VI. OTHER FEDERAL DRUG CONTROL PROGRAMS

A. APPROPRIATION LANGUAGE

FEDERAL DRUG CONTROL PROGRAMS

Federal Funds

General and special funds:

Other Federal Drug Control Programs

(including transfer of funds)

For other drug control activities authorized by the Office of National Drug Control Policy Reauthorization Act of 2006 (Public Law 109-469), \$95,376,000, to remain available until expended, which shall be available as follows: \$85,676,000 for the Drug-Free Communities Program, of which \$2,000,000 shall be made available as directed by section 4 of Public Law 107-82, as amended by Public Law 109-469 (21 U.S.C. 1521 note); \$7,800,000 for anti-doping activities; and \$1,900,000 for the United States membership dues to the World Anti-Doping Agency: Provided, That amounts made available under this heading may be transferred to other Federal departments and agencies to carry out such activities.

B. SUMMARY TABLES OF PROGRAM AND FINANCING

OTHER FEDERAL DRUG CONTROL PROGRAMS
(\$ in thousands)

Line Number	Program by Activities	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
00.01	Drug Free Communities Support Program	\$92,000	\$92,563	\$85,676
00.01	Anti-Doping Activities	\$9,000	\$9,055	\$7,800
00.01	Drug Court Training and Technical Institute	\$1,400	\$1,409	\$0
00.01	Section 1105 of Public Law 109-469	\$1,250	\$1,258	\$0
00.01	World Anti-Doping Agency (WADA) Membership Dues	\$1,900	\$1,912	\$1,900
10.00	Total Obligations	\$105,550	\$106,196	\$95,376
	Financing:			
39.00	Budget Authority	\$105,550	\$106,196	\$95,376
	Budget Authority:			
40.00	Appropriation	\$105,550	\$106,196	\$95,376
	Relation of Obligations to Outlay:			
90.00	Total Outlays	\$105,550	\$106,196	\$95,376

Totals may not add due to rounding.

C. PERSONNEL

Personnel associated with the administration of Other Federal Drug Control Programs are funded from ONDCP’s Salaries and Expenses account, except one reimbursable position authorized from the Drug Free Communities Act.

PERSONNEL	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
Total Number of Appropriated Full-Time Permanent Positions	1	1	1

D. OTHER FEDERAL DRUG CONTROL PROGRAMS

FY 2014 BUDGET REQUEST

The FY 2014 request for the Other Federal Drug Control Programs account is \$95,376,000. These funds will be used to carry out three programs:

- Drug Free Communities Support Program;
- Anti-Doping Activities; and
- World Anti-Doping Agency (WADA) Membership Dues.

1. DRUG FREE COMMUNITIES SUPPORT PROGRAM

a. MISSION STATEMENT AND PROGRAM DESCRIPTION

The mission of the Drug-Free Communities (DFC) Support Program is to strengthen local collaboration to prevent youth drug use in communities across the country. In order to undertake this mission, ONDCP supports community-based coalitions in the development and implementation of comprehensive, long-term plans to prevent and reduce youth substance use.

The DFC Program was created by the Drug-Free Communities Act of 1997 (P.L. 105-20), reauthorized through the Drug-Free Communities Reauthorization Act of 2001 (P.L. 107-82), and reauthorized again through the Office of National Drug Control Policy Reauthorization Act of 2006 (P.L. 109-469). This includes funding for the Community Anti-Drug Coalitions of America (CADCA) which provides mandatory training for DFC grantees.

The DFC Program provides grants to community-based coalitions that meet specific statutory eligibility requirements to construct and solidify a public-private infrastructure to create and sustain population-level change related to youth substance use. Over time, it is the intent of the program to prevent and reduce youth substance use and, therefore, adult substance abuse through effective community collaboration and leveraging of resources.

Since the inception of the DFC Program, more than 2,000 community coalitions have been funded. During FY 2012, there were a total of 692 DFC grants in 49 States, the District of Columbia, Palau, American Samoa, Puerto Rico and the Federated States of Micronesia. A total of 86 grants will graduate out of the DFC Program after receiving 10 years of funding, with 106 completing their first five years of funding in September 2013.

b. FY 2014 BUDGET REQUEST

The DFC Program is built upon the idea that local problems require local solutions. DFC funding provides for the bolstering of community infrastructure to support environmental prevention strategies¹ to be planned, implemented, and evaluated in local communities across the United States, Territories and Protectorates. The DFC Program is committed to the idea that Federal “experts” can provide insight, but that local communities are the real problem solvers in America.

To instigate a grassroots effort, the DFC Program requires the gathering and support of 12 community sectors comprised of youth, parents, schools, business, media, law enforcement, faith-based/fraternal organizations, healthcare professionals, civic/volunteer groups, state, local and/or tribal governments, youth-serving organizations, and other organizations that address youth substance use. To further community change, the DFC Program requires funded coalitions to use environmental prevention strategies that engage all facets of the community to address existing or missing local policies, practices, and procedures. Through a comprehensive and ongoing community assessment process, DFC coalitions remain abreast of the issues their community faces. In doing so, coalitions are able to address gaps, barriers, and existing conditions that hinder youth substance use prevention or decrease overall youth substance use. It is the job of the community coalition to become the hub of efforts related to substance use prevention in their targeted area.

At the end of the FY 2012 funding cycle, the DFC Program provided grants supporting 692 community coalitions in 49 states, the District of Columbia, Palau, American Samoa, Puerto Rico, and the Federated States of Micronesia. Of these, 60 were new grantees for FY 2012 and 608 were continuation grantees (within a single five-year cycle). Also, of the total 692 coalitions, six new DFC Mentoring coalition grants were awarded in FY 2012 to encourage mature coalitions to assist in the development of new coalitions. Eighteen DFC Mentoring continuation grants were also awarded. Mentoring coalitions, which must be current DFC grantees, receive funding for a period of up to two years. The DFC Program provides the funding necessary to strengthen local efforts and to move toward community-wide change through effective, planned, and evidence-based practices, policies, and procedures.

The following categories are tracked for distribution of the DFC support grants:
42 percent of FY 2012 new awardees are economically disadvantaged;
25 percent of FY 2012 new awardees are rural; and
67 percent of FY 2012 new awardees are urban/suburban.

The following categories are tracked for distribution of the DFC mentoring grants:
33 percent of FY 2012 new awardees are economically disadvantaged;
33 percent of FY 2012 new awardees are rural; and
67 percent of FY 2012 new awardees are urban/suburban.

¹ Environmental prevention strategies incorporate efforts that change local conditions, systems, structures, institutions, policies, procedures, and practices that lead to long-term, population-level change. An example would be to increase local fines for underage alcohol possession and route the money to substance abuse prevention efforts.

For FY 2014, \$85,676,000 is requested to support the DFC program. Of this amount, \$76,821,920 will fund grants made directly to approximately 605 community-based coalitions focusing on preventing youth substance use throughout the United States. This amount will include 139 new grants, but will fully fund those within the initial five-year cycle. A total of \$2,000,000 will be used to provide a directed grant award to the Community Anti-Drug Coalitions of America’s National Coalition Institute. The Institute is the primary source of training and technical assistance to DFC coalitions and coalitions working toward submitting a successful DFC application. The remaining \$6,854,080 (the maximum 8 percent allowable for administrative support costs) will fund program support costs, such as program staff, daily oversight of grants and the DFC National Cross-Site Evaluation.

Drug-Free Communities Program	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
(\$ in thousands)	\$92,000	\$92,563	\$85,676

Grants to Communities (\$76,821,920)

DFC Grants. The DFC Program was created to provide funding to community coalitions that focus their efforts on the prevention of youth substance use. This is a competitive, peer reviewed grant program. The DFC program will provide grants to communities using \$76,821,920 of the total FY 2014 request of \$85,676,000. This amount will fully fund grants within the current initial five-year cycle (605), and will include funding for 139 new grants. Grants are for \$125,000 per year for five years, and coalitions cannot receive more than 10 years of DFC funding. It will also fund 10 DFC Mentoring continuation grants, as shown below.

DFC Mentoring Grants. ONDCP estimates that in FY 2014, there will be five new Mentor coalition grants awarded to existing grantees. In addition, approximately 10 DFC Mentoring grantees will be in the final year of a two-year cycle would be funded.

National Community Anti-Drug Coalition Institute. (\$2,000,000)

The 2001 Reauthorization directed ONDCP to create a National Community Anti-Drug Coalition Institute. In December 2006, P.L. 109-469 authorized \$10 million over five years (FYs 2008-2012) to support the Institute. The Institute is responsible for providing training and technical assistance, as well as publications and other resources to community coalitions across the country. The Institute is also charged with connecting the research and evaluation community with the DFC Program in order to foster community-based participatory and other research to solidify the coalition movement as a method for addressing substance abuse and other public health problems. The DFC Program will provide \$2,000,000 for the Institute.

Program Administration (\$6,854,080)

P.L. 109-469 defines administrative costs within the DFC Program as expenses that are not grants to communities or to the National Anti-Drug Coalition Institute. ONDCP requests \$6,854,080, a cap of 8 percent of the total FY 2014 request, to support all other costs associated with the administration of the DFC program, the daily management of grants, and the National Cross-Site Evaluation. ONDCP plans to allocate \$870,280 for costs associated with the position of DFC Administrator, grantee trainings/meetings, grant application workshops, continuing the contacts management database for grantees, and supporting the DFC technology platform. A total of \$1,700,000 will be allocated for the DFC National Cross-Site Evaluation. The remaining \$4,283,800 will be used for daily grants management, monitoring, and oversight.

c. ACCOMPLISHMENTS

DFC Program 2011 National Evaluation Status Report Findings

The DFC National Evaluation receives process data from all DFC grantees twice a year. In addition, DFC grantees report every two years on the core measures. The amount of data included within this collection is vast and compiling the data takes time.

The following findings (Figure 1) are from January 2002 - November 2010 for the DFC Program. These findings are in alignment with DFC's former core measures and were reported for alcohol, tobacco, and marijuana in middle and high school grades (6th-12th). The previous core measures included: past 30-day use, age of onset, perception of risk or harm of use and perception of parental disapproval. The data below reflects past 30-day use by middle and high school youth.

- 16% reduction of middle school alcohol use;
- 27% reduction of middle school tobacco use;
- 23% reduction of middle school marijuana use;
- 9% reduction of high school alcohol use;
- 16% reduction of high school tobacco use; and
- 7% reduction of high school marijuana use.

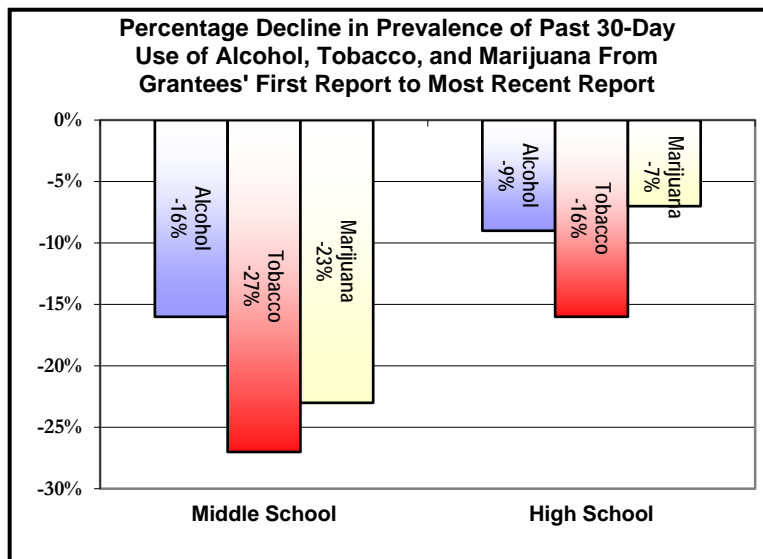


Figure 1

To summarize, prevalence of past 30-day use declined significantly across all substances (alcohol, tobacco, marijuana) and school levels (middle and high school) between DFC coalitions' first and most recent data reports (see figure 1). Prevalence of past 30-day use was significantly lower for DFC high school students as compared to a nationally-representative sample of high school students taking the Youth Risk Behavior Survey (YRBS). Differences in prevalence of 30-day use between DFC and YRBS were statistically significant for alcohol in

2003, 2005, 2007, and 2009. Differences in prevalence of 30-day use were also statistically significant for marijuana in 2003, 2005, and 2007, but not in 2009.

Updates to the DFC Program's Core Measures and Data Collection System

The DFC Program will collect the following measures from DFC grantees on alcohol, tobacco, marijuana and prescription drugs in three grades (6th-12th) every 2 years:

- Past 30-day use;
- Perception of risk or harm;
- Perception of parental disapproval of use; and
- Perception of peer disapproval of use.

Prescription drugs were added to the substances collected by the DFC Program's grantees, due to the fact that DFC grantees are indicating that this is becoming a priority for their coalitions. National trends have indicated significant increases in the non-medical use of prescription drugs in the United States. It was determined that age of onset is not a proper measure to indicate the overall effectiveness of the DFC Program. It is a difficult measure for DFC grantees to convert for collection purposes (actual age to percent of reduction). Even though DFC indicates a positive move on the measure over time in increasing the age of onset by youth users, it was relatively small. There are many national surveys that will continue to collect age of onset, so this measure is not lost by its removal from DFC data collection. Perception of peer disapproval of use was added as peers are the second most influential group in the life of a young person behind his/her parents. In addition, these measures are in alignment with the National Outcome Measures (NOMs), which have been collected by the Substance Abuse and Mental Health Services Administration (SAMHSA) for many years.

FY 2014 Strategies

ONDCP's overall mission of reducing the demand for drugs in this country is substantially supported by local communities organizing and mobilizing around their specific drug problems. The prevention and reduction of youth substance use is the ultimate goal of the DFC Program. ONDCP intends to assist coalitions in achieving this goal through the following strategies:

- Provide training/technical assistance opportunities through the National Coalition Institute and other entities, related to drug trends, strategic planning, implementation, and the institutionalization of efforts by coalitions;
- Encourage the adoption and implementation of environmental prevention strategies that will change policy, practices, and procedures in the whole community;
- Continue and seek new collaborations with Federal and non-Federal partners (e.g., Substance Abuse and Mental Health Services Administration, Community Anti-Drug Coalitions of America, High Intensity Drug Trafficking Areas Program, Drug Enforcement Administration, National Guard Drug Demand Reduction, etc.); and
- Continue to provide DFC staff support to DFC coalitions and enable them to reflect the best model for effective community-based prevention delivery.

Summary

From the DFC Program's inception in FY 1998 to the awards made to the FY 2012 cohort, over 2,000 community-based coalitions have received DFC funding to reduce youth substance use. The Federal investment in the DFC Program has been more than doubled by the matching funds provided by the grantee communities. Specifically, the past 30-day use declined significantly across all substances and all grade levels in DFC funded communities. DFC will continue to learn from its own data how to improve the program and to enable grantees and communities to continue to prevent and reduce youth substance use.

2. ADDITIONAL PROGRAMS

a. ANTI-DOPING ACTIVITIES

The FY 2014 request level for anti-doping activities is \$7,800,000. Anti-doping activities focus on efforts to educate athletes on the dangers of drug use, eliminate doping in amateur athletic competitions, and rely on standards established and recognized by the United States Olympic Committee (USOC). Anti-doping activities support athlete drug testing programs, research initiatives, educational programs, and efforts to inform athletes of the rules governing the use of prohibited substances outlined in the World Anti-Doping Code (Code). In addition, anti-doping activities support efforts to enforce compliance with the Code and adjudicate athlete appeals involving doping violations.

Anti-doping activities seek to raise awareness about the health dangers and ethical implications of drug use in sport among young and future athletes. In addition, these activities support state-of-the-art research within the scientific and public health communities related to anabolic steroids and other performance enhancing drugs.

Anti-Doping Activities	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
(\$ in thousands)	\$9,000	\$9,055	\$7,800

b. WORLD ANTI-DOPING AGENCY DUES

The FY 2014 request level for United States membership dues to the World Anti-Doping Agency (WADA) is \$1,900,000. WADA is the international agency created to promote, coordinate, and monitor efforts against doping and illicit drug use in sport on a global basis. This project supports WADA's mission to facilitate and harmonize comprehensive anti-doping efforts. WADA is jointly funded by national governments and the international sporting movement. Continued support of the project allows the United States to maintain its leadership role in this drug-related international organization. As part of ONDCP's continued support for this project, the United States serves on WADA's governing Foundation Board and Executive Committee. The project supports drug testing operations, athlete drug education and prevention efforts, and medical and social science research related to drug use in sport.

The project aims to promote an increased awareness in the United States and internationally of the health and ethical dangers of illicit drug use and doping in sport. The project protects athletes' fundamental rights to participate in drug-free sports and thus promote the health and safety of athletes at all levels. The project seeks to increase global coordination of anti-drug education programs, cooperation with law enforcement and investigative authorities relating to the trafficking of illicit substances, and promoting more consistent adjudication results in cases involving doping worldwide.

World Anti-Doping Agency Dues	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
(\$ in thousands)	\$1,900	\$1,912	\$1,900

VII. HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

A. MISSION STATEMENT AND PROGRAM DESCRIPTION

The purpose of the High Intensity Drug Trafficking Areas (HIDTA) program, as defined by its authorizing statute [21 U.S.C. 1706 (d)], is to reduce drug trafficking and drug production in the United States by:

- (A) Facilitating cooperation among Federal, state, local, and tribal law enforcement agencies to share information and implement coordinated enforcement activities;
- (B) Enhancing law enforcement intelligence sharing among Federal, state, local, and tribal law enforcement agencies;
- (C) Providing reliable law enforcement intelligence to law enforcement agencies needed to design effective enforcement strategies and operations; and
- (D) Supporting coordinated law enforcement strategies which maximize the use of available resources to reduce the supply of illegal drugs in designated areas and in the United States as a whole.

The Director of ONDCP may designate any specified area of the United States as a high intensity drug trafficking area. In considering whether to designate an area as a high intensity drug trafficking area, the Director shall consider the extent to which: 1) the area is a significant center of illegal drug production, manufacturing, importation, or distribution; 2) state, local, and tribal law enforcement agencies have committed resources to respond to the drug trafficking problem in the area, thereby indicating a determination to respond aggressively to the problem; 3) drug-related activities in the area are having a significant harmful impact in the area, and in other areas of the country; and 4) a significant increase in allocation of Federal resources is necessary to respond adequately to drug-related activities in the area.

The HIDTA program currently includes 28 regional HIDTAs², which comprise approximately 16 percent of all counties in the United States and 60 percent of the United States population. HIDTA-designated counties, independent cities, and other jurisdictions are located in 46 states, Puerto Rico, the U.S. Virgin Islands, and the District of Columbia.

The HIDTA program principally supports the enforcement aspect of the National Drug Control *Strategy* by providing assistance to Federal, state, local, and tribal law enforcement agencies operating in areas determined to be critical drug trafficking regions of the United States. As such, the program provides resources to these agencies in each HIDTA region to carry out activities that address the specific drug threats of that region. At the local level, the HIDTAs are directed and guided by Executive Boards composed, in most cases, of an equal number of regional Federal and non-Federal (state, local, and tribal) law enforcement leaders. Where it is impractical for an Executive Board to consist of equal numbers of representatives of Federal agencies and state, local, and tribal agencies a system of proxy votes or weighted votes must be used to achieve the voting balance required by the National HIDTA Program Policy and Budget

² The Southwest Border HIDTA is divided into five regions (California, Arizona, New Mexico, West Texas, and South Texas), each of which operates in many respects as a separate HIDTA in a coordinated fashion with the other four.

Guidance.

A central feature of the HIDTA program is the discretion granted to the Executive Boards to design and implement initiatives that confront the specific drug trafficking threats in each HIDTA region. This flexibility allows each HIDTA Executive Board to tailor its strategy and initiatives to local conditions resulting in a more focused response to emerging changes in the regional drug threats than would be possible if a single central office controlled the 28 HIDTAs. Each year, every HIDTA Executive Board assesses the drug trafficking threat in its defined area, develops a strategy to address that threat, designs initiatives to implement the strategy, and proposes funding needed to carry out the initiatives in the coming year. After the end of the program year, each HIDTA prepares an annual report describing its performance against the overall objectives outlined in its strategy for that year.

