U.S. Department of Justice
Drug Enforcement Administration

National Drug Threat Assessment 2013

Drug Enforcement Administration

2013 National Drug Threat Assessment

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This product was prepared by the DEA's Office of Intelligence Warning, Plans and Programs. Comments and questions may be addressed to the Chief, Analysis and Production Section at DEAIntelPublications@usdoj.gov.

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From the Administrator

In June 2012, the Drug Enforcement Administration (DEA) assumed responsibility for producing the National Drug Threat Assessment (NDTA) and other high-priority strategic drug intelligence as a result of the closure of the National Drug Intelligence Center. DEA is pleased to present the *2013 National Drug Threat Assessment*. This assessment provides timely strategic drug-related intelligence to inform effective counterdrug policy, establish law enforcement priorities, and assist in making resource allocations.

Using information from local, state, tribal, and federal sources, the NDTA provides a comprehensive, strategic assessment of the threat posed to our communities by transnational criminal organizations (TCOs) and the illicit drugs they distribute throughout the United States. The NDTA draws upon the information developed from priority drug investigations to provide a strategic view of key TCOs and the areas where these organizations exert the most influence. A national-level perspective of the drug-specific issues facing the United States is determined through a combination of available reporting from law enforcement, intelligence, and public health agencies. It also provides a perspective of the major drugs of abuse and attendant issues that confront our communities.

My thanks to all participating agencies and organizations, especially our local, state, and tribal partners, for their contributions to the *2013 National Drug Threat Assessment*. Your views and opinions are vital and help us to best meet the needs of the law enforcement, interdiction, and drug policy communities. Your continued assistance will be instrumental in producing future assessments and I look forward to working with you on high-priority counterdrug initiatives that impact our communities and our national security interests.

Respectfully,

Michele Leonhart

Michele M. Leonhart
Administrator
Drug Enforcement Administration

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(U) Executive Summary

(U) The *2013 National Drug Threat Assessment (NDTA)* is a comprehensive assessment of the threat posed to the United States by the trafficking and abuse of illicit drugs. This report provides a strategic analysis of the domestic drug situation during 2012, based upon law enforcement, intelligence, and public health data available for the period. It also considers data and information beyond 2012, when appropriate, to provide the most accurate assessment possible to policymakers, law enforcement authorities, and intelligence officials.

(U) The trafficking and abuse of illicit drugs continue to constitute a dynamic and challenging threat to the United States. Mexican transnational criminal organizations (TCOs) represent the greatest organizational drug threat to the nation. Mexican TCOs remain the primary transporters of wholesale quantities of cocaine, heroin, and methamphetamine to US markets, as well as significant quantities of marijuana. These groups are expanding drug trafficking operations into new regions and increasing their control of heroin and methamphetamine distribution in new markets. Mexican traffickers are further solidifying their dominance of the US illicit drug market through collaboration with US-based criminal gangs while the gangs are becoming more involved in wholesale drug distribution through their relationships with the Mexican organizations. Other groups and organizations, such as Colombian and ethnic Asian TCOs, are involved in drug trafficking in the United States, but none to the extent of Mexican traffickers.

- (U//LES) Through alliances and mutual agreements between several major TCOs, two large coalitions of Mexican TCOs have emerged in recent years. One coalition, led by the Sinaloa Cartel, includes allies Gulf Cartel, Los Caballeros Templarios[i] (LCT), and the Arellano Felix Organization (AFO). The other coalition, led by Los Zetas, includes allies Juárez Cartel, Beltrán-Leyva Organization (BLO), and La Familia Michoacana (LFM).[1] (See Map 1.) These organizations dominate drug trafficking through their extensive cross-border trafficking operations and expansive transportation and distribution networks for cocaine, heroin, marijuana, and methamphetamine that extend throughout the United States.[2] They also arrange for the return of billions of dollars in drug proceeds to Mexico from drug markets throughout the United States.

(U) The availability of most illicit drugs generally remains high in the United States. Heroin, marijuana, and methamphetamine remain available throughout the country and availability of these drugs is increasing. MDMA (3,4-methylenedioxymethamphetamine) availability, although still high, appears to have peaked, and cocaine remains less available than before 2007, when an unprecedented drop in the US cocaine supply occurred. Rates of controlled prescription drug (CPD) abuse, particularly of prescription opiates/opioids, remains high. Availability and abuse of synthetic designer drugs has rapidly increased in recent years; however, public awareness and legislation have helped to mitigate this threat.

- (U//LES) The availability of heroin continued to increase in 2012, likely due to high levels of heroin production in Mexico and Mexican traffickers expanding into new markets. Mexican traffickers are expanding into white heroin markets by increasingly distributing South American heroin and what may be Mexico-produced white heroin,[ii] and by attempting to expand Mexican brown powder and black tar heroin into traditionally white heroin markets.

- (U//LES) Marijuana availability appears to be increasing because of sustained high levels of production in Mexico—the primary foreign source of the US marijuana supply—and increased domestic cannabis cultivation. Mexican TCOs and criminal groups in California are increasingly disguising cannabis cultivation sites as "medical marijuana" grows on private lands.

