Testimony of Sean McCullough

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before the

Senate Finance Committee

Breaking the Methamphetamine Supply Chain

September 12, 2006 10:00 a.m. 215 Dirksen Building

BREAKING THE METHAMPHETAMINE SUPPLY CHAIN: LAW ENFORCEMENT CHALLENGES

My name is Sean McCullough and I am a Special Agent in Charge with the Iowa Division of Narcotics Enforcement (DNE). I have served the state of Iowa since 1989.

Since the early 1990's Iowa has been plagued by methamphetamine. Methamphetamine could be found in Iowa before the 1990's, but not in epidemic quantities. The majority of methamphetamine, found in Iowa during the early 1990's, was imported from Mexico and the southwest region of the United States. Those involved in the methamphetamine underworld soon found methods to manufacture this drug on their own to avoid dealing with the dangerous organized groups that were involved in the importation of methamphetamine into Iowa. Law enforcement was then faced with the daunting task of uncovering, seizing, and cleaning up these clandestine methamphetamine laboratories. Processing methamphetamine laboratories is very time consuming and expensive. Iowa law enforcement was combating the methamphetamine problem on two fronts: methamphetamine that was manufactured in clandestine laboratories, and imported methamphetamine.

In 1993 the DNE seized two clandestine methamphetamine laboratories. Each year following methamphetamine laboratories grew to epidemic proportions. By 2004 Iowa law enforcement officials seized 1,500 clandestine methamphetamine laboratories (ANNEX A). In 2004, according to the Drug Enforcement Administration, Iowa recorded the third highest number of methamphetamine laboratories as compared to any state in the United States. Approximately 97% of these methamphetamine laboratories seized produced only gram to one or two ounce quantities of methamphetamine. The DNE, and

other Iowa law enforcement agencies, were spending approximately 80% of their resources on 20% of the problem.

Reducing the number of methamphetamine laboratories, which produce approximately 10-15% of Iowa's total methamphetamine, would allow DNE and other Iowa agencies to concentrate enforcement efforts on the mid to upper level drug trafficking organizations that are responsible for importing about 85-90% of methamphetamine into Iowa.

In May of 2005, Iowa passed one of the nations strongest non-prescription pseudoephedrine laws (ODCP). This law restricted the sale of pseudoephedrine, which is the main ingredient in the illegal manufacture of methamphetamine. The law had an immediate and significant impact on methamphetamine manufacturing in Iowa. Law enforcement's purpose behind the law was to reduce the number of methamphetamine labs, which were taking most of their resources, to allow agencies to dedicate their efforts toward reducing the amount of imported methamphetamine. Since the law was enacted, methamphetamine laboratories have declined 72% (ODCP) (ANNEX B).

In 2004 the University of Iowa Hospitals and Clinics spent approximately \$2,798,726 to treat patients with methamphetamine related injuries (Van Haaften). In 2005, after the passage of Iowa's pseudoephedrine law, the University of Iowa Hospitals and Clinics spent approximately \$262,329 on methamphetamine laboratory related injuries. These figures equal a savings of \$2,536,397 (Van Haaften).

Iowa's pseudoephedrine law has also caused a reduction in total methamphetamine laboratory enforcement costs, which involve the cost of personnel, response, and disposal. In 2004, the total methamphetamine laboratory costs were

approximately \$2,590,482 (Van Haaften). In 2005, costs dropped to \$1,506,263 (Van Haaften). These figures equal a savings of \$1,084,219.

Even though Iowa's clandestine methamphetamine seizures have declined, Mexican drug trafficking organizations continue to dominate the state's illicit drug trade. These Mexican drug trafficking organizations are highly sophisticated and organized. This follows the information from the National Drug Information Center's National Drug Threat Assessment 2006, which states: "Mexican drug trafficking organizations and criminal groups are the most influential drug traffickers in the United States, and their influence is increasing. They are the predominant smugglers, transporters, and wholesale distributors of cocaine, marijuana, methamphetamine, and Mexico produced heroin in the United States; they are expanding their control over the distribution of these drugs in areas long controlled by Colombian and Dominican groups, including areas of New York and Florida" (p.1). It's even more imperative that law enforcement agencies work collaboratively to be effective against these sophisticated groups.

Along with increased seizures of methamphetamine, the drug purity rate in Iowa is also increasing. This purer form of methamphetamine is termed crystal methamphetamine or "ice" (ODCP). The average purity was 27% in 2001, 33% in 2004, and 54% in 2005 (ODCP).

Iowa law enforcement continues to work proactively against those individuals and groups involved in methamphetamine, by passing the pseudoephedrine law and now concentrating efforts against the organized groups importing the drug. The working relationships in Iowa remain united among the federal, state, and local law enforcement agencies, as well as with the United States Attorney's Offices and county prosecutors. It

is important for Iowa to reach out to other areas of the country that are confronted by methamphetamine as the drug crosses borders. To effectively combat methamphetamine, it's important to maintain these collaborative relationships.

Thank you for allowing me to address the Finance Committee about Iowa's response to the continuing methamphetamine problem. I am optimistic that we can find answers through continued dialogue about the challenges associated with methamphetamine.

Works Cited

Governor's Office of Drug Control Policy. Iowa METH Facts. July 31, 2006.

National Drug Information Center. *National Drug Threat Assessment 2006*. United States Department of Justice. < http://www.usdoj.gov/ndic/pubs11/18862/strateg.htm#Top>.

Van Haaften, Marvin L. Director. Iowa Governor's Office of Drug Control Policy. *The Impact of Senate File 169on Meth Abuse in Iowa*. A report to the Legislature. January 17, 2006.

ANNEX A LAB COUNT 2006 – 106 (DNE)

2006 – 146 (Locals)

Total for 2006 - 252 (as of 8/31/06)

2005 - 348 (DNE)

2005 - 420 (Locals)

Total for 2005 – 768

2004 – 644 (DNE)

2004 – 856 (Locals)

Total for 2004 – 1500

2003 – 671 (DNE)

2003 – 484 (Locals)

Total for 2003 - 1,155

2002 – 709 (DNE)

2002 – 300 (Locals)

Total for 2002 - 1009

2001 – 511 (DNE)

2001 – 253 (locals)

Total for 2001 - 764

2000 – 393 (DNE)

2000 - 267 (locals)

Total for 2000 – 660

1999 - 502

1998 - 321

1997 - 63

1996 - 31

1995 - 8

1994 - 4

1993 - 2

ANNEX B
Tracking Iowa Meth Lab Incidents
252
Reported to DNE as of 08-31-06

Total Labs for 2005-746