The types of initiatives designed and implemented by each HIDTA's Executive Board to address the specific drug trafficking threats in its region include:

- 1) Enforcement initiatives comprised of multi-agency investigative, interdiction, and prosecution activities targeting drug trafficking and money laundering organizations, drug production organizations, drug gangs, drug fugitives, and other serious crimes which have a drug nexus;
- 2) Intelligence and information-sharing initiatives that furnish intelligence (tactical, operational, and strategic), deconfliction services (event and case/subject), information collection and dissemination, and other analytical support for HIDTA initiatives and participating agencies;
- 3) Management initiatives and support initiatives that provide assistance beyond the core enforcement and intelligence and information-sharing initiatives (e.g., training, crime and forensic labs, information technology initiatives, and coordination initiatives).
- 4) Drug use prevention and drug treatment initiatives which facilitate increased coordination between the law enforcement and prevention communities to reduce drug abuse and its negative consequences.

In addition to the HIDTA-level initiatives outlined above, the HIDTA program supports several major domestic projects identified below. These national initiatives are financed almost exclusively through discretionary HIDTA funding.

- The Domestic Marijuana Project (DMP) facilitates and enhances interagency efforts to reduce marijuana cultivation on the Nation's public lands. The DMP complements eradication efforts of the Drug Enforcement Administration's Domestic Cannabis Eradication/Suppression Program (DCE/SP), the Department of the Interior, the Department of Agriculture, the National Guard, and many state and local agencies. Because of their remote locations and the limited presence of law enforcement, public lands have become sites for illegal marijuana cultivation operations, particularly in California. In FY 2012, ONDCP provided \$2,300,000 in HIDTA discretionary funding to the DMP. HIDTA funding for this initiative is directed to primary "source" areas.

- The Domestic Highway Enforcement (DHE) initiative provides assistance to the HIDTAs with market disruption through a coordinated nationwide highway enforcement strategy. The DHE strategy is based on collaborative, intelligence-led policing to enhance coordinated, multi-jurisdictional operational law enforcement efforts on the Nation's highway system, thereby reducing criminal use on drug trafficking corridors identified by law enforcement agencies and increasing public safety. The 48 contiguous states participate in sharing plans and intelligence and coordinating operations. The El Paso Intelligence Center (EPIC) supports the DHE initiative through its National Seizure System (NSS), the DHE community website, the Tactical Incident Notification System (TINS), and its Predictive Intelligence Unit. In FY 2012, ONDCP provided \$4,000,000 in HIDTA discretionary funds to this project. Preliminary reports indicate that the initiatives receiving funding under this project seized drugs and related assets valued at \$369,000,000 removed from our Nation's highways in 2012.
- The National Methamphetamine and Pharmaceuticals Initiative (NMPI) assists the HIDTAs with coordination, information sharing, and training to prosecutors, investigators, intelligence analysts, and chemists to enhance the identification of criminal targets; to increase the number of chemical/pharmaceutical drug crime-related investigations and prosecutions; and to curtail foreign chemical and precursor sources that are used by illicit drug producers in the United States. The NMPI is funded through the Southwest Border HIDTA (California Region). In 2012, the initiative received \$500,000 in base funding and \$200,000 in discretionary funding under the Prescription Drug Project.
- The Native American Project, through \$275,000 of discretionary funding, provides support to a number of initiatives in Arizona, California, New Mexico, New York, Oregon, and Washington. The project promotes collaborative, intelligence-led, investigative and interdiction efforts against drug trafficking organizations (DTOs) in coordinated and mutually supportive multi-jurisdictional law enforcement operations on Native American lands. In all cases, developing a HIDTA task force model of multi-agency participation is a pre-requisite for funding consideration.

The *National Drug Control Strategy* emphasizes a balanced approach to drug control, based on prevention, early intervention, treatment, enforcement, and international partnerships. Law enforcement agencies have substantial experience in implementing problem-oriented policing strategies and are well positioned to promote and participate in community-based drug prevention programs.

Prevention and treatment initiatives continue to be an integral part of the HIDTA program, taking advantage of the critical part law enforcement can play in preventing young people from using drugs. There are now 20 regional HIDTA programs supporting prevention initiatives across the country, including all 5 Southwest Border HIDTA regions. To put this in perspective, only four HIDTAs sponsored prevention initiatives in 2008. The HIDTA members work with community-based coalitions and adhere to evidence-based prevention practices, such as community mobilization and organizational change.

In addition to supporting a number of prevention initiatives through regular baseline funding, ONDCP provided a total of \$800,000 in HIDTA discretionary funds in FY 2012 to support

prevention initiatives at 16 of the HIDTAs. One such initiative provides funding for the four California HIDTAs to work together. This initiative incorporates a balanced approach to reducing drug use and its consequences. Member agencies participate in drug awareness and education in order to strengthen their prevention efforts.

An essential component of the HIDTA program is the National HIDTA Assistance Center (NHAC). The NHAC, located in Miami, Florida, provides financial services to assist ONDCP in the administration of the HIDTA program and manages the HIDTA Financial Management System. This web-based application developed by the NHAC is used for budgeting and grant administration. The center also provides training and multi-media support to the HIDTAs.

B. APPROPRIATION LANGUAGE

FEDERAL DRUG CONTROL PROGRAMS Federal Funds

General and special funds:

High Intensity Drug Trafficking Areas Program

(including transfer of funds)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, \$193,400,000, to remain available until September 30, 2015, for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas ("HIDTAs"), of which not less than 51 percent shall be transferred to State and local entities for drug control activities and shall be obligated not later than 120 days after enactment of this Act: Provided, That up to 49 percent may be transferred to Federal agencies and departments in amounts determined by the Director of the Office of National Drug Control Policy, of which up to \$2,700,000 may be used for auditing services and associated activities: Provided further, That upon a determination that all or part of the funds so transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: Provided further, That, notwithstanding the requirements of Public Law 106-58, any unexpended funds obligated prior to fiscal year 2012 may be used for any other approved activities of that HIDTA, subject to reprogramming requirements .

C. SUMMARY TABLES OF PROGRAM AND FINANCING

**High Intensity Drug Trafficking Areas
(\$ in thousands)**

Line Number		FY 2012 Enacted	FY 2013 CR	FY 2014 Request
	Program by activities:			
00.01	Grants and Federal Transfers	\$235,822	\$237,265	\$190,700
00.01	HIDTA Auditing Services and Associated Activities	\$2,700	\$2,717	\$2,700
10.00	Total Obligations	\$238,522	\$239,982	\$193,400
	Financing:			
39.00	Budget Authority	\$238,522	\$239,982	\$193,400
	Budget Authority:			
40.00	Appropriation	\$238,522	\$239,982	\$193,400
41.00	Transferred to Other Accounts	(\$23,000)	(\$23,000)	(19,000)
43.00	Appropriation (adjusted)	\$215,522	\$216,982	\$174,400
	Relation of Obligations to Outlay:			
90.00	Total Outlays	\$215,522	\$216,982	\$174,400

D. PERSONNEL

No personnel costs are associated with the HIDTA program. Personnel responsible for providing policy direction and oversight for the HIDTA program are funded from ONDCP's Salaries & Expenses account.

E. SUMMARY TABLES OF BUDGET AUTHORITY BY OBJECT CLASS

**High Intensity Drug Trafficking Areas
(\$ in thousands)**

Line Number		FY 2012 Enacted	FY 2013 CR	FY 2014 Request
25.00	High Intensity Drug Trafficking Areas – Obligations	\$215,522	\$216,982	\$174,400
99.00	Transfer to Federal Accounts	\$23,000	\$23,000	\$19,000
99.00	Total Budget Authority	\$238,522	\$239,982	\$193,400

F. FY 2014 BUDGET REQUEST

The FY 2014 request for the HIDTA program is \$193,400,000, which includes \$190,700,000 for grants to state, local, and tribal agencies, and transfers to Federal agencies participating in the 28 HIDTAs, and up to \$2,700,000 to be used for auditing services and associated activities.

The HIDTA program plays a key role in helping to keep communities safe, and supports a place-based policy designed to increase the impact of government dollars by leveraging place-conscious planning and place-based programming. It is a regional program, locally managed, and tied to a national mission. It principally supports drug supply reduction by bringing together and providing assistance to Federal, state, local, and tribal law enforcement agencies operating in areas determined to be critical drug trafficking regions of the United States. However, in line with the President's *Strategy*, individual HIDTAs are also increasingly involved in prevention initiatives at the local or regional level.

The attached request for each HIDTA includes:

- (1) The amount proposed for each HIDTA.
- (2) A justification that explains:
 - (A) the reasons for the proposed funding level; how such funding level was determined based on a current assessment of the drug trafficking threat in each High Intensity Drug Trafficking Area;
 - (B) how such funding will ensure that the goals and objectives of each such area will be achieved; and
 - (C) how such funding supports the *Strategy*.
- (3) The amount of HIDTA funds used to investigate and prosecute organizations and individuals trafficking in methamphetamine in the prior calendar year, and a description of how those funds were used.

Once the funding distribution has been approved, each HIDTA will propose to ONDCP initiatives designed to implement its strategy to address the threat identified in its region. Additionally, in consultation with the HIDTA Directors Committee, ONDCP will draft a plan for the use of discretionary funding to continue to support major domestic projects and respond to emerging threats.

Summary of HIDTA Program Request

	FY 2014 Request
Appalachia	\$5,853,819
Atlanta	\$5,249,732
Central Florida	\$2,616,929
Central Valley California	\$2,574,856
Chicago	\$4,736,704
Gulf Coast	\$6,612,018
Hawaii	\$2,574,856
Houston	\$8,514,620
Lake County	\$2,648,482
Los Angeles	\$12,319,659
Michigan	\$2,881,312
Midwest	\$11,537,421
Milwaukee	\$4,408,462
Nevada	\$2,574,856
New England	\$2,629,200
New York/New Jersey	\$10,615,640
North Florida	\$2,574,856
North Texas	\$2,574,856
Northern California	\$2,616,929
Northwest	\$3,743,982
Ohio	\$2,829,907
Oregon	\$2,659,001
Philadelphia/Camden	\$3,600,553
Puerto Rico/Virgin Islands	\$7,961,653
Rocky Mountain	\$8,053,790
South Florida	\$10,692,831
Southwest Border	\$41,760,011
Washington/Baltimore	\$11,346,326
National HIDTA Assistance Center	\$1,936,739
Total Base Allocation	\$190,700,000
Auditing Services Funds	\$2,700,000
Total	\$193,400,000

Appalachia HIDTA

(1) Amount of Funding Requested for FY 2014: \$5,853,819

(2) Justification

(A) Threat Assessment

Marijuana remains a significant drug threat in Appalachia. The Appalachia HIDTA's (AHIDTA) area of responsibility is one of the major sources of domestically grown marijuana. Drug traffickers who divert prescription drugs also pose a threat to the AHIDTA region. Methamphetamine production and abuse are above national levels. Other dangerous drugs, including crack cocaine and powder cocaine and drug-related violence continue to threaten the safety of communities.

Law enforcement efforts must continually adapt to new and changing threats. The production of marijuana is increasingly found on private land as opposed to public land (e.g., National Forests), and Mexico-based DTOs continue to establish marijuana growing operations in the AHIDTA area. Although clandestine laboratory seizures are leveling off for the region as a whole, trafficking and abuse continues to surge in areas of Tennessee, as availability is expressed to be moderate to high in every AHIDTA AOR of the state. This threat to the region will remain significant. Clandestine manufacturers have already adapted to the legislative restrictions on the purchase of chemical precursors, such as pseudoephedrine. While law enforcement operations and prescription drug monitoring programs have helped diminish the effect of pain medication diversion in the AHIDTA region, the diversion and abuse of controlled pharmaceutical drugs, particularly oxycodone and hydrocodone from pain clinics in Florida and the Southeast United States, continue to pose a significant threat to the region.

(B) Strategy for Achieving HIDTA Goals and Objectives

The AHIDTA is instrumental in fostering cooperation and collaboration among Federal, state, and local law enforcement agencies. The Executive Board develops and manages the AHIDTA strategy and its initiatives to focus resources and efforts on the region's primary drug threats to ensure desired outcomes are achieved.

The Executive Board's ongoing efforts are dedicated to facilitating cooperation and strengthening the working relationships of the AHIDTA's participating law enforcement agencies, which include 6 U.S. Attorneys' Offices, 7 Federal agencies, 13 state agencies, and 57 local agencies. The Board's efforts help to achieve common goals and to respond to current drug threats effectively and efficiently.

The AHIDTA strategy and initiatives are designed to target drug cultivation, distribution, and drug-related violent crime, and to reduce drug abuse. Several task force teams focus on marijuana, the most significant threat to the region. Their efforts, in partnership with Federal prosecutors, have been effective in reducing local marijuana cultivation operations on public lands. However, the AHIDTA is experiencing, and beginning to respond to, a different and growing threat from Mexico-based growers. The AHIDTA is also addressing a significant methamphetamine threat. Even as electronic monitoring systems and enforcement efforts are

effectively reducing methamphetamine production and abuse, the AHIDTA leadership expects that DTOs and users will modify their operations. Additionally, the AHIDTA is working with law enforcement agencies in Florida, as well as several other HIDTAs, to reduce the growing problem of the diversion and abuse of pharmaceuticals.

(C) Support of the *National Drug Control Strategy*

The AHIDTA supports the *Strategy* in a number of ways. Its task forces reduce large scale marijuana production and the shipment of large amounts of marijuana to other areas of the country; it disrupts and dismantles drug trafficking and/or money laundering organizations that distribute marijuana, pharmaceutical drugs, methamphetamine, cocaine, and heroin.

(3) Methamphetamine

Despite increases in the number of dismantled clandestine methamphetamine laboratories, dumpsites, and chemical/glassware seizures in the region over the previous calendar years, the AHIDTA experienced a 33 percent decrease in 2012 compared to 2011. This decrease follows a 16 percent increase in 2011 from 2010. (These numbers reflect state-wide totals across all four AHIDTA states, and are not inclusive to AHIDTA counties only.) Additionally, AHIDTA task forces removed or assisted in the removal of 73 children from clandestine laboratory locations, a 10 percent decrease. Clandestine manufacturers have adapted to legislative restrictions on the purchase of pseudoephedrine products. Producers are purchasing pseudoephedrine outside of the region, frequenting establishments where reporting of purchases is lax, or using sophisticated smurfing³ techniques to obtain pseudoephedrine.

In July 2012, new Kentucky statutes became effective that further restrict the distribution and availability of cold and flu products containing pseudoephedrine. These laws are expected to drive down the number of encountered lab incidents in the AHIDTA area.

³ “Smurfing” refers to the action of going store-to-store, purchasing the maximum amount allowable under the law of pseudoephedrine and ephedrine products and then pooling these products, which will then be provided to a meth producer.

Atlanta HIDTA

(1) Amount of Funding Requested for FY 2014: \$5,249,732

(2) Justification

(A) Threat Assessment

The Atlanta HIDTA region is a major distribution center for DTOs, particularly Mexico-based DTOs, and their associated money laundering organizations (MLOs) that supply the Eastern United States. DTOs/MLOs distribute illicit drugs from the Atlanta HIDTA region to eastern cities including Baltimore, MD; Boston, MA; Cincinnati and Columbus, OH; Columbia, SC; Gainesville, Orlando, and Pensacola, FL; Indianapolis, IN; Knoxville, TN; Louisville, KY; and Norfolk, VA. The supply lines reach as far as Detroit, MI, and New York, NY. Interstate 85 is the major artery for this distribution.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Atlanta HIDTA has implemented a three-part strategy (geographical, functional, and operational) to focus on upper and mid-level drug trafficking and money laundering organizations. Atlanta HIDTA employs state-of-the-art intelligence and telecommunications technology in addition to more traditional techniques to target investigations. Atlanta HIDTA fosters collaborative working relationships among over 80 Federal, state, and local investigative and prosecuting agencies conducting intelligence-driven operations against major DTOs/MLOs.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Atlanta HIDTA and achieve the goals of the *Strategy*, the Executive Board will focus HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale;
- Increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies; and,
- Creating a stronger relationship between law enforcement and prevention and treatment organizations. The HIDTA is establishing a Pharmaceutical Advisory Committee and plans to continue to publish an annual survey of data obtained from regional treatment providers.

(3) Methamphetamine

In 2011, 279.6 kg of methamphetamine and ice (or crystal) methamphetamine with an estimated wholesale value of \$11.6 million were seized by Atlanta HIDTA initiatives. A Regional Coordinator for the NMPI was added to the Atlanta HIDTA in 2008 and, working with the Georgia Bureau of Investigation, the Organized Crime Drug Enforcement Task Force (OCDETF), and the HIDTA, has established a precursor tracking system in the HIDTA. This system mirrors the Tennessee Methamphetamine Information System (TMIS) and serves the

Southeastern OCDETF region. There is a resurgence of small, “one-pot”⁴ local manufacturing of methamphetamine attributed to disruptions in the quality and delivery of imported sources of methamphetamine. Although this HIDTA is able to report on seizures of methamphetamine, they have indicated that they are unable to track funding specifically used to address methamphetamine trafficking.

⁴ The “one-pot” method allows methamphetamine cooks to combine anhydrous ammonia, pseudoephedrine, or ephedrine tablets, and the reactive metal (i.e. Lithium) into a single container from the beginning of the process. The method reduces the amount of time needed for the process. The one-pot method produces a minimal amount of methamphetamine (usually gram quantities or less).

Central Florida HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,616,929

(2) Justification

(A) Threat Assessment

The overall drug threat to the Central Florida HIDTA (CFHIDTA) region significantly changed in 2010—controlled prescription drugs (CPDs) emerged as the greatest drug threat, surpassing cocaine. This shift, reported consistently by law enforcement officials throughout the HIDTA region during numerous interviews in early 2011, is also reflected in the NDIC National Drug Threat Survey (NDTS) 2011 data.⁵ The growing threat posed by CPDs is compounded by the ease with which abusers can acquire these drugs and the far reaching negative societal effects associated with them. Cocaine remains a significant law enforcement concern despite lower levels of abuse.

Key issues identified in the CFHIDTA region:

- CPD trafficking and abuse, particularly of opioid pain relievers, have emerged as the greatest drug threat to the CFHIDTA region, surpassing the level of threat to the region posed by cocaine.⁶
- CPD distributors and abusers are acquiring prescription drugs with relative ease through numerous rogue pain management clinics (commonly referred to as pill mills) operating in Central Florida. This contributes to the widespread availability of these drugs throughout the region and in much of the Eastern United States.⁷
- Despite declining levels of abuse in some areas, cocaine remains a significant concern to the CFHIDTA region—cocaine availability has remained relatively stable throughout most of the region since 2009.
- Marijuana is widely available in the CFHIDTA region, fueled by indoor cannabis cultivation operations run by DTOs that are increasingly employing strategies to make detection of grow operations more difficult for law enforcement.
- Mexico-based DTOs have solidified their standing as the primary wholesale suppliers of most cocaine, imported ice methamphetamine, and marijuana available in the CFHIDTA region.

⁵ Orlando Metropolitan Bureau of Investigation (MBI), interview by NDIC intelligence analyst (IA), February 1, 2011; Florida Department of Law Enforcement (FDLE), interview by NDIC IA, February 1, 2011; Volusia County Sheriff's Department, interview by NDIC IA, February 2, 2011; Seminole County Sheriff's Department, interview by NDIC IA, February 2, 2011; Central Florida High Intensity Drug Trafficking Area (HIDTA) Tampa, interview by NDIC IA, February 3, 2011; Clearwater Police Department (PD), interview by NDIC IA, February 3, 2011.

⁶ Orlando MBI, interview by NDIC IA, February 1, 2011; FDLE, interview by NDIC IA, February 1, 2011; Volusia County Sheriff's Department, interview by NDIC IA, February 2, 2011; Seminole County Sheriff's Department, interview by NDIC IA, February 2, 2011; Central Florida HIDTA Tampa, interview by NDIC IA, February 3, 2011; Clearwater PD, interview by NDIC IA, February 3, 2011.