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[i] (U//LES) In 2010-2011, the La Familia Michoacana organization split into "La Familia Michoacana" (LFM) and "Los Caballeros Templarios" (LCT). LCT remains the most active throughout the United States, with minimal influence by the LFM only in certain pockets.

[ii] (U//LES) Heroin produced in Mexico is typically brown powder or black tar. However, DEA analysis indicates Mexican heroin producers may have altered their processing methods to produce white heroin. See full discussion on page 19.

(U) Map 1: Mexican Cartels: Areas of Dominant Influence and Key Areas of Conflict

- (U) Methamphetamine availability is likely increasing because of sustained production in Mexico—the primary foreign source for the US market—and ongoing small-scale domestic production.

- (U) Overall, cocaine remained less available in 2012 than in 2007, when an unprecedented drop in the US cocaine supply occurred, beginning a wide-scale cocaine shortage. Evolving connections between cocaine trafficking groups, adaptations by cocaine smugglers to avoid interdiction, and successful law enforcement actions have produced considerable uncertainty in the dynamics of the cocaine supply to the United States.

- (U) MDMA remains available as the drug is largely supplied by ethnic Asian TCOs that produce wholesale quantities in Canada. However, indicators such as survey and seizure data suggest availability of the drug in the United States may have peaked.

- (U) Controlled prescription drug (CPD) abuse continues to be the nation's fastest growing drug problem. Rates of CPD abuse remain high. Individuals abuse CPDs at a higher prevalence rate than any illicit drug except marijuana. Pain relievers are the most common type of CPD taken illicitly and are the CPDs most commonly involved in overdose incidents.

- (U) The abuse and increasing availability of synthetic designer drugs have emerged as a serious problem in the United States. The abuse of synthetic cannabinoids, such as "K2" and "Spice," and synthetic cathinones, such as "bath salts," rapidly increased over the past few years, causing severe consequences to abusers. State legislation and national scheduling of these drugs have helped to mitigate the threat.

- (U//FOUO) Colombian and Mexican TCOs continue to rely primarily on bulk cash smuggling and trade-based money laundering methods, such as the Colombian and Mexican black market peso exchanges (BMPEs), to launder US generated drug proceeds. Further, Government of Mexico (GOM) regulations limiting US dollar transactions in Mexican financial institutions have caused Mexican TCOs to increasingly use illicit currency transportation services, move dollars further into Central and South America, and employ methods such as shipping dollars back to the United States to be declared at the border as dollar income generated legitimately in Mexico.

Key Judgments

(U) Mexican TCOs are the most pervasive organized criminal threat to the United States because of their extensive cross-border trafficking operations and expansive transportation and distribution networks in the US-Mexico border region and drug markets throughout the United States.

(U//LES) Mexican cartels have established command-and-control networks throughout the country, and they are working with associates, often members of US-based gangs, to support drug, human, currency, and weapon smuggling operations on both sides of the US-Mexico border.

(U) Colombian TCOs in the Northeast and North Central United States are yielding a greater cocaine and heroin market share to expanding Mexican trafficking organizations.

(U) Mexican TCOs control cocaine trafficking in the United States and that trend is likely to continue as no other trafficking organization is positioned to challenge them in the near term.

(U//LES) Seizures at the Southwest Border and price and purity data indicate decreased availability of cocaine.

(U) Heroin availability continued to increase in 2012, most likely due to an increase in Mexican heroin production and Mexican traffickers expanding into markets traditionally supplied with white heroin.

(U//LES) The amount of heroin seized at the Southwest Border increased significantly between 2008 and 2012 and this, along with other indicators, points to increased smuggling of Mexican heroin.

(U//LES) Mexican TCOs are expanding into white heroin markets by distributing South American heroin and what may be Mexico-produced white heroin.

(U) Heroin-related overdoses and overdose deaths are increasing in certain areas, possibly due to a number of factors, such as high heroin purity, increasing numbers of heroin abusers initiating use at a younger age, and abusers switching from prescription opioids to heroin.

(U//LES) High levels of domestic marijuana availability coupled with recent state legislation changes legalizing marijuana in Colorado and Washington may significantly impact domestic drug transportation routes and distribution points for trafficking organizations operating in the United States.

(U) Marijuana availability will sustain high levels of demand, particularly for high-potency marijuana.

(U//LES) Mexican TCOs and criminal groups in California are increasingly disguising cannabis cultivation sites as "medical marijuana" grows on private lands to exploit California's "medical marijuana" program laws and reduce the risk of eradication or seizure.

(U) Mexican criminal groups and independent traffickers are establishing more cannabis cultivation sites in areas where these groups were not reported as operating in the past, furthering their entrenchment in marijuana production in the United States.

(U) MDMA is available in markets throughout the United States; however, National Drug Threat Survey (NDTS) and seizure data suggest availability of the drug may have peaked.

(U) Canada-based ethnic Asian TCOs are—and will likely remain—the primary suppliers of MDMA to the United States.