⁷ Central Florida HIDTA Tampa, interview by NDIC IA, February 3, 2011; Tampa PD, interview by NDIC IA, February 3, 2011.

(B) Strategy for Achieving HIDTA Goals and Objectives

The CFHIDTA will continue to foster cooperative and effective working relationships between the nine Federal agencies, and eight state and local agencies to achieve the common goals of dismantling or disrupting DTOs and reducing the demand for drugs.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the CFHIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale.
- The HIDTA Investigative Support Center will work to increase intelligence sharing and coordination among the initiatives and all regional law enforcement agencies.
- The HIDTA leadership will work with regional Drug Free Communities Programs and prevention providers and organizations to foster a stronger relationship between law enforcement and the prevention and treatment communities.

(3) Methamphetamine

Approximately \$243,000 was utilized in 2011 to dismantle 203 clandestine labs in the HIDTA's 8 county area (Brevard County was added in October 2011). During 2011, a total of 103 kg of methamphetamine and ice (or crystal) methamphetamine was seized with an estimated wholesale value of \$3,411,728. Of the total seized in 2011, 77 kg were ice or crystal meth which greatly increases the overall purity.

Central Valley California HIDTA

(1) Amount of Funding requested for FY 2014: \$2,574,856

(2) Justification

(A) Threat Assessment

The Central Valley California (CVC) HIDTA's greatest drug problems are related to marijuana, methamphetamine, cocaine, and heroin. The 10-county region is a leading producer of methamphetamine and outdoor- and indoor-grown sinsemilla marijuana. Outdoor marijuana growing takes place in national forests and remote public lands as well as on private property. Large cannabis plots frequently are tended by undocumented individuals, many of whom are armed. They pose a grave danger to hikers, campers, and forest workers. In 2011, approximately 3.8 million outdoor-grown marijuana plants were eradicated in the State of California (including 1.6 million plants in counties served by the CVC HIDTA); this amounts to 64 percent of the 6.2 million outdoor-grown marijuana plants eradicated nationwide, as reported by DCE/SP.

Methamphetamine, likewise, poses a serious threat to the region. DTOs and criminal groups conduct well-organized, large-scale operations to acquire the necessary pseudoephedrine to sustain major methamphetamine production efforts in the region. These organized bands of individuals (known as "smurfers") roam the region purchasing thousands of pseudoephedrine tablets from pharmacies to sell to methamphetamine laboratory operators.⁸ The CVC HIDTA dismantled five superlabs⁹ in 2011.

The CVC HIDTA region is a national drug production and transshipment hub. According to intelligence reports, Mexico-based DTOs produce and/or smuggle heroin, cocaine, marijuana, and methamphetamine into the Central Valley of California for transportation to domestic drug markets. During 2011, highway patrol officers across the Nation seized approximately 16,000 pounds of marijuana that originated in California, according to the National Seizure System (NSS). HIDTA initiatives report that many of the DTOs operating in the CVC HIDTA counties include foreign nationals. DTO members operate commercial-sized marijuana "farms" and indoor marijuana grow houses throughout the region.

(B) Strategy for Achieving HIDTA Goals and Objectives

The CVC HIDTA applies traditional law enforcement methodologies and techniques that have proven effective against DTOs. Nearly 170 Federal, state, county, and city law enforcement members representing 40 agencies support the CVC HIDTA initiatives. The integration and coordination of task force efforts are supported by a network of criminal intelligence analysts and integrated intelligence centers.

⁸ These groups are composed of numerous individuals who visit multiple stores to purchase the maximum limit of pseudoephedrine and ephedrine products at each store; they then pool their purchases.

⁹ By definition, a superlab is capable of producing more than 10 pounds of methamphetamine in a single cycle.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the CVC HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the CVC HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from the sale of drugs. In 2011, the CVC HIDTA disrupted or dismantled 46 DTOs and money laundering organizations (MLO);
- Improving investigative effectiveness through an Intelligence Subsystem and ISC that provides tactical and strategic intelligence services to CVC HIDTA participating agencies. This is accomplished under the leadership of a Drug Enforcement Administration (DEA) Intelligence Group Supervisor and California Bureau of Narcotics Enforcement supervisors; and
- Creating a stronger relationship between law enforcement and prevention organizations. The CVC HIDTA is collaborating with the other California HIDTAs on a state-wide prevention initiative.

(3) Methamphetamine

The 2011 CVC HIDTA enforcement initiatives directed a significant portion of their resources toward dismantling methamphetamine laboratories. A total of 1,244 kg of methamphetamine and ice (or crystal) methamphetamine were seized. There were 27 methamphetamine laboratories dismantled; of those, five were classified as “superlabs,” i.e., having the capacity to yield more than 10 pounds during a single production cycle. Although the Central Valley region leads the state in the number of chemical dumpsites found, there has been a continuing decline in the number of methamphetamine laboratories located for the past 4 years. Finally, while this HIDTA is able to report on seizures of methamphetamine, it is not possible to track funds specifically used for methamphetamine enforcement because investigations have shown that the region’s DTOs are nearly all poly-drug traffickers.

Chicago HIDTA

(1) Amount of Funding Requested for FY 2014: \$4,736,704

(2) Justification

(A) Threat Assessment

Chicago is not only one of the largest consumer markets for cocaine, heroin, marijuana, and other illicit drugs, but it also serves as a national-level transshipment hub and distribution center for these drugs to other areas of the country. The distribution and abuse of heroin, cocaine, marijuana, and increasing amounts of high potency marijuana are the primary drug threats in the Chicago HIDTA region.

Intelligence and ongoing cases indicate that large quantities of these drugs are transported to the area by Mexico-based drug trafficking organizations (DTOs) and criminal groups, principally from locations along the Southwest border. Mexico-based DTOs and criminal groups dominate the wholesale transportation and distribution of cocaine, heroin, and marijuana. Typically, they obtain these drugs directly from DTOs operating in Mexico and provide them to street gang leaders in the region for retail-level distribution. Street gangs are the primary retail distributors of illicit drugs. These gangs regularly engage in violent criminal activities to protect their drug supplies, distribution territories, and illicit drug proceeds. They are continuing their incursion into outlying areas and are becoming increasingly problematic for suburban law enforcement.

In addition, the Chicago metropolitan area has one of the highest rates of drug-use prevalence in the United States. According to the Office of National Drug Control Policy (ONDCP) 2011 Arrest Drug Abuse Monitoring (ADAM II) Program, 80.5 percent of recently arrested adult males in Chicago (Cook County) tested positive for at least one drug (second highest among all test sites) and 31.3 percent tested positive for multiple drugs (third highest among all test sites). A higher percentage of arrestees tested positive for opiates (18.6 percent) including heroin, in Chicago than at any other test site in the country.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Chicago HIDTA continues to foster cooperative and effective working relationships among Federal, state, and local law enforcement agencies in order to eliminate or reduce drug trafficking and its harmful consequences. This includes coordinated efforts to reduce the production, manufacturing, distribution, transportation, and chronic use of illegal drugs, as well as the attendant money laundering of drug proceeds.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Chicago HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale;

- Increasing intelligence sharing and coordination among the initiatives and all law enforcement agencies in Illinois and the other regions that are impacted by the illegal drug trade emanating from the Chicago HIDTA's area of responsibility; and
- Seeking ways to enhance its relationship with community organizations, educational institutions, and other organizations engaged in drug education, prevention, and treatment activities.

(3) Methamphetamine

HIDTA funds are not specifically earmarked for methamphetamine enforcement due to relatively low usage in the region. It is believed, however, that methamphetamine is transported through the Chicago HIDTA en route to other markets.

Gulf Coast HIDTA

(1) Amount of Funding Requested for FY 2014: \$6,612,018

(2) Justification

(A) Threat Assessment

The GC HIDTA is a geographically diverse area consisting of 26 HIDTA-designated counties/parishes in the states of Alabama, Arkansas, Louisiana, Mississippi, and Tennessee. The drug which continues to pose the greatest threat in the GC HIDTA is cocaine, along with its derivative, crack. Law enforcement intelligence indicates that cocaine/crack is transported into the GC HIDTA region by Mexico-based poly-DTOs and subsequently distributed by local drug trafficking groups. Methamphetamine is ranked, overall, as the second-most serious threat. In Arkansas, however, methamphetamine surpasses cocaine/crack as the primary threat. In July 2010, Mississippi enacted House Bill (HB) 512, designating ephedrine and pseudoephedrine as Schedule III drugs and has since begun enforcement of provisions designed to regulate the sale of methamphetamine precursors. Consequently, prescriptions are required for all medications containing these methamphetamine precursors.

Diverted pharmaceuticals obtained through internationally-based Internet pharmacies, Mexico-based DTOs, and pain management clinics remain a significant threat across the GC HIDTA region. Overdose deaths and injuries from oxycodone, methadone, and their combination with other drugs, such as Soma, remain high and, in some cases, surpass those of drugs such as heroin. Violent crime continues to impact the safety and quality of life of the citizens in the GC HIDTA region. Violent drug trafficking groups have returned to the storm-ravaged areas of Louisiana and Mississippi, leading to a series of violent crimes and related social problems. A 2010 survey found that over 20 percent of the 25 most dangerous metropolitan areas of the United States were located in the GC HIDTA region.¹⁰

(B) Strategy for Achieving HIDTA Goals and Objectives

The GC HIDTA works to promote an effective working relationship among and between its law enforcement initiatives by designing and deploying an infrastructure that fosters information sharing and ensures a coordinated response to the drug threat, thereby realizing an environment through which the participating Federal and state/local agencies may achieve the goals of disrupting and dismantling DTOs and reducing the demand for drugs by focusing on specific drug threat elements unique to their respective areas.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the GC HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

¹⁰ [2010 Metropolitan Crime Rate Rankings; http://os.cqpress.com/citycrime/2010/Metro_crime_ranking_2010-2011_hightolow.pdf](http://os.cqpress.com/citycrime/2010/Metro_crime_ranking_2010-2011_hightolow.pdf)

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale. The GC HIDTA will support 27 enforcement initiatives to target regional DTOs; and
- Increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies. The GC HIDTA Investigative Support Center and BLOC Watch Center will accomplish this through event and case deconfliction, analytical support, lead referrals, and the production and dissemination of intelligence products.

(3) Methamphetamine

Methamphetamine is ranked as the second most serious threat to the GC HIDTA. As such, significant fiscal, enforcement, and intelligence resources are committed to disrupting and dismantling DTOs focusing on the manufacture, transportation, and distribution of the drug. While Mexico-based DTOs continue to dominate the transportation and distribution of bulk quantities of methamphetamine in the region, the simpler “one-pot” method of production continues to strongly influence the overall numbers of methamphetamine laboratory seizures as well as the total amount of methamphetamine seized across all areas of the GC HIDTA. In 2011, 170 methamphetamine labs were dismantled, all yielding less than 8 ounces per production cycle. GC HIDTA initiatives also removed 121 kg of methamphetamine from the marketplace with a wholesale value of \$5,340,588. Although this HIDTA is able to report on seizures of methamphetamine, they have indicated that they are unable to track funding specifically used to address methamphetamine trafficking.

Hawaii HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,574,856

(2) Justification

(A) Threat Assessment

The trafficking and abuse of crystal methamphetamine and diverted pharmaceuticals, and the production and cultivation of marijuana pose the greatest illicit drug threats to the state of Hawaii. Prescription drug-related deaths have overtaken methamphetamine-related deaths and are a growing problem. Cocaine, heroin, MDMA, and steroids, available in lesser quantities, also pose a threat to the region and are often present alongside crystal methamphetamine and marijuana during police raids and autopsies in drug-related deaths. Violence associated with illicit drug trafficking extracts a costly toll on Hawaii's resources, families, and neighborhoods. Drug abuse contributes to domestic violence, child endangerment, and hospital emergency room visits. Property crimes rise exponentially with increases in drug abuse. Drug abuse adds pressure and higher price tags upon social and healthcare services. Turf wars between rival DTOs/gangs have resulted in confrontations and eruptions of violence. Criminal groups and DTOs are usually international or multi-state in scope, with ample opportunity to traffic drugs to, through, and from the area using Hawaii's exceptionally high volume of international and domestic air and/or ocean traffic. Hawaii is ranked among the highest in the Nation for methamphetamine abuse per capita, and consistently ranks high in annual marijuana production. Although 47th in the Nation in terms of land mass, the state ranks first in available land to marijuana cultivation ratio.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Hawaii HIDTA has a clear-cut mission for its law enforcement and intelligence components. The Hawaii HIDTA fosters cooperative and effective working relationships between all 24 of Hawaii's Federal, state, and local law enforcement agencies. These relationships are embodied in the co-located and co-mingled law enforcement personnel who are strategically aligned into task forces that focus on both long and short term multi-jurisdictional investigations, complex money laundering investigations, violent offender and fugitive apprehensions, border interdiction, and marijuana eradication. Additionally, the Hawaii HIDTA invests heavily in a robust ISC and hosts the Hawaii State Fusion Center. The Hawaii HIDTA's intelligence-led policing approach pulls together targeted information into an analytical intelligence cycle so priorities can be established and the most pressing law enforcement threats can be dealt with in a focused manner.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Hawaii HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus resources on initiatives with a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale;
- Increasing intelligence sharing by continuing to invest heavily in a robust ISC; and

- Creating a stronger relationship between law enforcement and prevention organizations. Specifically, the Hawaii HIDTA works with local coalition groups to develop a strong consistent anti-drug message for Hawaii's youth.

(3) Methamphetamine

In 2011, the Hawaii HIDTA used \$1,287,819 of its budget to remove \$2,787,504 (wholesale value) worth of methamphetamine and seize \$1,732,831 in cash proceeds from the illicit drug market. In doing so, the Hawaii HIDTA disrupted and/or dismantled 36 methamphetamine-related DTOs. As a result of coordination and continued law enforcement pressure on DTOs, the Hawaii HIDTA was able to disrupt/dismantle 13 percent more methamphetamine DTOs than their goal.

Houston HIDTA

(1) Amount of Funding Requested for FY 2014: \$8,514,620

(2) Justification

(A) Threat Assessment

The threat from illicit drug trafficking and associated violence within the Houston HIDTA region remains high, in large part due to its close proximity to the Southwest Border Area, as well as its seaports and national highway infrastructure. As a result, the Houston HIDTA region is one of the most significant distribution and transshipment areas for the variety of illegal drugs trafficked from Mexico into the United States. It is also a primary consolidation point for bulk cash smuggled back across the border. Therefore, Houston is one of the principal centers for drug activity in the country. Houston has experienced an increase in pharmaceutical diversion activities over the past several years, heightening the level of threat posed to the region and beyond. In addition to the imminent threat posed by the vast supply of illegal drugs moving through the Houston HIDTA region, drug-related violence continues to escalate, especially among the region's gangs. Gangs within the region continue to grow in strength and number. Their violence, often spurred by drug-related turf issues is increasingly brutal, heightening the severity of the impact of the drug trade in the region.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Houston HIDTA will continue to foster cooperative and effective working relationships among Federal, State, and local agencies that participate and/or operate in the Houston HIDTA region to achieve the common goals of disrupting and dismantling DTOs, and reducing the demand for drugs.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Houston HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

- Dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs;
- Implementing programs and activities that improve the effectiveness and coordination of agencies participating in the HIDTA;
- Increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies; and
- Creating a stronger relationship between law enforcement and prevention and treatment organizations.

(3) Methamphetamine

In 2011, the Houston HIDTA provided \$218,680 to fund the Methamphetamine Initiative Group housed at the Texas Department of Public Safety in Houston, Texas. Over the last year, an increase in the number of small labs using the "one-pot" method of production resulted in the

dismantlement of 23 methamphetamine labs. HIDTA initiatives seized over 195 kg of methamphetamine and ice methamphetamine valued at approximately \$4.7 million.

Lake County HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,648,482

(2) Justification

(A) Threat Assessment

The drug threat in the Lake County HIDTA region has increased over the past year because of rising availability levels of heroin, controlled prescription drugs (CPDs), marijuana, and the availability of crystal “ice” methamphetamine. Heroin availability and abuse continue to increase throughout the HIDTA region. Treatment facilities are reporting an increase of heroin-related admissions. Overdose deaths related to opiates, including heroin, have increased over the last few years. Based on survey responses from local police agencies in the area, CPDs are an increasing, evolving threat. There remains a prominent presence of Mexico-based DTOs in the region, which have direct links to Chicago and the Southwest Border (SWB). These DTOs supply most of the heroin, marijuana, cocaine, and “ice” methamphetamine to the area. High-potency, locally produced marijuana is also readily available. Crack cocaine is an isolated threat, especially in the northern cities of Gary, Hammond, and East Chicago.

Key issues identified in the Lake County HIDTA region include the following:

- Heroin availability is increasing in both Lake and Porter Counties, contributing to rising levels of heroin abuse, treatment admissions, and overdoses.
- Controlled prescription drug (CPD) availability and abuse, especially prescription opiates, are increasing throughout the HIDTA’s area of responsibility (AOR) and contributing to a recent surge in drug overdose deaths.
- Growing demand for high-potency marijuana in Lake and Porter Counties has resulted in greater availability.
- The availability of cocaine has remained stable over the last year.
- Imported “ice” methamphetamine availability is increasing. Much of the “ice” is being brought to the area from the SWB, California, and Chicago.
- Chicago-based street gangs continue to expand into the HIDTA region. Gangs are involved in the trafficking of drugs and firearms between Northwest Indiana and Chicago.

(B) Strategy for Achieving HIDTA Goals and Objectives

The HIDTA works with 18 state and local jurisdictions, 9 law enforcement initiatives, and several Federal agencies in bringing a coordinated law enforcement effort to the HIDTA to combat drug trafficking.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Lake County HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale.
- Increasing intelligence sharing and coordination among the initiatives and all law enforcement agencies in Northwest Indiana.

(3) Methamphetamine

While local law enforcement units have not seen an increase in locally produced methamphetamine, HIDTA initiatives have verified an overall increase in the availability of “Ice” methamphetamine over the last two years. Mexico-based DTOs are importing “ice” methamphetamine to Chicago and Northwest Indiana in an attempt to introduce the drug to local users. The purity of “ice” methamphetamine is often found in the 90 – 100 percent range, as evidenced by several HIDTA initiative seizures.

Methamphetamine seized by HIDTA initiatives decreased from 4.098 kg in 2010 to 0.001 kg in 2011. “Ice” seizures increased from 0 kg in 2010 to 7.400 kg in 2011. Although this HIDTA is able to report on seizures of methamphetamine, they have indicated that they are unable to track funding specifically used to address methamphetamine trafficking.

Los Angeles HIDTA

(1) Amount of Funding Requested for FY 2014: \$12,319,659

(2) Justification

(A) Threat Assessment

Mexico-based DTOs and criminal groups control the wholesale distribution of illicit drugs in the Los Angeles HIDTA (LA-HIDTA) region. They supply illicit drugs to distributors within the region and to distributors in most other significant drug markets throughout the country. Their influence is so profound that the LA-HIDTA region has become one of the most significant illicit drug distribution centers in the United States for cocaine, heroin, marijuana, methamphetamine, MDMA, and PCP. Sources of the investigations for most of the open DTO cases in the LA-HIDTA at the end of 2011 were Mexican nationals.

Additionally, the Mexico-based DTOs and criminal groups based in the LA-HIDTA region are increasing their control over illicit drug distribution in many drug markets, most recently in east coast drug markets that have long been controlled by other trafficking groups. This further enhances the role of the LA-HIDTA region as a national-level drug distribution center and a staging area for Mexico-based DTOs, some of which have national and/or international presence.

The geographic, cultural, social, and economic diversity and general affluence of the population within the four-county area (12th largest economy in the world) have helped make the LA-HIDTA a huge market for drug use and distribution. At the same time, the highly developed transportation routes and the proximity to the Southwest border have made the LA-HIDTA a primary distribution, storage, and supply hub for illicit drugs destined for all the major metropolitan areas in the United States. Further, the large rural and remote desert areas make the LA-HIDTA an ideal location for clandestine manufacturing of methamphetamine. However, the majority of methamphetamine encountered in the LA-HIDTA is manufactured in Mexico.

(B) Strategy for Achieving HIDTA Goals and Objectives

By design, the LA-HIDTA strategy provides a comprehensive, dynamic law enforcement/intelligence plan which combines and coordinates regional drug control efforts in areas where they can have the most significant impact upon the threat. By Executive Board direction, this HIDTA consists of seven major operational task forces comprising co-located Federal, state, and local law enforcement agencies and three intelligence initiatives. It is their collective purpose to effectively and efficiently work within the strategy to identify and target the major DTOs that operate at the higher levels of the illegal narcotic “food chain,” in order to measurably reduce drug trafficking and its impact in this and other areas of the country.

(C) Support of the National Drug Control Strategy

To accomplish the mission of the LA-HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the major DTOs that transport and distribute drugs and the illicit proceeds from their sale in and through the Los Angeles region.
- Increasing intelligence sharing and coordination among the initiatives and all regional Federal, state, and local law enforcement agencies. It is the primary mission of the Los Angeles Regional Criminal Information Clearinghouse (LA CLEAR) to ensure officer safety and operational efficiency by providing a robust deconfliction capability serving the LA-HIDTA region and the State of Nevada, case support, advanced technology, intelligence, and enhanced information sharing to all law enforcement agencies. In 2010, the Joint Regional Intelligence Center (JRIC) merged with the Los Angeles Joint Drug Intelligence Group (previously known as LAJDIG), expanding available expertise and promoting, synergistic data sharing and analysis. The JRIC serves as one of the components of the national fusion center system; and
- Creating a stronger relationship between law enforcement and prevention organizations. The LA-HIDTA is coordinating with the other California HIDTAs on a statewide prevention initiative.

(3) Methamphetamine

In 2011, LA-HIDTA initiatives used approximately \$1,200,000 to dismantle 27 clandestine labs, including four super labs. At a regional selling price of \$1,200 per ounce, the LA-HIDTA prevented the production of an estimated \$2,074,800 worth of methamphetamine. While the numbers of reported meth labs have been declining in our region for the past 10 years, our enforcement initiatives have moved with the threat to additionally target the major transportation cells that move methamphetamine across the United States/Mexico border into our region and beyond. During 2011, the enforcement initiatives of the LA-HIDTA seized 125.595 kg of methamphetamine valued at \$2,907,838 and 1,460.390 kg of ICE valued at \$38,641,919.

The enforcement initiatives of the LA_HIDTA were responsible for seizing 40 percent of the 10 super labs and 35 percent of the 77 total methamphetamine labs seized in California in 2011. Further, it is of interest to note that, in 2011, 38 percent of the total of 26 super lab seizures reported nationwide occurred in the state of California.

Michigan HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,881,312

(2) Justification

(A) Threat Assessment

The Michigan HIDTA region is located between major drug markets in Chicago and New York City, shares an international border with Canada, and has 3 of the top 25 busiest commercial land ports in the United States. DTOs transport illicit drugs into and through the region from Chicago, New York City, Atlanta, the SWB states, and Canada. Michigan HIDTA counties include major drug markets in Detroit, Flint, Saginaw, Grand Rapids, and Kalamazoo. These markets serve as distribution centers for smaller markets within the Michigan HIDTA region and neighboring states.

The distribution and abuse of controlled prescription drugs, heroin, marijuana, cocaine and methamphetamine are the principal drug threats in the region. Controlled prescription drug diversion has grown to epidemic proportions and may constitute the region's most serious threat. Detroit has become a source city for opioids, which are smuggled south to Ohio, Kentucky, and West Virginia. Heroin remains a significant threat in the region, and its use has steadily increased over the past year. Marijuana is the most frequently abused drug in the region. The increased availability of marijuana, its widespread distribution and increased local production is in part due to the exploitation of the Michigan Medical Marijuana Act. The cocaine market in the region has remained stable or has slightly decreased in the past year. Local methamphetamine production and abuse continue to be a major concern in western and rural Michigan. Methamphetamine production has recently been discovered in northern and eastern Michigan counties. Close cooperation between methamphetamine users and producers helps sustain high production levels. Synthetic drugs such as K2, Spice, and Bath Salts are an emerging threat throughout the state. Detroit, Flint, Saginaw, and Pontiac continue to be four of the most violent cities in the United States, drug-related violent crime continues to pose a significant threat in these areas.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Michigan HIDTA has adopted a three-tiered enforcement strategy. The initiatives target street-level dealers threatening the community (Level 1), mid-level dealers and priority targets (Level 2), and major drug and money laundering organizations identified in the HIDTA's threat assessment (Level 3).

The HIDTA accomplishes its mission and attacks the threat in the region through a united response from its Federal, state, local, and tribal partners, taking full advantage of their knowledge, skills and expertise. Through co-location, interagency cooperation, and consolidation of strategic and tactical information, the HIDTA fosters a comprehensive response to illicit drug trafficking by bringing together all available law enforcement resources. Cooperative working relationships have been developed over many years by the Executive Board and Executive Director to ensure that enhanced communication, collaboration, and information sharing support effective, intelligence-driven investigations.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission and achieve the goals of the *Strategy*, the Executive Board focuses HIDTA resources on:

- Disrupting and/or dismantling the DTOs that manufacture, transport, and distribute illicit drugs and seizing the illicit proceeds from their sales;
- Improving the efficiency and effectiveness of the HIDTA's efforts by increasing intelligence sharing and coordination among HIDTA initiatives, law enforcement partners in Michigan, and law enforcement partners in other regions that are impacted by illegal drugs that originate or flow through the Michigan HIDTA's area of responsibility; and
- Enhancing relationships with organizations committed to drug education, prevention, and treatment, including community-based and educational institutions.

(3) Methamphetamine

Methamphetamine production remains a major threat as the "one-pot" method continues to grow in popularity in the state's western counties. Production has been discovered recently in northern and eastern Michigan counties. In 2011, Michigan HIDTA initiatives dismantled 159 methamphetamine laboratories in Michigan HIDTA counties, conservatively preventing more than \$450,000 worth of methamphetamine from reaching the marketplace. The Michigan HIDTA has committed \$50,000 in 2012 to train and recertify law enforcement officers to safely process and dismantle clandestine methamphetamine laboratories. Approximately \$200,000 has been committed to initiatives for methamphetamine-related enforcement activities. Production of methamphetamine is expected to remain stable or increase in the region to meet domestic demand.

Midwest HIDTA

(1) Amount of Funding Requested for FY 2014: \$11,537,421

(2) Justification

(A) Threat Assessment

The Midwest HIDTA region continues to be a fertile environment for the importation, manufacturing, and distribution of narcotics. Overall, methamphetamine trafficking is the greatest problem faced by the HIDTA. Additionally, densely populated urban areas in the region continue to experience major problems with all drugs, especially crack cocaine. Cocaine, methamphetamine and marijuana continue to be popular in the large urban cities of St. Louis and Kansas City, MO, Des Moines, IA, and Omaha, NE. Heroin is prevalent in large urban communities and surrounding suburbs of St. Louis and Kansas City. The diversion of prescription drugs and medications through “pill mills” and fraudulent Internet transactions is an emerging and dangerous threat. MDMA, GHB, and other dangerous drugs known as “club drugs” are also present in most urban areas.

Law enforcement agencies indicate that Mexico-based DTOs dominate wholesale drug distribution and transportation. All areas continue to see methamphetamine supplied through local production by small clandestine laboratories, facilitated by precursor chemical dealers and pseudoephedrine smurfing operations.

Competing gangs and other DTOs continue to use violence to solidify and maintain their hold on drug trafficking within their areas of influence. Cooperative local, state, and Federal law enforcement efforts throughout the Midwest HIDTA region have met with noteworthy success in identifying, targeting, and prosecuting active DTOs and gang members involved in violent drug-related activity. Drug trafficking analysis indicates that high level DTOs have been taking root in the region. Many DTOs in the Midwest region are poly-drug operations. The larger urban areas of St. Louis, Kansas City, Des Moines, and Omaha continue to be drug transportation and distribution hubs for the region. Along with drugs, these cities are also in the crossroads of the Nation’s highways and are important transit points for movement of DTOs’ financial profits returning to the Western United States and Mexico.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Midwest HIDTA has developed a cohesive and comprehensive regional program focused on reducing and disrupting the importation, distribution, and manufacturing of illegal narcotics. Midwest HIDTA Drug Task Forces maintain an aggressive posture toward enforcement activities. The Midwest HIDTA has identified primary and secondary threat areas, defined drug importation and transportation corridors, and identified areas of local drug production. Investigators conduct complex, in-depth, multi-jurisdictional OCDETF, Priority Target Organization, Special Operations Division, Regional Priority Organization Target, Consolidated Priority Organization Target, and DTO investigations with an emphasis on dismantling organizations and reducing drug-related violence. Investigations target the highest-level of drug trafficking and money laundering organizations using undercover operations and surveillance of command and control communications. These investigations

are intelligence-driven and are conducted in a spirit of cooperation among Federal, state, and local counterparts in a task force environment.

(C) Support of the *National Drug Control Strategy*

The Midwest HIDTA, which contains 73 designated counties in Illinois, Iowa, Kansas, Missouri, Nebraska, North Dakota, and South Dakota, supports 36 drug enforcement task forces, 6 domestic highway enforcement initiatives, 5 intelligence initiatives, and 5 support initiatives. The Midwest HIDTA has developed a cohesive and comprehensive regional program focused on reducing the transportation, distribution, and manufacturing of illegal narcotics, thereby disrupting the illicit drug market.

(3) *Methamphetamine*

Methamphetamine remains a significant enforcement problem in the Midwest region. While maintaining a focus on major investigations, local impact investigations, and interdiction, local and Federal law enforcement in the Midwest region continue to face the challenges of the significant public safety hazards involved with local production methamphetamine labs. These hazards include fires, explosions, violence, child abuse, hazardous waste disposal, and environmental contamination. In 2011, Midwest HIDTA initiatives seized over 142 kg of methamphetamine and 223 kg of ice methamphetamine, and dismantled 413 clandestine labs rated at less than 2 ounce capacity, 95 rated at 2-8 oz capacity, 6 rated at 9-31 oz capacity, and 1 rated at 32-159 oz capacity. There were 271 dumpsites uncovered in the Midwest HIDTA region in 2011.

Midwest HIDTA agencies interfaced with multiple state and local child services agencies to conduct dual track child abuse and endangerment investigations on those cases involving lab exposure and chemical injuries. Felony charges were brought and children were removed from dangerous environments on a number of those cases. The Midwest HIDTA is able to report on seizures of methamphetamine, but is unable to track funding specifically used to address the trafficking of methamphetamine.

Milwaukee HIDTA

(1) Amount of Funding Requested for FY 2014: \$4,408,462

(2) Justification

(A) Threat Assessment

The central geographic location of Wisconsin, and more specifically the metropolitan areas of Milwaukee and Madison, makes it prone to being both a midpoint and a destination area for drug trafficking operations. These metropolitan areas are positioned along the I-90/94 corridor and are in close proximity to the major drug markets of Minneapolis and Chicago. Because of these factors, the Milwaukee HIDTA region is vulnerable to DTOs that establish their presence for drug trafficking activities.

The 2013 Milwaukee HIDTA Threat Assessment documents that the abuse of heroin is reaching epidemic levels, according to law enforcement reports. Within the seven county HIDTA region and throughout the State of Wisconsin, it is apparent that heroin has quickly become the number one drug threat due to its highly addictive nature, high availability, and relatively low cost.

Closely associated with the heroin threat is the abuse of prescription medications, especially synthetic opiates such as oxycodone. Reports from law enforcement officials and substance abuse treatment providers clearly demonstrate a strong correlation between pharmaceutical abuses progressing to heroin addictions.

Marijuana continues to remain the most abundantly abused drug in the Milwaukee HIDTA region. Within the last year, demand for higher potency marijuana products has increased significantly. Much of this demand is met by source suppliers and DTOs from the West Coast and Pacific Northwest. In addition, outdoor local growing operations from around the state and elaborate indoor hydroponic sites are increasingly encountered by law enforcement.

Cocaine powder and cocaine base (crack) continue to have a strong presence in the Milwaukee HIDTA region; however, there are indications that their popularity and use may be declining, most likely due to lower quality and higher prices.

In addition to these primary drug threats there are other drugs that are beginning to emerge. For instance, synthetic marijuana such as “K2 Spice” and synthetic stimulants known as “bath salts” have become very popular. Law enforcement has reacted quickly to identify this threat and has assisted in efforts to create legislation to establish these synthetic derivatives as controlled substances.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Milwaukee HIDTA strategy will continue to foster cooperative and effective working relationships among the 25 local, state, and Federal participating member agencies to achieve the common goals of disrupting and dismantling DTOs, and reducing the demand for drugs. Through Milwaukee HIDTA’s enforcement initiatives working within the seven member counties, investigative emphasis is placed upon the targeting of DTOs that pose the most

significant threats, primarily those with ties to the southwest and northern borders (multi-state and international in scope). In addition, the initiatives work cooperatively and share information with other HIDTAs and law enforcement agencies throughout the country to further enhance effective investigations. The Executive Board directs and adjusts the strategy to address the most significant threats and create safer communities.

The Milwaukee HIDTA strategy also recognizes the need for strong demand reduction efforts in the community. The Safe & Sound initiative is an integral part of the Milwaukee HIDTA's strategy of prevention. The mission is to reduce violent crime through targeted law enforcement, community-building, and proactive engagement of youth in activities that increase pro-social skills and behaviors, and teach drug, gang, gun, and crime resistance.

(C) Support of the *National Drug Control Strategy*

The Milwaukee HIDTA supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs. This is accomplished through coordinated investigative efforts among Federal, state, and local law enforcement agencies. In addition, all investigative efforts are supported with active intelligence gathering and information sharing strategies to ensure that the most efficient and effective means are used to accomplish the mission. The key to the *Strategy* is breaking the cycle of drug use, crime, delinquency, and incarceration. Part of the Milwaukee HIDTA strategy is to support activities that emphasize community-based partnerships incorporating the efforts of prevention, prosecution, and enforcement to reduce the threats drugs can pose to the community. The Milwaukee HIDTA will continue to enhance and support its long relationship with the HIDTA Safe & Sound Prevention Initiative, a community-based organization engaged in drug education and prevention activities.

(3) Methamphetamine

The Milwaukee HIDTA used no funds to specifically investigate or prosecute organizations and individuals trafficking in methamphetamine in 2011. According to the most recent Milwaukee HIDTA Threat Assessment, there is no significant methamphetamine production or use in the HIDTA region of Wisconsin. In 2011, a little over 2 kg of methamphetamine was seized and no methamphetamine ice was reported. However, there appears to be a methamphetamine threat within close proximity to Wisconsin from the Western border State of Minnesota. Area law enforcement remains vigilant to assess and respond to any potential increase of methamphetamine in the Milwaukee HIDTA region.

Nevada HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,574,856

(2) Justification

(A) Threat Assessment

In its previous Threat Assessment, NV HIDTA reported that methamphetamine was expected to remain the number one drug threat in Nevada. This has proven to be true.

Methamphetamine comes into the NV HIDTA region from Mexico through Arizona and California, California being the principal source area. In 2011, NV HIDTA task forces investigated five Mexico-based DTOs identified as having direct ties to Mexican cartels. Methamphetamine use and trafficking are widespread and the NV HIDTA has seen a rebound in the availability of the drug. Task forces report a significant increase in seizures, which nearly doubled from 143 kg in 2010 to 254 kg in 2011, and the decline of prices to 2006 levels.

There has been an explosion in the number of indoor marijuana grows in Southern Nevada. Contributing to the proliferation of indoor grows in Clark County has been the emergence of dispensaries. Even though they are not legal in Nevada, they emerged as a threat for law enforcement in 2010. In November of 2010, the NV HIDTA Special Investigations Unit (SIU) teamed with the Las Vegas Metropolitan Police Department (LVMPD) and the U.S. Attorney to take enforcement action on 18 of these dispensaries. To help the NV HIDTA deal with the explosion of indoor grows, the NV HIDTA Executive Board formed the Southern Nevada Cannabis Operations and Regional Enforcement task force (SCORE). This group is responsible for the discovery of and enforcement actions against indoor grows. Nevada is estimated to be 9th in the Nation for the number of indoor grows. This is even more concerning in that every indoor marijuana grow seized was found in Clark County which has a population of only 2 million. Northern Nevada has not seen the indoor grows or the related violence that Southern Nevada has seen. Their marijuana drug threat comes from Central Valley California.

In the 2011 NV HIDTA Threat Assessment, outdoor grows were not found to be a problem in Southern Nevada specifically. This assessment proved to be wrong as the NV HIDTA responded to 7 outdoor grows during 2011 ranging in size from 6,000 to 10,000 plants, for a total of 60,000 plants. Most of these grows were located in the mountains northwest of the Las Vegas Valley. These extremely rugged mountains receive very little rain but the growers found a water source and ran a sufficient amount of pipe to get water to the plants. In an attempt to get a handle on this problem which is expected to persist for quite some time, the NV HIDTA sent a group of task force officers and analysts to the Central Valley California HIDTA to observe their methods for dealing with such grows.

Diverted pharmaceuticals continue to be one of the fastest growing areas of concern for narcotics enforcement throughout the country in general and in the NV HIDTA region. The Clark County coroner reports there are more pharmaceutical-related deaths in Clark County than methamphetamine, heroin, and cocaine deaths combined. Pharmaceuticals are expected to continue to have a significant impact in the communities.

(B) Strategy for Achieving HIDTA Goals and Objectives

The HIDTA program has been instrumental in fostering cooperation between Federal, state, and local agencies to a level not previously seen in Nevada. The relationships that have been built and the cooperative effort to attack DTOs by the participating agencies of the Nevada HIDTA continue to improve and are expected to continue to grow during the 2014 budget year. Reevaluation of existing task forces, the creation of new task forces, and the dismantling or modifications of other task forces were priority undertakings of the Nevada HIDTA in 2011.

(C) Support of the *National Drug Control Strategy*

The Nevada HIDTA supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the flow of illegal drugs into the Nevada HIDTA region and other areas of the country. Nevada HIDTA investigators conduct complex and in-depth, multi-jurisdictional DTO investigations with an emphasis on dismantling organizations and reducing drug related violence.

(3) *Methamphetamine*

Methamphetamine trafficking and abuse in the NV HIDTA are widespread and continue to grow. Intelligence estimates indicate that methamphetamine will continue as the number one drug threat in Nevada in 2013. During 2011, methamphetamine seizures nearly doubled, with several large cases tied in directly to Mexico. Specifically, of the methamphetamine DTOs the task forces were able to work, five were found to tie directly into Mexico of which two were specifically identified as cartels having command and control of these organizations. In 2011, the NV HIDTA seized 254 kg of methamphetamine with an estimated wholesale value of \$5.8 million.

New England HIDTA

(1) Amount of Funding Requested for 2014: \$2,629,200

(2) Justification

(A) Threat Assessment

The distribution and abuse of heroin and controlled prescription opioids (CPDs) are the most significant drug threats to the New England HIDTA (NE HIDTA) region. The abuse of opioid-based and other CPDs will continue to rise, leading to the increased use of heroin as a less expensive alternative. The northern border vulnerabilities will continue to be exploited, and the violent crime rate of the major metropolitan areas of New England will continue to be a major cause of concern for state and local law enforcement. This increased crime rate can largely be attributed to poly-drug trafficking organizations (DTOs) and gangs.

Opioid abuse –including heroin and controlled prescription opioid pain relievers– is associated with high levels of violent crime and property crime, and accounts for over 70 percent of all illicit drug-related treatment admissions and the majority of poison center hotline calls, hospital visits, and drug-related deaths in the region. Controlled prescription opioid abusers are fueling the heroin abuse problem in the region, as an increasing number of CPD abusers are switching to heroin because of its wide availability, higher potency, and greater affordability.