(U) The abuse of synthetic designer drugs— and the increasing availability of the drugs—have emerged as serious problems in the United States over the past few years.

(U) Synthetic cannabinoids are the most commonly abused synthetic designer drug and are a fast growing threat.

(U//LES) Mexican methamphetamine availability is increasing in the United States, based on law enforcement reporting, price and purity data, and increased methamphetamine flow across the Southwest Border.

(U//LES) Mexico is the primary source of methamphetamine in the United States and laboratory and precursor chemical seizures in Mexico remain high.

(U//LES) Prescription drug abuse continues to be the nation's fastest growing drug problem. The abuse of CPDs poses a significant drug threat to the United States and places a considerable burden on law enforcement and public health resources.

(U) Law enforcement reporting throughout the United States and national-level drug survey data indicate that the availability of illegally diverted CPDs has increased over the past 3 years.

(U//FOUO) Bulk cash smuggling is the traffickers' primary method of moving money out of the United States.

(U//FOUO) Restrictions on US currency transactions enacted by the Mexican government in 2010 and 2011 appear to have changed the way TCOs handle money, causing them to ship smaller loads of bulk cash, move US dollars to Central and South America, and employ illicit currency transportation services.

(U) Transnational Criminal Organizations (TCOs)

(U//LES) Mexico-based TCOs and their associates remain the primary suppliers and wholesale distributors of most illicit drugs in the United States. (See Table B4 in Appendix B.) They perpetuate that dominance by altering drug smuggling methods at the Southwest Border, adopting new drug transportation routes and techniques within the United States, and expanding drug trafficking operations into new regions. Other groups and organizations, such as Colombian, ethnic Asian, Dominican, West African, and Jamaican TCOs, remain involved in domestic drug trafficking, but none to the extent of Mexican traffickers.

(U) Transnational Criminal Organizations, Criminal Groups, and Gangs

(U) Transnational criminal organizations are those self-perpetuating associations of individuals who operate transnationally for the purpose of obtaining power, influence, monetary and/or commercial gains, wholly or in part by illegal means, while protecting their activities through a pattern of corruption and/or violence, or while protecting their illegal activities through a transnational organizational structure.

(U) Criminal groups operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail level and midlevel.

(U) Gangs are defined by the National Alliance of Gang Investigators' Association as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

(U) Mexican TCOs

(U//LES) Mexican TCOs are the most pervasive organized criminal threat to the United States because of their extensive cross-border trafficking operations and expansive transportation and distribution networks in the US-Mexico border region and drug markets throughout the United States.[3] They facilitate cross-border smuggling operations and act as gatekeepers[iii] in the "plazas[iv]" along Mexico's northern border, controlling drug flow and influencing, either directly or indirectly, almost all drug trafficking activities along the US-Mexico border. They also lead cells that direct activities such as production, transportation, distribution, communications, and security. Mexican TCOs also have expanded their reach into Central America, gaining control over cocaine routes originating in South America, extending through Central America and into Mexico.[4] Leaders of these organizations were identified as Consolidated Priority Organization Targets (CPOTs)[v] and Regional Priority Organization Targets (RPOTs) by the Organized Crime Drug Enforcement Task Force (OCDETF) in 2012.[5] The most significant TCOs operating in Mexico can be divided into two large coalitions. One coalition, led by the Sinaloa Cartel, includes allies Gulf Cartel, LCT, and AFO, while the other coalition, led by Los Zetas, includes allies Juárez Cartel, BLO, and LFM.[6] (See Table B4 in Appendix B.)

(U//LES) Most Mexican TCOs transport and distribute multiple drug types and some have expanded their area of influence to traverse the Northern Border into Canada. The scope of

[iii] (U//LES) Gatekeepers are individuals or organizations that manage specific entry points along the US–Mexico border on behalf of Mexican cartels. Their role is to "tax" and protect illicit drug shipments that pass through the plaza. They often use bribery, extortion, and murder to control their respective territories.

[iv] (U) A plaza is a key transportation or distribution hub controlled by a criminal organization through coercion or cooperation. Plazas are found throughout Mexico and are generally controlled by a specific Mexican cartel; however, control of many plazas is currently in flux, and drug smuggling through those areas may be influenced by more than one organization.

[v] (U//LES) The Consolidated Priority Organization Target (CPOT) list is a multi-agency target list of the "command and control" elements of the most prolific international drug trafficking and money laundering organizations. The OCDETF Program also identifies major Regional Priority Organization Targets (RPOTs) as part of the annual Regional Strategic Plan process.

(U//FOUO) Project Below the Beltway Disrupts Sinaloa and Juarez Cartels

(U//FOUO) On December 7, 2012, the Drug Enforcement Administration (DEA) announced the culmination of *Project Below the Beltway*, a Special Operations Division (SOD) led initiative that coordinated the efforts of the DEA, US Customs and Border Protection (CBP), Federal Bureau of Investigation (FBI), Immigration and Customs Enforcement (ICE), Internal Revenue Service (IRS), Bureau of Alcohol, Tobacco, Firearms and Explosives (BATFE), the US Marshals Service (USMS) and DOJ's Office of Foreign Asset Control.[7] This initiative was designed to provide cross coordination of SOD operations targeting the Sinaloa Cartel, the Juarez Cartel, violent street gangs, and the cartels' distribution networks in the United States.

(U//FOUO) The Sinaloa and Juarez Cartels are responsible for transporting multi-ton quantities of cocaine, heroin, methamphetamine, and marijuana from Mexico into the United States for distribution. These cartels are also responsible for laundering millions of dollars in criminal proceeds from illegal drug trafficking activities.

(U//FOUO) *Project Below the Beltway* was comprised of 19 SOD operations, including 411 investigations in 76 cities in the United States and 13 cities in Central America, Europe, Mexico, South America, and the Middle East. This initiative resulted in the arrest of 3,780 individuals and the seizure of 6,100 kilograms of cocaine, 10,284 pounds of methamphetamine, 734 kilograms of heroin, 349,304 pounds of marijuana, $148.9 million in US currency, and $38 million dollars in other assets.

(U//LES) 250 pounds of ice methamphetamine seized by DEA Atlanta in August 2012. Source: DEA

(U//LES) 25 kilograms of heroin seized by DEA Chicago in May 2012. Source: DEA

(U//LES) In August 2012, DEA Gulfport seized these shoes used to smuggle cash. Source: DEA

(U//LES) DEA Westchester, NY seized $380,000 in March 2012. Source: DEA

(U//LES) In July 2012, DEA Los Angeles seized more than $1.6 million. Source: DEA

(U//LES) Two hundred pounds of ice methamphetamine seized in May 2012 in Los Angeles. Source: DEA

(U//LES) DEA Phoenix seized 58 pounds of heroin in May 2012. Source: DEA

activity for Mexican TCOs operating throughout the United States generally involves all facets of polydrug trafficking, though a few of the TCOs appear to deal predominantly in one type of drug. They have well-established transportation and distribution networks throughout the United States and are extending those networks into Canada.

(U//LES) Mexican TCOs continue to work with some US-based street gangs, prison gangs, and outlaw motorcycle gangs (OMGs) in order to facilitate cross-border smuggling. US-based gangs work with numerous Mexican TCOs to smuggle drugs and aliens into the United States and bulk cash, weapons, and stolen automobiles into Mexico; however, their relationships vary widely, depending on the gang and organization involved. According to the US Department of Homeland Security, Office of Intelligence and Analysis (I&A), three factors typically define the relationship between US-based gangs and TCOs:

- (U//LES) Mexican TCOs do not insist on loyalty from US gangs because they view gangs as their "customers" and must rely on them for access to lucrative distribution networks in the United States.
- (U//LES) Mexican TCOs are less likely to use violent tactics to intimidate gang members in the United States than in Mexico because they are more likely to be prosecuted for such acts.
- (U//LES) Mexican TCOs rely on relationships with individual gang members rather than establishing formal relationships with gangs.

(U//LES) Moreover, some US gangs form a direct relationship with a single TCO, while others form indirect relationships with one or more TCOs—for example, by forging connections through an affiliated gang.

(U//LES) US gang member and Mexican TCO alliances are often a product of geographic convenience, profit-making opportunity, and business efficiency. Familial ties among high-ranking leadership residing in domestic drug markets and border communities further assist in the expansion of these drug trafficking networks.

- (U//LES) Los Zetas work with Texas-based gangs who are located throughout South Texas including the Rio Grande Valley, in cities such as Brownsville, Hidalgo, and McAllen; and major metropolitan drug distribution hubs, such as San Antonio, Dallas, and Houston. One of Los Zetas' primary territories of operation in Mexico, Coahuila and Nuevo Leon, lies just 300 miles from Houston, and active Zeta-affiliated gangs are located at nearly all points in between. The relationship between these transnational gangs is not exclusive to Los Zetas. In fact, most gangs working in Los Zetas' drug corridors also work for other cartels, such as the Gulf and Sinaloa, according to federal and local law enforcement reporting.[9]

- (U//LES) The Barrio Azteca prison gang has established working relationships with the Juarez Cartel in Ciudad Juarez, Chihuahua, Mexico.[10] The membership of the Barrio Azteca is greatest in El Paso, but the group also maintains cells in several other Texas cities, including Dallas, Fort Stockton, Lubbock, Midland, Odessa, Pecos, and San Antonio. The Barrio Aztecas are intimately tied into cross-border criminal activity from their home base in El Paso, and the gang has a large counterpart organization across the border in Ciudad Juarez. The two counterparts actively work together to conduct various criminal activities, including drug trafficking, kidnapping, extortion, money laundering, auto theft, and homicide. Barrio Azteca members have an extreme propensity for violence and are considered some of the most dangerous criminals in their areas of operation. They use violence—including murder, assault, kidnapping, and threats/intimidation—to maintain control of their criminal enterprises and to fend off adversaries.