Cocaine, particularly crack cocaine, is commonly abused in some parts of the New England region, mainly inner-city neighborhoods of major cities. Crack cocaine availability has expanded to many northern New England cities largely because criminal groups and street gangs from southern New England and the New York City metropolitan area have increased distribution in those areas. Violence between these street gangs is increasing as they compete for territory in a lucrative drug market area.

Supplies of commercial-grade marijuana and high-potency marijuana from domestic and international suppliers are readily available and increasing. New York City-based Colombia-based DTOs are the primary wholesale suppliers of heroin and cocaine in the New England region. Dominican Republic-based DTOs are significant transporters and distributors of retail-level quantities of cocaine, marijuana, heroin, and CPDs in the region. Mexico-based DTOs have increased their operations in the NE HIDTA region and are now significant wholesalers of heroin, cocaine, and marijuana.

(B) Strategy for Achieving HIDTA Goals and Objectives

The NE HIDTA provides an agency-neutral program to balance regional law enforcement efforts, and coordinates a strategy to address the regional threat and national priorities. It continues to foster effective working relationships among six U.S. Attorneys' Offices, nine Federal law enforcement agencies, and scores of state and local law enforcement agencies. NE HIDTA task force initiatives are staffed with co-located Federal, state, and local law enforcement officers. The NE HIDTA coordinates the integration of all initiatives to ensure a unified effort in achieving the goals and objectives.

(C) Support of the *National Drug Control Strategy*

The NE HIDTA supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs. The HIDTA further supports the *Strategy* through its cooperation with and support of various Federal, state, and local agency initiatives throughout the region. The HIDTA has enhanced drug education and prevention initiatives, teamed up with the New England Drug Free Communities coalitions, and provided guidance and information to numerous state-sponsored prescription drug awareness programs

(3) Methamphetamine

Methamphetamine remains a relatively low threat and is therefore not specifically targeted by the NE HIDTA initiatives. Nevertheless, because of the recent increase of labs dismantled in the New England region, the NE HIDTA will continue to sponsor training in proper dismantlement of methamphetamine clandestine laboratories for law enforcement partners. Additionally, the NE HIDTA Executive Board will be apprised of these activities and potential threats, should it be determined that the mission of one or more task forces should be revised to include a focus on methamphetamine labs

New York/New Jersey HIDTA

(1) Amount of Funding Requested for FY 2014: \$10,615,640

(2) Justification

(A) Threat Assessment

Each of the 24 counties within the New York/New Jersey (NY/NJ) HIDTA region presents similar, but varying degrees of drug threats.

The New York City metropolitan area, which consists of the New Jersey, Long Island, and Lower Hudson Valley HIDTA counties in addition to the New York City counties, is one of the largest transportation/distribution centers and the most ethnically diverse urban area in the United States. This diversity allows domestic and international DTOs to easily assimilate in this region and operate with anonymity. These groups are responsible for the large scale transportation and distribution of multi-ton quantities of cocaine, South American heroin, and marijuana. They continue to pose the greatest organizational drug threats to the NY/NJ HIDTA region. Heroin sold in New York City and Newark is comparatively higher in purity and lower in cost than in other parts of the country. This information is supported by DEA's Heroin Domestic Monitor Program – as well as through laboratory analyses of heroin exhibits.

Albany, Erie, Monroe and Onondaga counties face an increasing drug threat from New York City-based DTOs interested in expanding their markets and are fast becoming transshipment points for other counties and adjoining states.

The northern border counties are geographically conducive to a myriad of illegal smuggling activities. In particular, the St. Regis Mohawk Reservation, located within Franklin County, together with the Akwesasne Mohawk Reservation, straddles the US-Canada border and is a significant transportation corridor for high-potency marijuana and MDMA as well as other illegal cross-border activities.

Key issues identified in the NY/NJ HIDTA region include:

- DTOs based in Colombia, the Dominican Republic, and Mexico continue to transport and distribute most of the illicit drugs found in the NY/NJ HIDTA region. Crack cocaine, marijuana, heroin, and powder cocaine continue to be major threats in the region, with a number of HIDTA counties in New York and New Jersey continuing to experience availability of these drugs at moderate to high levels.
- Controlled prescription drug (CPD) abuse has increased in every NY/NJ HIDTA county since 2007 as evidenced by available emergency room data, treatment admissions and overdoses. Law enforcement agencies in the region have also observed increases in violence, fraud and property crimes associated with CPDs. CPD abuse in the NY/NJ HIDTA region is expected to increase over the near term, thereby placing a significant burden on already strained law enforcement and public health resources.
- The St. Regis Mohawk Reservation in the United States and the adjoining Akwesasne

Mohawk Indian Reservation (AMIR) along the United States border with Canada continue to be a major port of entry for high grade hydroponic marijuana and MDMA entering New York. Large DTOs and independent traffickers purchase illicit drugs from sources located on the AMIR for transport back to major cities within the state of New York.

- Designer drugs such as synthetic cannabinoids, sold under the K2 and Spice brands or as incense and air freshener, have increased in popularity and are considered an emerging threat in several parts of the NY/NJ HIDTA region. Synthetic cathinones, referred to as and sold under the term “bath salts,” have also surfaced in emergency departments and are being closely monitored.
- Crystal methamphetamine remains available to a limited degree with a lower threat level.

(B) Strategy for Achieving HIDTA Goals and Objectives

The strategy of the NY/NJ HIDTA is to build partnerships to reduce drug-related crime by enhancing and coordinating drug enforcement efforts. The NY/NJ HIDTA accomplishes this mission by promoting cooperation between agencies through the creation of co-located, co-mingled task forces, providing technological capabilities to enhance and expedite investigations, and leveraging resources to ensure they are used in the most efficient way possible.

(C) Support of the *National Drug Control Strategy*

The NY/NJ HIDTA supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs. The HIDTA also facilitates the timely and accurate sharing of criminal and drug intelligence among agencies, enabling them to more effectively target regional and international drug and money laundering organizations.

Furthermore, the NY/NJ HIDTA will continue to support several projects that provide inner-city youth with a safe alternative to the drug or gang cultures of the city.

(3) Methamphetamine

Generally, methamphetamine is not the principal drug being trafficked by DTOs in the NY/NJ HIDTA region. No methamphetamine labs were seized in the state of New Jersey in 2011. Although 44 methamphetamine labs were seized in New York in 2011, none were reported seized by HIDTA Initiatives. The HIDTA seized 34 kg of methamphetamine in 2011.

North Florida HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,574,856

(2) Justification

(A) Threat Assessment

Criminal use of North Florida's robust transportation infrastructure and key geographic location is the greatest threat for the North Florida HIDTA (NFHIDTA) region as traffickers exploit the means to move drugs into the region and along the East Coast. Within the area, trafficking in diverted pharmaceuticals remained the principal drug threat, although declining late in 2011 as users switched to the cheaper, readily available and potent locally produced methamphetamine. The traditional street drugs cocaine and marijuana were also problems, along with the persistent threat from new generation synthetics.

Upper and mid-level DTOs move principally cocaine, marijuana, and crystal meth from Mexico and California via Texas, Arizona, and Atlanta and from South Florida through the highway system to transshipment areas and local markets. Concealed shipments in personal, rental, and commercial vehicles, including tractor trailers, remain the most common known transport method for illegal drugs and proceeds. Package delivery services provide a significant method for DTOs and individuals to transport considerable amounts of marijuana, cocaine and synthetics into the region from distribution hubs in Georgia, California, and Texas. Drugs concealed on ships are believed to enter the United States through the Port of Jacksonville. Multiple agencies suspect containerized shipments from Puerto Rico provide a significant conduit for illegal drugs. Reports in 2011 also indicate revival of airdrop delivery to North Florida's Gulf Coast.

Marijuana is distributed in retail and wholesale amounts in all areas with Hispanics being the most prominent ethnicity in international or national connections. Regular marijuana arrives from Mexico to ethnic communities in Marion and Putnam Counties where it is broken down for regional distribution. Marijuana cultivation occurs throughout the region and features Cuban-owned, high quality indoor hydroponic grow operations, some of which supply demand in Miami and the Northeast United States. Local demand is serviced by personal use growers and imports, to include outdoor grows.

Methamphetamine production using almost entirely the "one-pot" method has spread from rural locations to motels and mobile sites. While there was an increase in the number of labs in most counties, the notable concentration of labs in Putnam, Clay, and St. Johns Counties has spread to include Duval and Marion counties. Methamphetamine cooked locally is distributed by individuals who often only serve personally known users. Some Mexico-based DTOs continue to distribute wholesale amounts of crystal methamphetamine.

Cocaine powder arrives similarly via Mexico and possibly Puerto Rico for processing into both wholesale and retail amounts. Based on prices and source comments, DEA reports a continuing shortage of cocaine in the area. Crack cocaine is primarily made and dealt by domestic DTOs in low-income urban neighborhoods in primarily Jacksonville, Gainesville, and St. Augustine, but is found in almost all areas.

A change from pain clinic distribution and wholesale diversion has occurred after the mid-year effective date for Florida's prescription monitoring law. As predicted, monitoring and other measures were effective by the end of the year and the nature of the problem has shifted as abusers seek prescriptions and compliant pharmacies.

MDMA is available but rarely seen except at colleges and frequently in chemical variations.

Heroin is available in limited retail quantities offered by African American and Hispanic DTOs and criminal groups. As prescription drugs come under more control, heroin may be poised to meet the demand of opioid-addicted pill users.

The synthetic "bath salts" seem much less available following 2011 legislation while synthetic cannabinoids persisted among civilians and area military users. While early 2012 legislation has helped suppress the availability of this drug, additional chemical compounds remain legal to fuel a third generation.

DTOs in North Florida utilize a variety of mostly lower order illicit financial techniques to fund operations and launder drug proceeds, such as wire transfers, store-value cards, PayPal, and bulk currency concealed in vehicles and parcels. Several organizations have been identified laundering drug proceeds through local business fronts and structured bank deposits.

Drug-related violent crimes, such as robberies, home invasions, and murders occur often, particularly in northwest Jacksonville. Law enforcement agencies in North Florida noted a continued gang presence in 2011, most of which are local with tenuous national affiliation. Some nationally recognized gangs, such as Bloods, Crips, and Latin Kings are present and principally deal crack.

(B) Strategy for Achieving HIDTA Goals and Objectives

Data sharing within the law enforcement community is a key component to the NFHIDTA Strategy. To maximize this effort, the NFHIDTA facilitates cooperation and joint operations among 41 Federal, state, and local law enforcement agencies and 233 personnel who participate in the NFHIDTA initiatives. The NFHIDTA will continue to foster cooperative and effective working relationships among the 11 enforcement initiatives to continue to pursue the two HIDTA program goals of disrupting the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations, and improving the efficiency and effectiveness of the HIDTA initiatives.

(C) Support of the *National Drug Control Strategy*

The NFHIDTA supports the *Strategy* by giving participating initiatives the tools (training, case and event deconfliction, and analytical support) to efficiently and effectively disrupt the market for illegal drugs through the disruption and dismantlement of drug trafficking and money laundering organizations. Further, the NFHIDTA enhances drug control efforts by implementing programs and activities that improve the effectiveness and coordination of agencies participating in the HIDTA, and by increasing intelligence sharing and coordination among the initiatives, all regional law enforcement agencies, and other HIDTAs. The NFHIDTA will combine its efforts with HIDTAs facing similar threats, such as prescription

drug trafficking, to affect these criminal enterprises by disrupting and dismantling such DTOs and criminal groups.

(3) Methamphetamine

Although the NFHIDTA does not fund a specific methamphetamine initiative, several of its initiatives address the threat of methamphetamine production and DTOs operating in their areas, as certain NFHIDTA counties have noted an increase in local production. With new legislation in place, the illegal acquisition of prescription drugs has become more difficult and to compensate, the apparent regional choice is methamphetamine. In 2011, NFHIDTA initiatives seized 20.4 kg of methamphetamine, compared to 11.6 kg in 2010 and 6.1 kg in 2009. The seizure trend shows a continual increase, nearly doubling each year, of methamphetamine product seized. For 2011, there was a 12 percent increase in dismantled meth labs. Methamphetamine production continues to be a major concern for the NFHIDTA AOR. It is anticipated that with a focused emphasis by law enforcement to combat the growing meth production problem in the area, the NFHIDTA may experience a shift from local production to importation from Mexico-based DTOs as cooks may seek simplification and security.

North Texas HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,574,856

(2) Justification

(A) Threat Assessment

The significant drug and drug trafficking threats to the North Texas (NT) HIDTA AOR remain consistent. This finding is based on law enforcement intelligence, information, data, and trends relating to regional drug availability, drug pricing, drug treatment needs, drug-related violence and terrorism, and trafficking/money laundering methods.

The most notable threat-related reports include the continued use of the Dallas/Fort Worth metroplex (DFW) as a command and control center for international drug trafficking networks that receive drug loads originating within Mexico. In this regard, it is clear that the DFW has become a “constructive” border city to Mexico. There are a number of Mexico-based cartels; however, among the most significant are the La Familia Michoacana/Los Caballeros Templarios, Los Zetas, Gulf, Juarez, Sinaloa (headed by Joaquin Guzman-Loera aka “Chapo” Guzman), Beltran-Leyva, and Tijuana Cartels. Almost all of these have, or have had, command and control elements in the NT HIDTA AOR, with the exception of perhaps the Tijuana Cartel. Of these, command and control elements affiliated with La Familia Michoacana/Los Caballeros Templarios (LFM/LCT) and Los Zetas Cartels currently exert the most influence on trafficking operations into and through the NT HIDTA AOR, while historically the Juarez and Sinaloa Cartels have also been very active, particularly in the Texas Panhandle and Oklahoma areas. Methamphetamine, marijuana, and heroin have been reported by NT HIDTA Partner Agencies as the most significant drug threats in the NT HIDTA AOR. Hispanic manufacturing, transportation, and distribution DTOs and Caucasian distribution DTOs have been reported by NT HIDTA partner agencies as the most significant trafficking threats in the region.¹¹

(B) Strategy for Achieving HIDTA Goals and Objectives:

The NT HIDTA Executive Board oversees the HIDTA Director who implements the HIDTA strategy in cooperation with the NT HIDTA staff, participating Federal, state, and local officers, and support personnel. The Board extends its oversight by governing four subcommittees: Intelligence, Budget, Domestic Highway Enforcement, and Initiative Review. The Executive Board evaluates the initiatives through the Initiative Review Subcommittee. This subcommittee ensures that the initiatives adhere to ONDCP and NT HIDTA goals. The Executive Board also determines if new initiatives should be implemented to address identified emerging drug threats.

NT HIDTA initiatives are designed and implemented to identify, investigate, and dismantle or disrupt the area’s most dangerous DTOs and MLOs. Each investigative initiative is anchored by a Federal agency and addresses a primary aspect of the HIDTA strategy. Five initiatives focus on large-scale DTOs operating in their respective geographical areas. Two initiatives were formed to address narcotics organizations that use violence as a means to

¹¹ (U//LES/FOUO) Drug Enforcement Administration Dallas Field Division May 2012 Threat Assessment.

advance their drug trafficking activities. An initiative in central Oklahoma was established to reduce violent crime in that region. A commercial smuggling initiative focuses on international DTOs, and; a money laundering initiative addresses MLOs operating in the region. The recently established DHE Initiative supports the National DHE program and coordinates our area activities. Additionally, the NT HIDTA collaborates with drug demand reduction programs within the region to provide added value with a law enforcement perspective and expanded information sharing.

The NT HIDTA Intelligence Subcommittee reviews the HIDTA intelligence plan and collaborates with the regional intelligence community to ensure that the HIDTA intelligence initiative stays in the forefront on intelligence developments. This subcommittee is composed of members of the HIDTA Executive Board. However, representatives from the North Central Texas Fusion Center and the Metro Operations Support Analysis and Intelligence Center are included in the subcommittee to increase collaboration and engagement with the state fusion centers.

(C) Support of the *National Drug Control Strategy*

The NT HIDTA supports the *Strategy* by identifying, investigating, and dismantling or disrupting DTOs that use the Dallas/Fort Worth and Oklahoma City areas to transport, store, and distribute illicit drugs throughout the United States and MLOs that smuggle drug proceeds into Mexico. NT HIDTA initiatives reduce the amounts of cocaine, methamphetamine, marijuana, and heroin supplied to the area and to other United States drug markets in the Midwest, Northeast, and Southeast, as well as the amount of money going to criminal activities.

(3) Methamphetamine

The vast majority of the DTOs investigated by NT HIDTA are multi-drug organizations. NT HIDTA allocates approximately 86 percent (\$2,647,000) of the HIDTA funding to initiatives targeting Mexico-based DTOs distributing methamphetamine. In 2011, the North Texas HIDTA seized over 132 kg of methamphetamine and 69 kg of ice methamphetamine, with a total estimated value of over \$5,790,000.

Northern California HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,616,929

(2) Justification

(A) Threat Assessment

Due to the economic decline, the normalization of recreational drug use and radical budgetary cuts to law enforcement resources, the overall drug and violence threat to the Northern California (NC) HIDTA region has intensified over the past year, resulting in several growing areas of concern for law enforcement and public health officials. The HIDTA region continues as a national- and regional-level production and distribution center for ice methamphetamine and marijuana. However, the threat posed by methamphetamine has been compounded by a growing number of methamphetamine conversion laboratories, and widespread trafficking and abuse of the drug. Additionally, local criminals are exploiting medical marijuana laws by increasing their indoor cannabis cultivation efforts in the region. Secondary drug threats of cocaine, heroin, and other dangerous drug (ODD) distribution and abuse continue to be persistent problems to the region. Mexico-based DTOs that use the region as a primary corridor for illicit drugs moving between Mexico and Canada are the primary organizational drug threat in the region along with street gang/drug violence.

(B) Strategy for Achieving HIDTA Goals and Objectives

The NC HIDTA fosters a comprehensive response in combating illicit drug activity by bringing together all available law enforcement resources in a cohesive strategy to address the problem. NC HIDTA law enforcement initiatives focus on DTOs, money laundering groups, violent drug offenders, open-air drug markets, marijuana cultivation on public and private lands, and domestic drug movement. Newly emerging narco-terrorism trends are also monitored, and information is shared with the Northern California Regional Intelligence Center (NCRIC), the FBI's JTTF, the California State Terrorism Threat Assessment Center (STTAC), the California Department of Justice Bureau of Investigation (CBI), and local law enforcement agencies.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the NC HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale;
- Increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies. The mission of the NC HIDTA Bay Area Narcotics Information Network (BAYNIN), including its ISC, is to provide narcotic intelligence sharing, enhance officer safety, provide analytical case support, make available high technology surveillance, provide forensic computer analytical support and telephone intercept equipment, and provide narcotics training to all law enforcement agencies in the eleven county NC HIDTA region; and

- Creating a stronger relationship between law enforcement and prevention organizations. The NC HIDTA is coordinating with the other California HIDTAs on a statewide prevention initiative.

(3) Methamphetamine

In 2011, NC HIDTA initiatives seized 179 kg of ice methamphetamine, 38 kg of powdered methamphetamine, and 15 labs. The value of the seized methamphetamine exceeded \$8,378,710. Although this HIDTA is able to report on seizures of methamphetamine, they have indicated that they are unable to track funding specifically used to address methamphetamine trafficking.

Northwest HIDTA

(1) Amount of Funding Requested for FY 2014: \$3,743,982

(2) Justification

(A) Threat Assessment

Both methamphetamine and marijuana are considered by the Northwest HIDTA to be Washington State's greatest drug threats because of their availability and their association with crime. Respondents to the 2012 Northwest HIDTA Threat Assessment Survey (TAS) ranked methamphetamine as the drug most often associated with violent crime and property crime. In addition, the DEA Seattle Field Division reports that the Sinaloa and Michoacán drug cartels of Mexico have methamphetamine connections to Washington. Methamphetamine seizures increased again in 2011, even though treatment admission numbers for the drug decreased.

Marijuana is the most prevalent drug of abuse in Washington, according to the 2012 Northwest HIDTA TAS. Cannabis cultivation in both indoor and outdoor grows throughout Washington and, to a lesser extent, Canada-produced marijuana, commonly known as British Columbia (BC) Bud, supply the drug market.

After a spike in heroin seizures in 2010, seizures of the drug declined but remain higher than in previous years. Despite the drop in seizure amounts, both adult and youth treatment admissions for the drug are increasing. The rise in the number of treatment admissions may be attributed to prescription-type drug users looking for a less expensive alternative.

Cocaine, one of the most common drugs identified in emergency room reports, persists as a significant threat. In addition, levamisole, a drug used to deworm animals that is sometimes used as a cutting agent, continues to show up in cocaine samples in the area. Use of and addiction to cocaine are widespread throughout the region, especially in the north.

Diverted pharmaceuticals and 'other opiates' pose an increasing risk, in part, because they may be a factor in the rise of heroin abuse. In an effort to reduce drug overdoses, including overdoses related to heroin and other opiates, the 911 Good Samaritan Law went into effect in the summer of 2010. This law provides immunity from criminal charges of drug possession both to victims of overdose and to anyone who calls 911 to report an overdose. The law also creates access to naloxone (brand name Narcan), a drug used to reverse the effects of an opiate overdose. The Northwest HIDTA currently is working with researchers at the University of Washington to determine the effectiveness of the 911 Good Samaritan Law.

Other dangerous drugs, including synthetic cannabinoids, sometimes marketed as Spice or K2, made a noticeable mark on the Nation and the Northwest HIDTA region in 2011. In response to reports of abuse, DEA created an emergency placement for these "legal highs" under Schedule I for 6 months then later extended to the end of August 2012 so the drugs could be thoroughly evaluated. Other scheduled synthetic cathinones that mimic controlled substances include Mephedrone, MDPV (3,4-Methylenedioxypropylone), and 2C-E(2,2-

Dimethoxy-4-ethylphenethylamine). These synthetics are on the rise because they were once viewed by users as legal highs prior to their subsequent scheduling by DEA. MDMA (3,4-methylenedioxymethamphetamine, commonly known as ecstasy) is also a significant problem, although most seizures appear destined for other markets.

The Washington portion of the United States-Canada border serves as a major transshipment point for drugs, illicit proceeds, and precursors. Mexico-based national poly-drug organizations are responsible for most large-scale drug distribution in Washington and use the state as a platform to expand their illicit operations into Canada. DTOs in the Northwest HIDTA region use novel money laundering techniques and emerging technologies to launder illicit drug proceeds. Bulk cash smuggling and the use of money service businesses also persist.

Gangs have permeated tribal lands in Washington, taking advantage of limitations on the authority of local law enforcement on Native American territory. Hybrid gangs, those made up of members of a variety of age groups and ethnic backgrounds who may claim more than one gang affiliation, are common on tribal lands.

(B) Strategy for Achieving HIDTA Goals and Objectives

Northwest HIDTA law enforcement initiatives have established priorities that focus on immobilizing DTOs, especially those involved with drug-related violent crime, and targeting those DTOs that have the greatest adverse impact on the quality of life in neighborhoods and communities. A concentration on firearm use to perpetrate crime is another substantial commitment by all Northwest HIDTA investigative initiatives. There is a determined effort to counter drug movement into and through the region and to arrest those who conceal the proceeds from illegal drug sales within the region. This is exemplified by the continuing enhancements to regional interdiction initiatives.

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Northwest HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to the following:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale. During 2011, Northwest HIDTA initiatives investigated complex cases involving larger DTOs. Specifically, 58 percent of the DTOs investigated by Northwest HIDTA initiatives were international or multi-state in scope;
- Increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies. The primary task of the ISC is to provide analytical support and intelligence information services to the HIDTA task forces and participating agencies in the HIDTA region; and
- Funding a prevention/treatment manager at the HIDTA to focus on outreach and education.

(3) Methamphetamine

In 2011, \$1,637,015 was allocated to Northwest HIDTA's enforcement initiatives, contributing to the dismantling of 11 clandestine laboratories, 20 lab dump sites, and 8 chemical/glassware seizures. Methamphetamine seizures totaled 110 kg of methamphetamine and ice methamphetamine in 2011, with an estimated wholesale value of \$4,256,683.

Ohio HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,829,907

(2) Justification

(A) Threat Assessment

The overall drug threat in the Ohio HIDTA region continues to be heroin and prescription opioids. Heroin has surpassed cocaine as the greatest drug threat in the Ohio HIDTA region as the availability of Mexican black tar heroin continues to grow. In response to the Ohio HIDTA Drug Threat Survey 2012, most law enforcement officials identified heroin as the greatest drug threat in their areas. Along with the rise in heroin trafficking and abuse, prescription opioid diversion and abuse continues to be a significant threat within the Ohio HIDTA region. One emerging trend is the trafficking of Bath Salts and K2/Spice.

Heroin availability continues to increase in the Ohio HIDTA region because of an increased supply of Mexican heroin. The high demand for heroin is a result of the rise in prescription opioids abuse. Recent years have seen illicit prescription drug (IPD) availability and abuse increasing in the Ohio HIDTA region. The abuse of prescription opioids has contributed to an increase in drug overdose deaths in Ohio.

Cocaine, especially crack cocaine, remains widely available and continues to pose a significant threat because of the drug's association with violent crime. Current levels of methamphetamine availability and local methamphetamine production are low. In the Ohio HIDTA regions, the One-Pot or Shake and Bake method of production is most common.

(B) Strategy for Achieving HIDTA Goals and Objectives

The Ohio HIDTA will continue to coordinate Federal, state, and local law enforcement activities to target DTOs involved in illegal drug production, transportation, and distribution. Ohio HIDTA-funded task forces achieve a balanced and effective attack on all aspects of the illicit drug market by co-mingling and co-locating full-time and part-time Federal, state, and local law enforcement investigators, analysts, and officers. To maximize results, the Ohio HIDTA facilitates cooperation and joint efforts among more than 187 Federal, state, and local law enforcement agencies, involving over 799 personnel participating in the Ohio HIDTA regional initiatives. These partnerships, developed over time, have become the foundation of the Ohio HIDTA program and the key to its success.

(C) Support of the *National Drug Control Strategy*

The Ohio HIDTA supports the *Strategy* by facilitating information sharing in intelligence-led investigations, training, and coordination of drug-trafficking control activities among Federal, state, and local law enforcement agencies in an effort to disrupt the market for illegal drugs in the United States. The Ohio HIDTA also supports the *Strategy* in such areas as pharmaceutical diversion, marijuana eradication, highway enforcement, and prevention awareness.

(3) Methamphetamine

In 2011, Ohio HIDTA initiatives dismantled 96 clandestine labs. The dismantlement of these labs resulted in denied revenue of \$400,000. Additionally, the Ohio HIDTA removed 11.3 kg of methamphetamine from the marketplace in 2011 with a wholesale value of \$314,621. The Ohio HIDTA does not track initiative expenditures by types of investigations.

Oregon HIDTA

(1) Amount of Funding Requested for FY 2014: \$2,659,001

(2) Justification

(A) Threat Assessment

Illicit drug use in Oregon continues to exceed the national per capita average. The latest Federal reporting shows that Oregon ranked fourth in the United States for reported rates of past month illicit drug use by people ages 12 or older.¹² More recently, a study of arrestees revealed that 73 percent of adult males charged for offenses ranging from misdemeanors to felonies in Portland tested positive for at least one drug in 2011.¹³ Moreover, of the 10 cities studied,¹⁴ Portland had the highest percentage of arrestees who reported past 30 day use for marijuana (56 percent), powder cocaine (10 percent), and heroin (17 percent), with methamphetamine ranking second (25 percent) to Sacramento, California (36 percent).¹⁵

Drug-related deaths rose substantially statewide in 2011, with a 20 percent increase in the number of fatalities, from 200 in 2010 to 240 in 2011. Deaths related to heroin use reflected the highest number of fatalities, increasing by 59 percent, from 90 in 2010 to 143 in 2011. The second highest number of deaths was related to methamphetamine, which increased by one from 106 in 2010 to 107 in 2011. Cocaine-related deaths also rose in the last year, with an increase of 65 percent from 20 in 2010 to 33 in 2011.¹⁶

Methamphetamine continues to be widely used and trafficked throughout the HIDTA region and statewide. However, reported local methamphetamine laboratory seizures remain at low levels. From 448 in 2004 to 10 in 2011, laboratory seizures reported by law enforcement declined by 98 percent due largely to strict pseudoephedrine control legislation enacted by the Oregon legislature, as well as the enactment of the Federal Combat Methamphetamine Epidemic Act of 2005. While the number of reported methamphetamine laboratory seizures in Oregon declined to an historic low in 2011, crystal methamphetamine continues to be available as Mexico-based drug traffickers import the finished product from laboratories outside the state and from Mexico.

Law enforcement officers report that the size of outdoor marijuana cultivation sites discovered on public and private lands in Oregon has increased over the past several years, primarily due to the expansion of operations by Mexico-based Drug Trafficking Organizations (MBDTOs). Of the total outdoor plants eradicated in Oregon, 97 percent were seized from MBDTO-based grow sites. The discovered plants in grow sites number in the

¹² Table B.1. Illicit Drug Use in Past Month, by Age Group and State: Annual Averages Based on 2008 and 2009 NSDUHs, Substance Abuse and Mental Health Services Administration, downloaded April 2012.

¹³ "Nearly Three out of Every Four Adult Males Arrested in Portland Test Positive for Illegal Drugs at Time of Arrest", Office of National Drug Control Policy, Executive Office of the President, May 17, 2012.

¹⁴ Includes Atlanta, GA; Charlotte, NC; Chicago, IL; Denver, CO; Indianapolis, IN; Minneapolis, MN; New York, NY; Portland, OR; Sacramento, CA; and Washington, D.C.

¹⁵ ADAM II, 2011 Annual Report, Arrestee Drug Abuse Monitoring Program II, Office of National Drug Control Policy, May 2012.

¹⁶ "Drug Related Deaths 2011", Oregon State Medical Examiner, Oregon State Police.

thousands per year, and the harvested product is distributed both locally and nationally. The number of outdoor plants seized in Oregon has decreased overall since 2007. The drop can be largely attributed to increasingly limited law enforcement budgets to search for grow sites and the strategic relocation of cultivation operations by MBDTOs to areas with a smaller law enforcement presence. Even with the decline, however, the number of outdoor plants seized in 2011 (125,232) was more than three times the number seized in 2005 (40,015).

Heroin, primarily Mexican black tar, is readily available in Oregon. Availability and use appear to have increased in some areas as production in Mexico has expanded in recent years. Additionally, the threat posed by non-medical use of prescription drugs has grown in recent years and mirrors national trends.¹⁷ Law enforcement reporting indicates users of prescription opiates are increasingly switching to heroin because it is more available, less expensive, and provides a more intense high than diverted prescription opiates

(B) Strategy for Achieving HIDTA Goals and Objectives

The Oregon HIDTA will continue to foster cooperative and effective working relationships among the 8 Federal agencies, 3 state agencies, 33 local agencies, 2 tribal agencies, and the U.S. Attorney's Office in the District of Oregon to achieve the common goals of disrupting and dismantling drug trafficking and money laundering organizations and reducing the demand for, and availability of, illegal drugs

(C) Support of the *National Drug Control Strategy*

To accomplish the mission of the Oregon HIDTA and achieve the goals of the *Strategy*, the Executive Board will allocate and focus the HIDTA resources on initiatives that have a direct relationship to:

- Disrupting the market for illegal drugs by disrupting and/or dismantling the DTOs that transport and distribute drugs and the illicit proceeds from their sale. In 2011, the Oregon HIDTA disrupted or dismantled 32 DTOs;
- Increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies. The mission of the ISC is to provide accurate, detailed, and timely tactical, investigative and strategic drug intelligence to Oregon HIDTA initiatives, HIDTA participating agencies, and other law enforcement agencies as appropriate, enabling a more effective and efficient use of drug investigative resources; and
- Creating a stronger relationship between law enforcement and prevention organizations. For example, the Oregon HIDTA supports an Oregon Partnership-led initiative titled "Cops Mentoring Youth" that pairs members of the Portland Police Bureau with students in three Portland high schools to create a peer-based anti-drug campaign.

(3) Methamphetamine

In 2011, the Oregon HIDTA provided \$1,079,000 to initiatives that focused (fully or partially) on investigating and disrupting or dismantling DTOs engaged in producing, transporting, and distributing methamphetamine. Those initiatives seized over 190 kg of methamphetamine and ice methamphetamine with a wholesale value in excess of \$5,905,479. Those funds were also

¹⁷ National Drug Threat Assessment 2011, National Drug Intelligence Center, U.S. Department of Justice, September 2011.

used to dismantle four clandestine laboratories that were capable of producing methamphetamine worth more than \$6,800.

Philadelphia-Camden HIDTA

(1) Amount of Funding Requested for FY 2014: \$3,600,553

(2) Justification

(A) Threat Assessment

The four-county Philadelphia-Camden HIDTA (PC HIDTA) is contained within the fifth largest metropolitan area in the United States and among 5.1 million people. Approximately 100 million more people live within a one-day drive of the Philadelphia/Camden region, a key drug transshipment zone along the Interstate 95 Northeast Corridor. The PC HIDTA is also situated within one of the most dangerous and violent regions in the Nation; in 2011, both Philadelphia and Camden reported substantive increases in violent crime.

Heroin, cocaine, prescription drugs, and marijuana are the primary drug threats to the PC HIDTA. Mexico-based DTOs, with direct connections to cartel-level syndicates or cells, remain the dominant heroin, cocaine, and marijuana suppliers in the PC HIDTA region and the rest of the northeastern United States. Closely associated with Dominican Republic-based DTOs and other distribution networks, Mexico-based DTOs have established the region as a central location to temporarily store large quantities of illicit drugs and cash proceeds transiting between the northeastern United States and the southwest border region and other domestic transit zones and source areas. Drugs arrive in the PC HIDTA region through various means, including vehicles equipped with concealed compartments, commercial air, rail or bus transit, and legitimate postal, commercial parcel, and maritime cargo shipments.

These conveyances are also utilized to transport bulk currency to domestic consolidation points, across the southwest border to Mexico, or through the Caribbean to Central and South America. One technique used by traffickers in the PC HIDTA region to move large amounts of money is known as bank deposit structuring, a method that evades Bank Secrecy Act reporting requirements. Other procedures include the utilization of cash-based and money service businesses to wire proceeds, prepaid stored value cards, purchases of high-priced assets, and laundering through legitimate or front businesses.

While the PC HIDTA is not a traditional center of large-scale, well-organized, and/or nationally affiliated street gangs, recent intelligence reporting and law enforcement activity suggests increasing influence of Hispanic and African-American dominated national street gangs (such as the Bloods, Crips, Latin Kings, MS-13, Ñetas, and Sureños) in the Lower Delaware Valley, particularly in suburban areas.

(B) Strategy for Achieving HIDTA Goals and Objectives

Through its Interdiction and Investigative Initiatives, the PC HIDTA takes a comprehensive approach to thwarting the flow of drugs into the four-county region, their distribution within the region, and the outflow of proceeds from their sale.

PC HIDTA Initiatives will identify, disrupt and dismantle violent drug trafficking organizations; locate and apprehend violent fugitives wanted in connection with drug

offenses; and gather evidence linking drug traffickers to major national and international criminal organizations.

Concurrently, the Initiatives will be poised to respond to acute episodes of violence in the region's most seriously impacted localities – Philadelphia, Camden, Chester, and Coatesville.

Support Initiatives will enhance the operating environments, professional skill sets, information-sharing capabilities, and intelligence assessments and case support services that PC HIDTA law enforcement initiatives rely upon to succeed.

(C) Support of the *National Drug Control Strategy*

The PC HIDTA supports the *Strategy* through the disruption and dismantlement of drug trafficking and money laundering organizations; stopping illegal drugs from reaching regional markets; denying drug proceeds from being expatriated to source countries; curtailing the diversion of prescription drugs of abuse; collecting, coordinating, collating, analyzing, and disseminating criminal intelligence that relates to drug trafficking, violent drug gangs, and money laundering.

(3) Methamphetamine

The PC HIDTA's initiatives and participant agencies investigate the trafficking of methamphetamine, encountering multi-ounce to pound quantities of powdered and crystal methamphetamine originating from Mexico or California. Methamphetamine found in the PC HIDTA region is believed to be predominantly transported into the region by couriers for Mexico-based DTOs. In 2011, PC HIDTA initiatives seized 11.4 kg of methamphetamine and 0.5 kg of ice methamphetamine. An estimated \$6,000 in HIDTA funds were used in furtherance of these investigations. Although several more rural sections of Pennsylvania, particularly north and west of the PC HIDTA region, have been impacted by the influx of small, "one-pot method" meth labs, these do not significantly impact the availability of methamphetamine in the PC HIDTA region. In 2011, PC HIDTA and its agencies did not report discovering or dismantling any methamphetamine production labs in the four-county area.

Puerto Rico & U.S. Virgin Islands HIDTA

(1) Amount of Funding Requested for FY 2014: \$7,961,653

(2) Justification

(A) Threat Assessment

Cocaine is the primary drug threat in Puerto Rico (PR) and the U.S. Virgin Islands (USVI). It is readily available in large quantities and widely abused throughout the region. The drug is transported primarily in maritime vessels from Colombia (CB), Venezuela (VZ), and the Dominican Republic (DR). DTOs based in Colombia, the DR, and Puerto Rico are the primary transporters of cocaine and are the primary wholesale and retail distributors of the drug. The DR remains the main Caribbean transit point of South American cocaine. However, a new trend has been observed whereby larger cocaine smuggling is occurring in the Eastern Caribbean. Heroin poses a significant threat to PR and a lower-level threat to the USVI. Heroin is widely abused in PR; abuse in the USVI is relatively low and occurs predominantly on the island of St. Croix. Maritime trafficking is the dominant transportation method used by DTOs in the Caribbean region. As DTOs based in Colombia and Venezuela have reduced the number of air smuggling operations into the DR over the last two years, an increase in suspect activity in the eastern Caribbean corridor was noted between October 2010 and July 2011. In addition, a significant increase of drug seizures in the Luis Muñoz Marín International Airport (LMMIA) in Carolina and the Rafael Hernández Airport in Aguadilla has been reported during 2011. Prescription drugs are increasingly being abused in PR. During 2011, DEA investigated several diversion schemes of thousands of controlled substance prescriptions that were issued by doctors on the island with the aid of fraudulent clinics and patients.

During the past several years, there has been an increase in drug-related crimes in PR and the USVI. In 2011, murder rates reached an all-time high of 1,136 reported cases in PR, 153 (11.7 percent) more than in 2010, and over 50 percent of these murders were drug-related. However, in the USVI, a decrease in murder rates has been observed. According to the Virgin Islands Police Department, in 2011, 42 murders were reported representing a decrease of 26.32 percent compared to 2010.

(B) Strategy for Achieving HIDTA Goals and Objectives

The PR/USVI HIDTA continues to foster cooperative and effective working relationships with the 25 Federal, state, and local agencies that participate in the HIDTA. The strategic plan incorporates 10 enforcement (8 investigation and 2 interdiction/investigation), 1 intelligence, 2 prevention, and 2 support (one training and one translation) initiatives positioned throughout the region to counter drug trafficking and its related criminal activity. Implementation of the strategy anticipates further improvement towards prevention and regional cooperation-driven operations:

- the Caribbean Corridor Strike Force, a major multi-agency marine interdiction initiative has grown to become a key initiative by tackling the Caribbean transit zone illegal drugs traffic;

- the initiation of a joint effort with a prevention initiative in the USVI named Council on Alcoholism and Substance Abuse of St. Thomas/St. John (COAST) which joined the HIDTA-funded prevention effort, Alliance for a Drug Free Puerto Rico as Executive Board members;
- the increased focus on parcel interdiction to address the growing trend of transmittal of bulk cash and drugs, as well as illegal weapons used in drug-related crime, concealed in parcels and mailed between PR, USVI, and the Continental United States;
- the full implementation of an intelligence node in the USVI to provide for more responsive and intelligence-led policing; and
- the addition of the pharmaceutical diversion initiatives integrated into two existent DEA-led initiatives in San Juan and Ponce.