- (U//LES) Sureños gang members from Southern California are continuing to establish new cliques[vi] in locations throughout the Southwest, Pacific, West Central, and Great Lakes Regions. For example, the Sureños' recent presence in El Paso, Texas, is a result of gang members' efforts to avoid California's Three Strikes Law and expand their drug trafficking activity.[11]

- (U//LES) Latin Kings members with ties to Chicago, Illinois, are facilitating the flow of wholesale quantities of drugs to other members by maintaining a substantial presence in Texas border cities and communities.[12]

(U) TCO Recruitment

(U//LES) Mexican cartels have established command and control networks throughout the country, and they are working with associates, often members of US-based gangs, to support drug, human, currency, and weapon smuggling operations on both sides of the US-Mexico border. Mexican TCOs are primarily looking to recruit associates with clean records in order to avoid law enforcement scrutiny; however, they are most commonly able to recruit US gang members because of relationships forged in prisons or through criminal activities and because of these individuals' willingness to facilitate drug trafficking operations. Texas Department of Public Safety (DPS) reporting indicates that these cartels use transnational and Texas-based prison gangs to further their criminal operations in the United States and Mexico.[13] For example, the Tri-City Bombers, named for the Pharr-San Juan-Alamo tri-city area, started as a break-dancing group before graduating to petty crime and eventually making ties with prison gangs. The group is now said to be competing with the Texas Chicano Brotherhood, Texas Syndicate, and Hermanos Pistoleros Latinos (HPL) of the Gulf Cartel, along the Texas-Mexico border.

(U//LES) Some US-based gangs are mimicking the recruitment methods of Mexican cartels. The Gulf Cartel and Los Zetas reportedly are hiring members of the Texas Syndicate, Mexikanemi, HPL, and Partido Revolucionario Mexicano gangs to engage in enforcement duties, including murders and kidnappings. US-based gangs, many of which are active in Texas, are beginning to adopt this methodology as well, increasingly recruiting outside personnel, in some cases military-trained individuals, to perform enforcement and security functions.[14]

[vi] (U) A "clique" is a term for a subgroup of a gang.

- (U//LES) Los Zetas have shown a willingness to confront law enforcement in Mexico and to operate across the border on US territory through direct "enforcement cells" that operate throughout the Southwest United States. Los Zetas also work through US-based gangs, such as the Aryan Brotherhood of Texas, Texas Mexican Mafia, HPL, and Texas Syndicate because these gangs are willing to perform trafficking-related activities.[15]

- (U//LES) The National Gang Intelligence Center has identified at least 53 gangs whose members have served in or are otherwise connected with the US military,[vii] as of 2012.[16] Among the identified gangs with military-trained members are street gangs such as the Asian Boyz, Bloods, Crips, Gangster Disciples, Juggalos, Latin Kings, MS-13, Sureños, and Tiny Rascal Gangsters; prison gangs including the Aryan Brotherhood, Barrio Aztecas, and Texas Syndicate; and outlaw motorcycle gangs (OMGs) including Bandidos, Hells Angels, Mongols, Outlaws, and Vagos. Some gangs, particularly OMGs, actively recruit members with military training or advise members without criminal records to join the military for necessary weapons and combat training.[17]

(U) Crime and Violence

(U//LES) Cartel leadership operates similarly to the leadership of a legitimate multi-national corporation, with decisions made in Mexico and carried out by operatives in the United States; however, Mexican traffickers use threats and acts of violence against both individuals and their families as a mechanism of control and dominance.[18] The threat and actual use of violence is essential for the cartels to maintain control of their organizations operating throughout the world. The employee base of the cartels consists of individuals who operate primarily in the criminal arena; therefore, standard operating procedures do not have the desired effect in deterring disloyalty, theft, and cooperation with law enforcement.[19] Cartel leadership remains in Mexico, distanced from US law enforcement. However, they must have the ability to project control over distances.[20]

(U//LES) Mexican cartels use Texas-based gangs to smuggle drugs, people, weapons and cash across the Southwest Border. Texas DPS reporting indicates that Texas gangs are recruited by Mexican cartels to carry out acts of violence both in Texas and in Mexico.[21] For example, Partido Revolucionario Mexicano was contracted by the Gulf Cartel in a 2011 incident in which a law enforcement officer in Hidalgo County was shot and wounded.[22]

(U//LES) The Sinaloa Cartel, Gulf Cartel, Juarez Cartel and Los Zetas deploy kidnapping and assassination squads to both sides of the Texas–Mexico border to target rival traffickers. These squads assault, kidnap, and murder individuals who have stolen drug shipments or failed to pay smuggling fees. These criminal organizations also target traffickers that no longer purchase drugs from them or that have switched allegiance to rival TCOs.

(U) Vulnerabilities

(U//LES) Mexican TCOs are continuing to foster relationships with US-based street gangs, prison gangs, OMGs, and other associates to perform smuggling activities. Although gangs typically are not part of any formal Mexican TCO structure, several Mexican TCOs use US-based gangs to smuggle and distribute drugs, collect drug proceeds, and act as enforcers. Mexican drug cartels' willingness to expand their operations from tight, family-based operations to include US-prison and street gangs and other associates—outside their traditional, familial-disciplined nature—may make the organization vulnerable to exposure to law enforcement from outside gang leaders and members—whose motivation lies mostly in profit and not loyalty.[23]

[vii] (U//LES) The NGIC has collected reports of gangs that have been identified on both domestic and international US military installations.