(C) Support of the *National Drug Control Strategy*

The PR/USVI HIDTA fully supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, with emphasis on violent organizations, and conducting interdiction of drug shipments. The PR/USVI HIDTA also helps strengthen the local law enforcement establishment through training and sound inter-operational strategies.

(3) Methamphetamine

There is no known methamphetamine threat in the PR/USVI HIDTA region.

Rocky Mountain HIDTA

(1) Amount of Funding Requested for FY2014: \$8,053,790

(2) Justification

(A) Threat Assessment

Methamphetamine distribution and abuse pose the greatest overall drug threat to the Rocky Mountain HIDTA (RM HIDTA) region, while marijuana is the most widely available and abused illicit drug in the region. Mexico-based DTOs are the principal suppliers of wholesale quantities of methamphetamine, marijuana, cocaine, and black tar heroin to the region from locations along the Southwest border. West Coast DTOs supply high-potency marijuana and MDMA to the region from sources in Canada. These DTOs exploit the region's centralized location and extensive transportation infrastructure to distribute wholesale quantities of ice methamphetamine, cocaine, marijuana, and heroin. The region is transected by Interstate Highways I-15, I-25, I-70, I-80, I-90, and I-94. These major interstate routes are used by DTOs to transport illicit drugs from California, Arizona, and Texas to markets in Denver, CO, and major Midwest cities such as Omaha, NE, Kansas City, MO, and Chicago, IL. Criminal groups also transport high grade marijuana ("B.C. bud") from Canada to and through Montana and Wyoming. Similar to other areas of the country, prescription drug abuse has increased significantly in the Rocky Mountain HIDTA area, particularly in areas such as Salt Lake City, UT¹⁸ and Denver, CO¹⁹ as illustrated by the number of opiate prescriptions issued, and the number of prescription overdose deaths when compared to prior years.

(B) Strategy for Achieving HIDTA Goals and Objectives

The RM HIDTA has a strong management team that stresses cooperation and collaboration amongst the initiatives to address current drug threats at local, state, and national levels, while impacting the availability and abuse of all drugs throughout the country.

The Executive Board's ongoing efforts are dedicated to facilitating coordination and cooperation among the 10 Federal agencies and 103 state/local agencies that partner to 1) reduce drug availability by eliminating or disrupting DTOs, and 2) improve the efficiency and effectiveness of law enforcement efforts within the HIDTA. The Board's efforts help to achieve common goals and respond to current drug threats effectively and efficiently by structuring the HIDTA initiatives that facilitate collaboration, coordination, and information sharing among all task forces and drug units, including those that are not in the HIDTA area and those that are not funded by the Federal government.

The HIDTA's strategy is supported by an extensive training program, an intelligence initiative, aggressive enforcement initiatives, and a criminal interdiction program. Enforcement teams focus on methamphetamine, the primary threat to the RM HIDTA region. Additionally, highway enforcement initiatives have been established in Colorado, Wyoming,

¹⁸ Utah Department of Human Services, Division of Substance Abuse and Mental Health 2011 Annual Report – Promoting Health, Treating Illness, Supporting Recovery.

¹⁹ http://www.coloradoattorneygeneral.gov/sites/default/files/press_releases/2012/04/24/rx_drug_abuse_fact_sheet.pdf

Utah, and Montana to address DTOs that transport illicit drugs into and through the region. A drug prevention initiative has also been added to the RM HIDTA strategy. Enforcement initiatives coupled with drug prevention provide the HIDTA with multiple tools to combat drug trafficking and drug abuse.

(C) Support of the *National Drug Control Strategy*

The RM HIDTA supports the *Strategy* by targeting, investigating, and dismantling or disrupting deeply entrenched and extensively networked DTOs in Colorado, Utah, Montana, and Wyoming, including DTOs (international, multistate, local in scope), MLOs, and drug trafficking gangs. In doing so, RM HIDTA initiatives disrupt the market for illicit drugs and reduce the quantities of cocaine, methamphetamine, marijuana, MDMA, and heroin supplied to the area and to other United States drug markets in the Midwest, Northeast, and Southeast.

(3) Methamphetamine

The vast majority of the DTOs and gangs investigated by RM HIDTA initiatives are poly-drug in nature. In 2011, the HIDTA funded task forces, and the Rocky Mountain Highway Patrol Network seized over 165 kg of methamphetamine and over 153 kg of ice methamphetamine. The wholesale value of these seizures was over \$8,558,000. During the same timeframe, RM HIDTA task forces seized 12 clandestine methamphetamine labs. Although the HIDTA is able to report on seizures of methamphetamine, it is unable to track funding specifically used to address methamphetamine trafficking.

South Florida HIDTA

(1) Amount of Funding Requested for FY 2014: \$10,692,831

(2) Justification.

(A) Threat Assessment

The South Florida HIDTA (SFL HIDTA) Threat Assessment is a comprehensive overview of the drug and money laundering threat posed to the region, which includes the four counties (Broward, Miami-Dade, Monroe, and Palm Beach) situated along the lower perimeter of the state. The region encompasses the Metropolitan area of South Florida, which is the eighth largest metropolitan area of the United States. The U.S. Census Bureau population estimates (current as of 2010) are illustrated in Table 1.

The SFL HIDTA region is recognized as one of the most prolific drug trafficking and money laundering areas in the United

States. It is highly diverse with deep-rooted cultural and financial ties to Latin America, the Bahamas, and other Caribbean nations. As a premier gateway to the United States, South Florida offers key transit areas along with optimal maritime, air, and land transportation to and from drug source countries. The region is also distinguished by its vibrant tourism and trade industries – both ideal conduits for DTOs and MLOs to blend within legitimate business communities and carry out their illicit operations. All of these features aid the continuous flow of illicit drugs into the United States and support drug trafficking activity.

Broward County	1,748,066
Miami-Dade County	2,496,435
Monroe County	73,090
Palm Beach County	1,320,134
Total Region Population	5,637,725

Source: U.S. Census Bureau Population Estimate for 2010

An analysis of the SFL HIDTA task force seizures and the SFL HIDTA 2012 Annual Threat Assessment Survey data indicates that cocaine dominated South Florida drug trafficking activity in 2011, ranking high as a primary drug threat. Miami-Dade County had the highest number of cocaine-related deaths in the first half of 2011, with Broward County ranking fifth in the state of Florida. A 12 percent increase in seizure activity reported by the SFL HIDTA task forces as well as the Threat Survey data affirm that cocaine is readily available throughout the region and continues to be a source of supply to local and regional markets. During 2011, South Florida HIDTA seized 18,123 kg of cocaine.

There were 318 DTOs and MLOs identified in the SFL HIDTA region during 2011. Over 75 percent of DTOs are involved in poly-drug trafficking and share a nexus to cocaine. Colombian DTOs represent the largest segment of this drug trafficking community and are predominantly international in scope.

Marijuana is a primary threat to the region and is the most readily available of all illicit drugs. The threat is composed of both indoor, locally produced and outdoor, foreign produced marijuana. The region accounts for almost one-half of marijuana seizures within the state of Florida. During 2011, the HIDTA seized 8,968 kg of marijuana.

Another focal point of the region is its well-known “pill mill” industry, which captured nationwide attention during 2009-2011. Diverted pharmaceuticals remain a very critical issue and are still the number one cause of drug-related deaths. Although a series of law enforcement crackdowns and the implementation of a statewide Prescription Drug Monitoring Program (PDMP) in 2011 have helped to alleviate the problem, the diversion, distribution, and abuse of CPDs continue to be reported as criminal enterprises and abusers seek ways to circumvent restrictions. During 2011, the South Florida HIDTA task forces seized 435,531 dosage units of pharmaceutical drugs.

Lesser threats such as heroin, methamphetamine, and MDMA continue to flow through the region to supply local demand. Florida’s new PDMP and a series of law enforcement crackdowns on the pain management industry may have stimulated an increase in heroin seizures during 2011. Subject matter experts argue that reduced access to prescription drugs, such as oxycodone, may influence this market of opioid abusers to seek heroin as an alternative.

The emergence of synthetic drugs such as K2 Spice and “bath salts” as well as gang related crime, which continues to plague South Florida with home invasions, weapons trafficking, homicide, robbery, and other crimes with a nexus to drug trafficking, have been reported by regional law enforcement.

During 2011, a total value of \$85,291,666 in cash and assets were seized by SFL HIDTA task forces. Money laundering organizations exploit a myriad of classic money laundering schemes that are used either independently or in association with trade-based money laundering. One example of this type of activity is the misuse of prepaid access devices (i.e., stored value cards). The anonymity and portability offered by these devices, which can be used in furtherance of trade-based laundering or as an alternative to bulk cash smuggling, pose increasing challenges to regional law enforcement.

(B) Strategy for achieving goals and objectives

The SFL HIDTA continues to foster cooperative and effective working relationships among Federal, state, and local agencies, contributing over 654 full-time personnel, co-located and united to achieve the common goal of disrupting and dismantling DTOs through long-term multiagency investigations and operations. The HIDTA’s strategy consists of 26 initiatives focused on the multiple regional drug threats identified in the SFL HIDTA Threat Assessment. Structured to apply the collective expertise of local, state, and Federal agencies, the initiatives are designed to dismantle major DTOs and simultaneously disrupt their flow of drugs and monetary assets.

The expansion of multi-HIDTA approaches to identifying, disrupting, and dismantling traditional threats and emerging threats, such as the diversion of controlled prescription drugs and indoor marijuana cultivation, is a critical feature of the HIDTA’s short- and long-term strategy. Significant progress has been made on these fronts in 2010/2011. SFL HIDTA intends to build on this progress in future years.

(C) Support of the *National Drug Control Strategy*

The SFL HIDTA supports the *Strategy* by disrupting and/or dismantling significant drug trafficking and money laundering organizations, thereby disrupting the illicit drug market. Further, the SFL HIDTA enhances drug control efforts by implementing programs and activities that improve the effectiveness and coordination of agencies participating in the HIDTA, and by increasing intelligence sharing and coordination among the initiatives and all regional law enforcement agencies. The HIDTA also seeks to strengthen the relationship between law enforcement and prevention and treatment organizations.

(3) Methamphetamine

Methamphetamine is not produced in the SFL HIDTA region; however the “P2P” (Phenyl-2-propanone) reductive animation method of making methamphetamine is reportedly making a comeback with Mexico-based DTOs. An alteration to the cooking process has improved the purity compared to previous methods of production. In terms of greatest threat, none of the SFL HIDTA Drug Treat Survey respondents reported methamphetamine as a primary threat. However, according to the SFL HIDTA task forces’ seizure data, powder methamphetamine seizure activity increased slightly from less than 1 kg in 2010 to 2 kg in 2011, whereas methamphetamine “ice” seizures remained stable.

Methamphetamine is usually transported into Florida in multi-pound increments by Southwest Border DTOs with distribution networks based in northern and central Florida. The methamphetamine that enters the SFL HIDTA region is produced in Mexico and transported from Atlanta into northern and central Florida to be redistributed throughout the state.

Southwest Border HIDTA – Arizona Region

(1) Amount of Funding Requested for FY 2014: \$10,143,950

(2) Justification

(A) Threat Assessment

The Southwest Border HIDTA/Arizona Region (SWB HIDTA/AZ Region) is a major arrival zone for multi-ton quantities of marijuana, methamphetamine, and, to a lesser extent, cocaine and heroin entering the United States from Mexico. Sharing more than 370 miles of border with the Republic of Mexico, most of which is uninhabited desert and mountains, the southern border of Arizona presents a variety of challenges for law enforcement agencies in their efforts to stem the tide of both illegal drugs and the proceeds from their sales.

The Sinaloa Cartel presents the primary operational threat to Arizona, possessing vast resources to distribute, transport, and smuggle large amounts of cocaine, marijuana, heroin, and methamphetamine in and through Arizona. The Sinaloa Cartel exploits well-established routes in Arizona and perfected smuggling methods to supply drug distribution networks located throughout the United States. The Mexican State of Sonora is home to key drug trafficking plazas controlled by the Sinaloa Cartel. The plazas are used for off-loading, stashing, and staging drugs, money, and weapons. Furthermore, the Sinaloa Cartel's influence in Arizona is growing stronger as the cartel continues to gain control of additional drug trafficking corridors and routes in Sonora, Mexico and neighboring Baja California, Mexico.

Drug seizures clearly indicate that Arizona is a significant drug trafficking corridor for Mexico-based DTOs. Federal, state, and local law enforcement in the region proactively target the transportation cells of these DTOs to disrupt the flow of drugs through Arizona, directly impacting drug markets throughout the United States. Drug seizures indicate that Mexico-based traffickers are increasing marijuana, heroin, and methamphetamine smuggling from Mexico into the region. The amount of methamphetamine seized in Arizona has increased by 176 percent, from 971 pounds in 2006 to 2,677 pounds in 2011. The amount of heroin seized increased by 144 percent, from 172 pounds in 2006 to 419 pounds in 2011. In addition, approximately 40 percent of the marijuana seized along the SWB is seized in Arizona. Marijuana seizures in Arizona increased by 40 percent, from 884,977 pounds in 2006 to 1,239,147 pounds in 2011.

Arizona is also a southbound entry point for bulk currency and weapons to Mexico. Total outbound currency seizures have increased dramatically. For example, bulk currency seizures increased by approximately 1,864 percent, from \$614,678 in 2006 to \$12,074,347 in 2011. Arizona is also a major source of weapons traced to crimes committed in Mexico. For example, Customs and Border Protection (CBP) seizures of weapons at Arizona ports of entry (POEs) increased by 25 percent, from 24 in 2006 to 30 in 2011. Outbound ammunition seizures at the POEs increased by 1,433 percent, from 6,221 rounds of ammunition in 2006 to 95,416 in 2011.

(B) Strategy for Achieving HIDTA Goals and Objectives

The SWB HIDTA/AZ Region uses an intelligence-driven, threat-focused strategy to target the most significant DTOs and MLOs impacting Arizona. The SWB HIDTA/AZ Region is organized into four Initiative functions: Enforcement (interdiction, investigation, fugitive arrests, and prosecution); Intelligence (coordination, de-confliction, targeting, investigative case support, and threat assessment); Support (training); and Management. The SWB HIDTA/AZ Region continues to coordinate and support the efforts of more than 575 sworn law enforcement officials from 74 Federal, state, local, and tribal agencies.

(C) Support of the *National Drug Control Strategy*

The SWB HIDTA/AZ Region supports the *Strategy* by disrupting and dismantling drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs. Specifically, the Arizona Region:

- Facilitates a coordinated threat-focused, initiative-led strategy against the most significant DTOs impacting Arizona.
- Collects, analyzes, and disseminates actionable intelligence enabling HIDTA Initiatives to identify and investigate current and emerging drug threats.
- Enhances tribal, regional, local, and cross-border demand reduction efforts by working with established community coalitions.

(3) Methamphetamine

Methamphetamine poses a very significant drug threat to Arizona. Methamphetamine seizures in Arizona have increased by 176 percent from 2006 to 2011. Seizure statistics indicate 617 pounds of methamphetamine were seized during 2008; 1,072 pounds in 2009; 1,535 pounds in 2010; and 2,677 pounds in 2011. Since 2006, the SWB HIDTA/AZ Region Initiatives have seized 5,901 pounds of methamphetamine, preventing \$94.4 million worth of methamphetamine from reaching the market. During this same period, the SWB HIDTA/AZ Region provided training to enhance law enforcement efforts against methamphetamine organizations and heighten community awareness of the dangers of methamphetamine abuse.

Southwest Border HIDTA – California Region

(1) Amount of Funding Requested for FY 2014: \$9,811,725

(2) Justification

(A) Threat Assessment

San Diego and Imperial counties are national distribution centers for illicit drugs, such as heroin, cocaine, methamphetamine, and marijuana, entering the United States from Mexico, Central and South America, and for major domestic marijuana production sites. In 2011, more than 317,123 kg of drugs valued at over \$2 billion were seized and permanently removed from the market, and more than \$17.5 million in proceeds and assets were seized. As mandated by the HIDTA program, Southwest Border HIDTA/California Region (SWB HIDTA/CA Region) initiatives focus on larger drug operations, resulting in 87 OCDETF cases, of which 40 were CPOTs or RPOTs. Investigations indicate that traffickers operating within the region continue to supply major markets throughout the United States, including Las Vegas, Portland, Boston, Detroit, Miami, New Orleans, New York, Chicago, Tampa, and Charlotte.

(B) Strategy for Achieving HIDTA Goals and Objectives

The SWB HIDTA/CA Region assists in the coordination of joint operational and supporting initiatives to deter, disrupt, dismantle, and ultimately destroy the most significant DTOs and their supporting transportation and money laundering organizations. The SWB HIDTA/CA Region also emphasizes efforts against methamphetamine manufacturing, precursor supply, and abuse through innovative enforcement operations and demand reduction programs using a multi-agency, joint concept of operations. The SWB HIDTA/CA Region continues to foster cooperative and effective working relationships among 700 Federal, state, and local full-time and part-time personnel from 50 agencies, who participate in initiatives to disrupt and dismantle DTOs and reduce the demand for drugs.

(C) Support of the *National Drug Control Strategy*

The SWB HIDTA California Region supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs; specifically by:

- Fostering long-term investigations (including 87 OCDETF investigations) targeting high-level DTOs that impact the two counties of the region as well as other parts of the country;
- Promulgating and participating as an active partner in the combined Investigative Support Center/Fusion Center with all intelligence and information gathering units operating from a single site; and
- Managing two initiatives that are national in scope and provide training and support across the Nation.

(3) Methamphetamine

In 2011, SWB HIDTA/CA Region HIDTA initiatives seized 1,442 kg of methamphetamine, preventing \$38,000,000 worth of methamphetamine from reaching the market. The NMPI convened a national training and strategy conference that included over 400 law enforcement participants from U.S. Federal, state, and local jurisdictions and representatives from Canada, Mexico, and China. In addition, the NMPI trained 7,923 law enforcement and other personnel in methamphetamine precursor investigations and controls, and pharmaceutical drug crimes. The SWB HIDTA/CA Region spends \$500,000 per year on the NMPI, addressing all aspects of methamphetamine and precursor chemicals throughout the Nation.

Southwest Border HIDTA – New Mexico Region

(1) Amount of Funding Requested for FY 2014: \$7,139,073

(2) Justification

(A) Threat Assessment

Illicit drug smuggling and transshipments are the major drug threats in the state of New Mexico. The quantity of illegal drugs transported through New Mexico far outweighs the consumption rate within the state. However, the distribution and abuse of methamphetamine pose a serious threat to the Southwest Border HIDTA/New Mexico Region (SWB HIDTA/NM Region). The distribution and abuse of heroin also poses a serious threat in the northern part of New Mexico, where the unintentional drug overdose rate in one county is twice the national average.

The State's proximity to Mexico, its geography along the 180 mile sparsely populated, shared border, the presence of well-established DTOs with direct ties to Mexican cartels, and its transportation infrastructure make it a principal drug smuggling area. It is also a major transshipment and distribution center for marijuana, cocaine, heroin, methamphetamine, and other illicit drugs, including controlled prescription drugs, in the region and many other domestic drug markets. The state's geography continues to be one of the most significant factors contributing to the drug threat in New Mexico. The open border areas between POEs, mostly a mixture of farmlands and mountainous terrain in the "Boot Heel" area of southwest New Mexico, coupled with a limited law enforcement presence and access to the state's transportation infrastructure, make this area vulnerable for exploitation by DTOs. Criminal groups, street, prison, and outlaw motorcycle gangs, as well as local independent dealers, exacerbate the drug problem in New Mexico as retail-level distributors.