(U) Colombian Trafficking Organizations

(U//LES) While the vast majority of drugs continue to be transported through Mexico to US markets, some Colombian TCOs are moving an increasing amount of drugs through transshipment points in the Caribbean to the United States—most likely to avoid cartel-related violence in Mexico and increased law enforcement presence along the US Southwest Border.

- (U//LES) Colombian TCOs and, to a lesser extent, Dominican and Puerto Rican criminal groups also continue to exploit South Florida as an entry point for drug shipments transported directly from South America or through the Caribbean.[24]

(U//LES) Colombian TCOs in the Northeast and North Central United States are yielding a greater cocaine and heroin market share to expanding Mexican trafficking organizations. In some cases, Colombian organizations work with Mexican TCOs because Mexican traffickers control overland transportation routes into the United States.

- **(U//LES) Chicago:** Mexican traffickers have assumed control of the heroin market over the past several years, taking over the wholesale transportation and distribution of heroin from Colombian TCOs. Between 2006 and 2011, the number of Colombian nationals arrested on heroin-related charges by the DEA Chicago Field Division (FD) greatly decreased while the number of Mexican nationals arrested on heroin-related charges greatly increased. Further, investigative intelligence reveals that the Mexican TCOs are purchasing heroin directly from Colombian traffickers and transporting it to the Chicago FD via El Paso and Los Angeles[25]

- **(U//LES) Philadelphia:** Investigative reporting indicates that Colombian TCOs are working with Mexican TCOs because the Mexican organizations control transportation routes into the United States. Once inside the United States, the Mexican TCOs transport cocaine via tractor trailer from California and other Southwest Border areas to the Philadelphia FD; they also transport cocaine from Miami and New York.[26]

(U) Ethnic Asian Trafficking Organizations

(U//LES) Ethnic Asian TCOs continue to operate indoor cannabis grows in several OCDETF regions.[viii] (See Map A1 in Appendix A.)

(U//LES) In the Western United States, ethnic Asian—particularly Chinese and Vietnamese—TCOs are often involved in sophisticated, large-scale indoor grows.[27] The command-and-control elements of many of the TCOs responsible for the activity distance themselves from the reach of US authorities by running their operations from Canada.[28] Ethnic Asian trafficking organizations involved in cannabis cultivation in the United States typically set up grow sites in multiple homes in newer communities, often in rental properties.[29] Ethnic Asian TCOs also import high-quality marijuana from Canada and transport it throughout the United States.[30]

- **(U//LES) Dallas:** Hydroponic indoor grow houses operated by ethnic Asian cultivators (primarily Laotian and Vietnamese) are prevalent in the Dallas area. Most indoor marijuana grow operations in the Dallas FD area of responsibility (AOR) are found in large (3,000+ square feet) rented houses with attached garages, often in relatively upscale neighborhoods. Traffickers often cultivate multiple stage grows that allow for a frequent harvest of fully grown marijuana. In May 2012, the Dallas FD executed a federal search warrant and seized almost 2,000 marijuana plants in various stages of cultivation. Ethnic Asian TCOs are also moving high-quality outdoor and hydroponic marijuana into the Dallas AOR from California and Canada, and are cultivating outdoor grows in North Texas.[31]

- **(U//LES) Houston:** Hydroponic and indoor grow houses were increasingly

[viii] (U) The OCDETF program divides the country into nine regions: Florida-Caribbean, Great Lakes, Mid-Atlantic, New England, New York/New Jersey, Pacific, Southeast, Southwest, and West Central.

encountered in Houston and surrounding towns in 2012.[32] Houston-area marijuana grows are typically indoor and operated by Asian (primarily Vietnamese) trafficking organizations from Canada, California, and Washington.[33]

- **(U//LES) Minneapolis/St. Paul:** Ethnic Asian organizations are heavily involved in importing large quantities of high-grade marijuana from Canada and the Pacific Northwest for distribution in the Twin Cities. The local DEA Office also reports that ethnic Asian organizations also produce marijuana through indoor grow operations.[34]

- **(U//LES) Seattle:** The indoor cultivation of high-quality marijuana in the Seattle AOR is controlled by ethnic Asian (Vietnamese and Chinese) criminal organizations, who distribute the marijuana both locally and throughout the United States. Many marijuana distributors in Washington are attempting to establish customer bases in the Midwest and Eastern portions of the United States due to higher resale value in those markets. Due to the proximity of British Columbia, there is a high availability of Canada-produced marijuana in the Seattle area. British Columbia–based Asian (primarily Vietnamese) organized crime groups cultivate numerous large-scale indoor marijuana growing operations in Canada and transport the drug to Seattle.[35]

(U) Dominican Trafficking Organizations

(U//LES) Dominican trafficking organizations, like their Colombian counterparts, are increasingly working with Mexican traffickers. Dominican traffickers transport heroin to the Northeast region, often by couriers travelling on commercial airlines, usually into New York City. They are also significant cocaine and heroin distributors in the Northeast and, to a lesser extent, the Southeast. Law enforcement reporting indicates that Dominican traffickers are increasingly working with Mexican traffickers, purchasing heroin and cocaine from Mexican sources in the United States and Mexico, and acting as retail distributors for Mexican organizations.

(U//LES) Marijuana Cultivators Adapting in Order to Operate Under the Protection of Medical Marijuana Programs in California, Oregon, and Washington

(U//LES) The DEA San Francisco FD reports the involvement of Laotian cultivators growing marijuana under the guise of Proposition 215, the Compassionate Use Act, which allows patients with a valid doctor's recommendation to possess and cultivate cannabis for personal medical use. Operation Mercury, which focused eradication efforts on the agricultural land in the Central Valley of California, resulted in the seizure of more than 120,000 cannabis plants. It is unknown if these cultivators are part of a larger criminal group or if they are operating independently.[36]

(U//LES) DEA Portland reports an increase in the involvement of ethnic Asian organizations in the Oregon Medical Marijuana Program. Recent investigations have found that several Mexican and Asian marijuana organizations are moving to conduct their operations under the guise of the Washington state medical marijuana laws. One investigation that targeted an ethnic Asian marijuana organization revealed that owners of the grow operations were drastically reducing the number of plants grown at each location to conform to the maximum number allowed under Washington medical marijuana laws (45 plants per collective or grow). However, the growers are cultivating the plants so that they grow very large and vine-like in order to yield a larger amount of buds. Further, to avoid law enforcement intervention, some ethnic Asian organizations have begun paying for power rather than diverting or stealing it.[37]

- **(U//LES) New York City:** Dominican organizations in the New York metropolitan area regularly distribute wholesale and retail amounts of heroin and retail amounts of cocaine to cities throughout the Northeast. Both Mexican and Colombian organizations rely on Dominican traffickers to assist in the transportation and distribution of heroin throughout New York, New Jersey, Pennsylvania, Connecticut, and Massachusetts.[39]

- **(U//LES) Boston:** Dominican traffickers are increasingly working with and buying cocaine from Mexican traffickers. Dominican traffickers (along with Colombian traffickers) have historically dominated cocaine transportation and distribution throughout the New England states; however, those groups are increasingly dealing with and receiving cocaine directly from Mexican organizations operating from California, Texas, and Arizona, as well as from Mexico.[40]

(U) West African Trafficking Organizations

(U//LES) West African TCOs are one of the primary transporters of Southwest Asian heroin to the United States, although the amount of Southwest Asian heroin available in the United States is relatively low. They generally use human couriers who swallow heroin or conceal it in luggage or clothing. They also smuggle heroin to the United States in mail parcels and air freight. West African TCOs operate in several major US cities, including New York City, Baltimore, Washington DC, Atlanta, Detroit, Chicago, and Dallas.[41]

(U) Jamaican Trafficking Organizations

(U//LES) Jamaican trafficking organizations are primarily associated with marijuana transportation and distribution; however, to a lesser extent they are also involved in cocaine distribution. Jamaican organizations distribute wholesale- and retail-level quantities of marijuana throughout Florida and the New York City area; they also dominate retail-level marijuana sales in some areas of New England.[42] Jamaican traffickers also distribute crack cocaine in New York City, and in the Boston area they purchase kilogram quantities of powder cocaine from Dominican sources, convert it to crack, and distribute the crack cocaine at the retail level throughout the Boston area.[43]

(U) Illicit Drugs of Abuse

(U) Cocaine

(U//LES) Mexican TCOs control cocaine trafficking in the United States and that trend is likely to continue as no other trafficking organization is positioned to challenge them in the near term. In recent years Mexican TCOs have assumed greater control of cocaine transportation and distribution throughout the country and are now the dominant traffickers of the drug into the United States. Mexican TCOs continue to obtain multi-ton shipments of powder cocaine from South American traffickers, moving it through Central America and Mexico, and then smuggling it into the United States over the Southwest Border. Smaller amounts enter through the Caribbean Corridor.

- (U//LES) During the first half of 2012, five of the 21 DEA Field Divisions, Atlanta, New York, Washington and the Caribbean,[44] reported cocaine as the number one drug threat facing their jurisdiction.[ix] The DEA New Orleans FD cited crack cocaine as their number one drug threat.[45]

(U//LES) Decreased cocaine availability in some domestic drug market areas in 2012 has led to price fluctuations. Several DEA offices reported a decline in availability in mid-2012.