(B) Strategy for Achieving HIDTA Goals and Objectives

The SWB HIDTA/NM Region's integrated systems approach utilizes coordination, information sharing, and intelligence to synchronize the efforts of enforcement, prosecution, and support initiatives. There are 18 initiatives that include 17 multi-jurisdictional task forces with 5 tribal, 49 local, 11 state and 13 Federal law enforcement participating agencies. These initiatives focus on interdiction, investigation, prosecution, intelligence sharing, and support. SWB HIDTA/NM Region initiatives focus efforts to reduce the transshipment/distribution of illicit drugs, including the diversion of controlled prescription drugs into and through New Mexico, and the transshipment of bulk cash and weapons south across the Southwest border. The region emphasizes the development of CPOTs, RPOTs, and OCDETF-level cases initiated through interdiction and investigative efforts. Additionally, the NM Region is also focusing on coordinating drug enforcement efforts on Native American lands. Currently, the Pueblos of Santa Clara, Ohkay Owingeh, Mescalero Reservation, Pojoaque, and the Navajo Reservation all participate in discretionary funding projects.

(C) Support of the *National Drug Control Strategy*

The SWB HIDTA/NM Region supports the *Strategy* by incorporating its key elements into its own strategy, including:

- Outlining a plan to disrupt/dismantle drug trafficking/money laundering organizations, reducing the smuggling, transshipment, and distribution of illicit drugs into and through New Mexico;
- A prevention component to reduce illicit drug abuse, including pharmaceutical drug abuse and diversion. All funding is focused on the successful completion of these efforts. This is part of a border-wide prevention effort which includes the other four regions of the SWB HIDTA; and
- Partnering with tribal law enforcement agencies to target illegal drug activities within or impacting Indian Country.

(3) Methamphetamine

In 2011, approximately 170.8 kg of methamphetamine and ice methamphetamine were seized with an estimated wholesale value of \$4.2 million, which equates to approximately 7.1 percent of all drugs seized by the SWB HIDTA/NM Region. During 2011, the SWB HIDTA/NM Region used approximately \$466,200 to investigate, disrupt/dismantle and/or prosecute methamphetamine DTOs and seize 31 clandestine labs.

Southwest Border HIDTA - South Texas Region

(1) Amount of Funding Requested for FY 2014: \$7,681,839

(2) Justification

(A) Threat Assessment

The Southwest Border HIDTA/South Texas Region (SWB HIDTA/STX Region) is a principal high-transit smuggling corridor for illicit drugs and illegal aliens along the southwest border. It continues to be a major transshipment corridor for marijuana, cocaine, heroin, methamphetamine, and other illegal narcotics. The Region consists of 15 counties, with 13 situated along the southwest border. These counties represent 50 percent of the Texas/Mexico border. Seventeen of the 25 ports of entry along the Texas/Mexico border are within the SWB HIDTA/STX Region. The POEs, coupled with the region's interstate highways, make the region one of the most strategically important drug smuggling corridors in use by both domestic and Mexico-based DTOs. Despite the low population in some areas, the region greatly influences drug trafficking and availability at the national level. Gang activity with associations to the Gulf Cartel and other DTOs and cartels continues to be a threat in the area.

(B) Strategy for Achieving HIDTA Goals and Objectives

Federal, state, and local law enforcement agencies combine their efforts with multi-jurisdictional, co-located/co-mingled drug task forces and initiatives. These intelligence-driven drug task forces pursue coordinated efforts to reduce the smuggling, transshipment, and distribution of drugs into and through the State of Texas. In focusing on the disruption and dismantlement of DTOs in accordance with the *National Southwest Border Counternarcotics Strategy*, the SWB HIDTA/STX Region employs intelligence-driven investigations and interdiction activities targeted at drug transshipments, including extensive systematic follow-up investigations involving intelligence analysis and sharing of information, and an aggressive prosecution structure. SWB HIDTA/STX Region initiatives are organized seamlessly into four types: 1) Enforcement (Interdiction, Investigation, and Prosecution), 2) Intelligence and Information Sharing, 3) Support, and 4) Management and Coordination. Through an intensive initiative and task force review and inspection process, along with statistical information gathered through the HIDTA PMP system, the Executive Committee holds initiatives accountable for their productivity.

(C) Support of the *National Drug Control Strategy*

The SWB HIDTA/STX Region will continue to focus on dismantling and disrupting drug trafficking and money laundering organizations active within its area of responsibility. The SWB HIDTA/STX Region is committed to continue interdiction efforts in seizing illegal narcotics as well as disrupting the illegal southbound flow of weapons and currency intended for drug cartels. The SWB HIDTA/STX Region continues to support the *Strategy* through these efforts and the exchange of intelligence and information among law enforcement agencies. The SWB HIDTA/STX Region will continue to foster partnerships in furtherance of drug prevention programs with law enforcement agencies, young people, and the public.

(3) Methamphetamine

Mexico-based DTOs continue to dominate the methamphetamine trade in South Texas. In 2011, SWB HIDTA/STX Region Initiatives did not report the seizure of clandestine methamphetamine laboratories nor were reports by other non-HIDTA LEAs received within our AOR.

Enforcement initiatives remain vigilant and will act on information received to mitigate the threat of toxic labs within our AOR. In 2011, approximately 568 kg of methamphetamine and ice methamphetamine were seized by HIDTA initiatives, a 300 percent increase from 2010. The SWB HIDTA/STX Region is committed to a continued effort against the threat of methamphetamine production and distribution in Texas. Although the SWB HIDTA/STX Region has not dedicated specific funding to attack methamphetamine production, all its enforcement initiatives target methamphetamine trafficking organizations and producers.

Southwest Border HIDTA – West Texas Region

(1) Amount of Funding Requested for FY 2014: \$6,983,424

(2) Justification

(A) Threat Assessment

The Southwest Border HIDTA/West Texas Region (SWB HIDTA/WTX Region) continues to be a major smuggling and transshipment area, supplying illicit drugs of all kinds to most of the major cities in the Nation. Mexico-based DTOs are the primary organizational threat to the SWB HIDTA/WTX Region. They maintain sophisticated command-and-control centers in Mexico, where they exert nearly total control over drug smuggling operations in the region. The control of drug trafficking in the El Paso, Texas/Juarez, Mexico plaza remains primarily dominated and contested by two major organizations, the Sinaloa Cartel and the Juarez Cartel. Multiple Mexico-based drug trafficking cartels have been battling for control of drug trafficking in the region, leading to extreme levels of violence in the Mexican border State of Chihuahua (which includes Ciudad Juarez). This violence has spun out of control, and none of these organizations has been able to establish dominance. Seizures of cocaine, heroin, marijuana, and methamphetamine increased in 2011, nearly returning to levels not seen since 2008, after dropping off significantly during ongoing violent conflict between cartels in the El Paso/Juarez plaza. Seizure levels still indicate that the West Texas corridor is a major source for all illicit drugs trafficked throughout the United States. In 2009, approximately 2,284 murders in Juarez, Mexico were attributed to the drug violence that has gripped the city. In 2010, the number of drug-related murders in Juarez was approximately 3,203. In 2011, the violence subsided somewhat, with just over 1,500 drug-related murders.

(B) Strategy for Achieving HIDTA Goals and Objectives

The SWB HIDTA/WTX Region continues to foster cooperative and effective working relationships among 1 U.S. Attorneys' Office, 10 Federal agencies, 7 state agencies, and 19 local agencies to achieve the common goals of disrupting and dismantling DTOs, securing the SWB HIDTA/WTX Region's 12-county region of the Southwest border, and preventing multi-ton quantities of illicit drugs from reaching their intended market.

(C) Support of the *National Drug Control Strategy*

The SWB HIDTA/WTX Region supports the *Strategy* by dismantling or disrupting drug trafficking and/or money laundering organizations, thereby disrupting the market for illegal drugs. As the keystone region for the *National Southwest Border Counternarcotics Strategy*, the SWB HIDTA/WTX Region will support all efforts to contain and reduce the impact of DTOs on the region, and will continue to:

- Provide intelligence/information to all participating and non-participating law enforcement agencies that it could potentially impact. For example, information regarding levels of violence south of the border that might have a spillover effect is shared with all task forces, particularly along the border counties;
- Work with the other four regions of the SWB HIDTA in a border-wide prevention

initiative; and

- Use its training capabilities to provide drugged driving recognition expert training using the curriculum prepared by the NHTSA and the Department of Transportation.

(3) Methamphetamine

All its initiatives target methamphetamine DTOs; however, the SWB HIDTA/WTX Region dedicates no funds specifically for methamphetamine investigations. Methamphetamine is smuggled and transshipped through the region, much like all other forms of illicit drugs. DTOs involved in trafficking methamphetamine are likely also involved in trafficking larger quantities of cocaine, heroin, and marijuana. SWB HIDTA/WTX Region initiatives did not detect clandestine labs in 2011, but did interdict and seize 10.88 kg of methamphetamine.

Washington/Baltimore HIDTA

(1) Amount of Funding Requested for FY 2014: \$11,346,326

(2) Justification

(A) Threat Assessment

The primary drug threats to the Washington/Baltimore HIDTA (W/B HIDTA) region are heroin, crack cocaine, cocaine, marijuana, PCP, and pharmaceutical diversion and abuse. Methamphetamine is readily available in the region; however, the level of production in the HIDTA region has never been significant. Historically, the W/B HIDTA region has been a consumer market, and drugs entering the area are first shipped to another area, primarily New York, and then repackaged and brought to the W/B HIDTA. However, there is some evidence that this pattern is changing. For example, a significant number of HIDTA cases have involved shipments originating in Texas, California, and Arizona, and a growing number of DTOs are reported as receiving drugs directly from abroad, especially from Africa, Central America, and Southwest Asia. Besides the continuing threats posed by the drug trafficking and money laundering organizations and the ready availability of illegal drugs, another significant threat exists – criminal street gangs. Throughout the W/B HIDTA region, membership in criminal street gangs has been increasing, and the violence associated with these gangs and their role in the illegal drug trafficking pose a serious threat to the region.

(B) Strategy for Achieving HIDTA Goals and Objectives

The W/B HIDTA will continue to foster cooperative and effective working relationships with the 107 participating Federal, state, and local agencies. Information and intelligence sharing are becoming a routine practice due to the efforts of the W/B HIDTA participating agencies. The implementation of the Gang Intelligence System (used to track criminal gangs) and the use of Case Explorer (W/B HIDTA's case management system) will continue to facilitate information and intelligence sharing. These systems will aid W/B HIDTA's intelligence-driven initiatives to dismantle and disrupt DTOs, while W/B HIDTA's treatment and prevention initiatives will continue to reduce the demand for drugs in the region.

(C) Support of the *National Drug Control Strategy*

The W/B HIDTA supports the *National Drug Control Strategy* in several ways. Fundamentally, it contributes to the disruption of domestic drug trafficking and production. The W/B HIDTA also provides significant support to the demand side of the *Strategy* by funding drug treatment providers in 11 different communities in the HIDTA region and through the 3 prevention initiatives designed to help break the cycle of drug use, crime, delinquency, and incarceration.

(3) Methamphetamine

In 2011, W/B HIDTA initiatives did not detect any methamphetamine labs operating in the region. However, HIDTA initiatives did seize 8.7 kg of methamphetamine worth approximately \$354,717 (wholesale value). An estimated \$100,000 in HIDTA funds were used in these efforts.

National HIDTA Assistance Center

(1) Amount of Funding Requested for FY 2014: \$1,936,739

(2) Justification

The National HIDTA Assistance Center (NHAC) provides programmatic support to all designated HIDTAs, their grant recipients, and the National HIDTA Program Office. The NHAC initiatives are organized into four components aligned under the direction of the NHAC's Management and Coordination Unit. The Training, Media/Technology, and Domestic Highway Enforcement initiatives seek to increase the efficiency of the overall HIDTA program and provide support to the individual HIDTAs and their respective initiatives.

The NHAC's diverse initiatives provide training programs and event logistics support—including support of the National HIDTA Conference, performance management surveys, collateral print materials, web designs, and audio/video productions which more efficiently use limited HIDTA fiscal resources. The NHAC initiatives assist in budget preparations, development of Executive Boards, and coordination of special projects, such as the DHE initiative and RISSNET connectivity. Other services include the management of the National HIDTA online collaboration workspace, library, and calendar. The NHAC also provides on-line training software that is used by all program offices.

In addition, the NHAC's Finance Unit, which provides contract-funded support to ONDCP, performs desk-audits of all requests for reimbursement of HIDTA grant funds, maintains a record of all grant transactions on the NHAC's FMS system, and provides other types of financial support to the HIDTAs as required.

Auditing Services and Associated Activities

The auditing services and associated activities portion of the request includes:

- **Financial-Related Audits** - The objective of the financial-related audits is to provide assurance of the accuracy and integrity of claims for HIDTA funds by selected grantees. Financial audits conducted by a CPA firm provide independent reporting and assurance of whether a HIDTA grantee's financial information is presented fairly, its internal controls are adequate, and the grantee complies with laws and regulations.
- **Independent Program Audits** – ONDCP has developed an evaluation strategy to assess the effectiveness of the program. This evaluation strategy employs the services of a consulting firm to perform an independent program and performance audit of each HIDTA program. These audits focus on key aspects of each program and assess each program's performance against its objectives considering the economy, efficiency, and effectiveness of the resources employed.
- **Financial Management System (FMS) Database** - Funding will cover the ongoing development and maintenance of the HIDTA financial database, and training for its users.
- **HIDTA Desk Audits** - ONDCP has awarded a contract for HIDTA desk audits. Given the large number of ONDCP grant payments processed and the significant dollars involved, the expenditure review process provides ONDCP better internal controls and prevents payment and billing errors.
- **Performance Management Process (PMP) Database** - Funding will cover:
 - salaries for the ongoing development and maintenance of the PMP program and database (Program Manager, Senior Programmer, Programmer, Network Engineer, Web Designer and Help Desk) and the analysis and evaluation of the PMP data;
 - maintenance and upgrade of the PMP hardware and software;
 - continued training of PMP users; and
 - travel costs for PMP staff participation in User Group and PMP Committee meetings.

High Intensity Drug Trafficking Areas (HIDTA)	FY 2012 Enacted	FY 2013 CR	FY 2014 Request
(\$ in thousands)	\$238,522	\$239,982	\$193,400

Funding for the HIDTA program is requested in the “Other Independent Agencies, Federal Drug Control Programs” Chapter of the Budget. However, program operational and policy responsibilities reside with the Director of ONDCP.

G. ACCOMPLISHMENTS

HIDTA Initiatives

Program achievements for 2012 will be available in Summer 2013 when data have been fully collected and analyzed. For 2011, the most recent year for which complete data are available, HIDTA annual reports indicate there were 681 HIDTA initiatives in the 28 HIDTAs, including the 5 Southwest Border HIDTA Regions. These initiatives were staffed by 6,675 Federal agents and analysts and 16,265 state, local, and tribal officers, analysts, and other representatives.

HIDTA initiatives identified 8,199 DTOs operating in their areas of responsibility and reported disrupting or dismantling 2,941 in 2011. Nearly two-thirds (62 percent) of the disrupted and dismantled DTOs were identified to be part of a multi-state or international operation. In the process, HIDTA initiatives removed significant quantities of drugs from the market (see table below) and seized \$729 million in cash and \$210 million in non-cash assets from drug traffickers. PMP data further indicate that 41 percent of HIDTAs achieved an average cost per DTO disrupted or dismantled below the program average of \$60,486.

The table below shows the quantities of drugs reported seized by HIDTA task forces in 2011, including marijuana plants eradicated from public lands²⁰:

Drugs Seized	Amount Seized (Kilograms)
Marijuana	1,569,399.620
Marijuana Plants - Outdoors	2,092,106.626
Marijuana Plants - Indoors	118,628.579
Cocaine Powder	69,429.606
Crack Cocaine	537.476
Methamphetamine	3,954.368
Ice	3,915.818
Heroin	3,117.014

Domestic Marijuana Project (DMP)

In FY 2011, ONDCP provided \$2,600,000 in HIDTA discretionary funding to the DMP, thereby supporting domestic marijuana eradication efforts carried out by DCE/SP, the Department of the Interior, the Department of Agriculture, the National Guard, and M7²¹ state and local agencies. As a result, approximately 5.75 million plants were eradicated in the M7 states in FY 2011. The HIDTA funding was used for officer overtime, aviation flying hours, special equipment purchases, and other investigative costs.

²⁰ Drugs Removed from the Marketplace for Year 2011, HIDTA PMP Database, Office of National Drug Control Policy.

²¹ M7 refers to seven states known as the Marijuana Seven. These include California, Oregon, Washington, Hawaii, Kentucky, Tennessee, and West Virginia.

National Methamphetamine and Pharmaceuticals Initiative (NMPI)

In FY 2011, ONDCP provided \$500,000 in HIDTA baseline funding and \$200,000 in HIDTA discretionary funding to the NMPI. The purpose of the NMPI is to counter the production, distribution, and consumption of methamphetamine and precursor chemicals in the United States, as well as the illegal diversion of pharmaceutical drugs through training, information sharing, targeting, and investigative support. In 2011, the NMPI continued to sponsor and manage trainings attended by law enforcement from U.S. Federal, state, local, and tribal jurisdictions and certain international partners such as China and Canada. As a result of NMPI's efforts, 5,204 law enforcement personnel received training on issues related to methamphetamine, chemicals, pharmaceuticals, and drug endangered children. The NMPI provides assistance to states and retailers in implementing the Federal Combat Meth Act regulations and the tracking of retail sale pseudoephedrine/ephedrine products. Furthermore, the NMPI continues its work to educate state and local leaders on efforts to reduce methamphetamine production via "prescription-only" scheduling of certain over the counter medicines containing precursor chemicals, as well as other tracking mechanisms.

National Southwest Border Counternarcotics Strategy

ONDCP continues to support the National Southwest Border Counternarcotics Strategy (SWB CN Strategy) and the HIDTA program, and specifically the five regions of the SWB HIDTA, continues to play major roles in its implementation. The multi-agency HIDTA task forces along the border address the strategic objectives outlined in the SWB CN Strategy. Improved and enhanced cooperation, communications, and coordination are an integral part of the SWB HIDTA as it assists in the implementation of the SWB CN Strategy. All five of the SWB HIDTA regions now have access to secure communication through the Secret Internet Protocol Router Network (SIPRNet) either within their ISCs or through a participating Federal agency. In addition, consults conducted in FY 2012 indicate the SWB CN Strategy should expand its efforts to the development of strong, resilient United States communities that resist criminal activity and promote healthy lifestyles.

FY 2014 Strategies

In FY 2014, the HIDTA program will continue to allocate budget resources among the individual HIDTAs to fund targeted law enforcement initiatives based on the unique drug threats facing each area as indicated in the budget section of this document. While the PMP documents each HIDTA's performance, each HIDTA's annual budget request to ONDCP describes the nature of the threats and the initiatives planned to address the threat. This approach, consistent with ONDCP's 2006 Reauthorization Act, is reflected in the budget section of this document. It will continue to be refined in FY 2014.

In October 2009, ONDCP published guidance requiring that, as part of their annual assessment of the regional drug threat and strategy development, HIDTA Executive Boards review the designated counties in their region to ensure each continues to meet the statutory requirements for such designation. This review is essential to prioritize resources to meet the constantly changing drug trafficking threat.

In accordance with OMB guidance, ONDCP has developed a strategy to assess the effectiveness of the program. An independent contractor has been tasked to conduct

performance-related audits of the HIDTAs to provide assurance of the accuracy and integrity of performance information presented by the HIDTAs in their annual reports. Each year, seven HIDTAs are audited. The results to date have provided important information that has helped improve and refine the HIDTA PMP system, policies, and procedures. The assessment results have also been used to improve a range of HIDTA activities including refining performance target setting, better identifying training needs, and clarifying PMP definitions.

Full-scope financial audits of selected grantees are also conducted under a separate contract with a fiscal auditing firm. These audits provide assurance of the integrity of the expenditures claimed by the HIDTAs concerned. As a result of each audit, the grantee is issued a management letter highlighting best practices they should consider implementing.

In FY 2014, the HIDTA program will continue to support national initiatives that provide resources to carry out coordinated multi-state activities intended to address specific drug trafficking threats.

ONDCP expects the HIDTA program will continue to prove to be a key component of our national effort to reduce drug trafficking and drug production in the United States in support of the *Strategy*.