- **(U//LES) Chicago:** Investigative information targeting two Chicago-based organizations indicated a decrease in cocaine supply.[46]

- **(U//LES) Phoenix:** Reporting indicated smaller cocaine loads were transported into the US and that supply was not sufficient to meet demand.[47]

(U//FOUO) Despite reports of diminished supply, cocaine availability remains stable, although at lower levels than previous years. Analysis of law enforcement reports, seizures, price and purity data, production estimates, and worldwide demand indicate the trend of lower cocaine availability in

(U//LES) Denver OCDETF Investigation Disrupts Major Cocaine Transportation Organizations

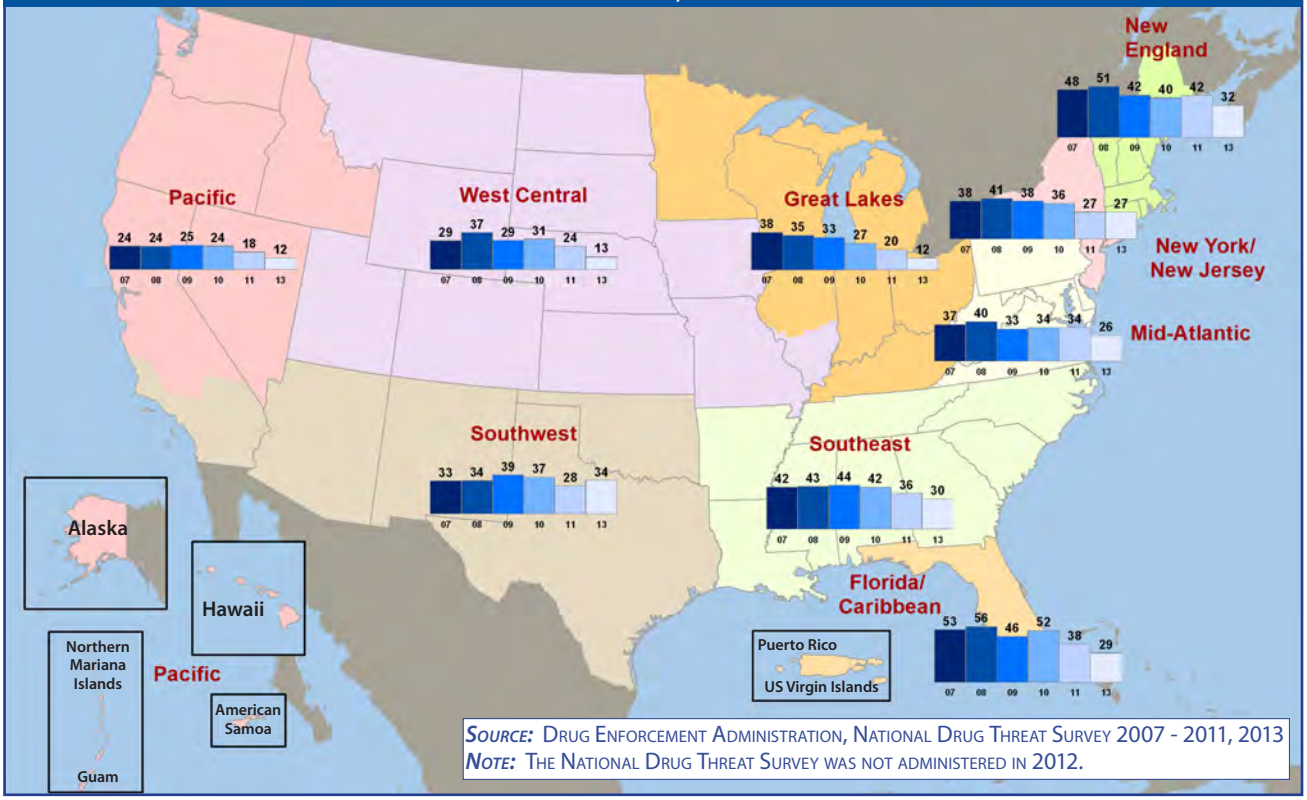
(U//LES) In February 2012, Special Agents of the Denver OCDETF Strike Force and the Financial Investigation Team arrested 80 people in the largest drug enforcement operation in Denver history. During the course of the investigation, agents and officers seized 12 assault rifles, handguns, $415,140 in cash, 26 kilograms of cocaine, 1,000 grams of crack, and one pound of methamphetamine. The drugs were concealed in a hidden compartment in the dashboard of a private vehicle. The majority of the cocaine was destined for distribution in Northern and Central Colorado as well as Cincinnati, Ohio.[48]

(U//LES) Bulk cash seized during the investigation. Source: DEA

(U//LES) Hidden compartment in the dashboard where cocaine was concealed. Source: DEA

[ix] (U) The primary drug threat facing each DEA Field Division is determined by a considered judgment by the senior management as to the Division's most significant enforcement challenge, taking into account demand, availability, transportation, distribution, and associated violence.

(U) Map 2: Percentage of NDTS Respondents Reporting High Powder Cocaine Availability in their Jurisdictions 2007-2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013
Note: The National Drug Threat Survey was not administered in 2012.

the United States that began in 2007 continued in 2012. In the spring of 2012, DEA offices in the Chicago, Baltimore, Houston, Phoenix, and St. Louis Field Divisions reported cocaine shortages in their AORs.[49] Also, cocaine shortages were reported in Arizona, California, and Texas, indicating that a possible constriction in the US cocaine supply was likely. However, according to October 2012 DEA reporting, traffickers were attempting to replenish cocaine supply levels in most domestic markets.[50]

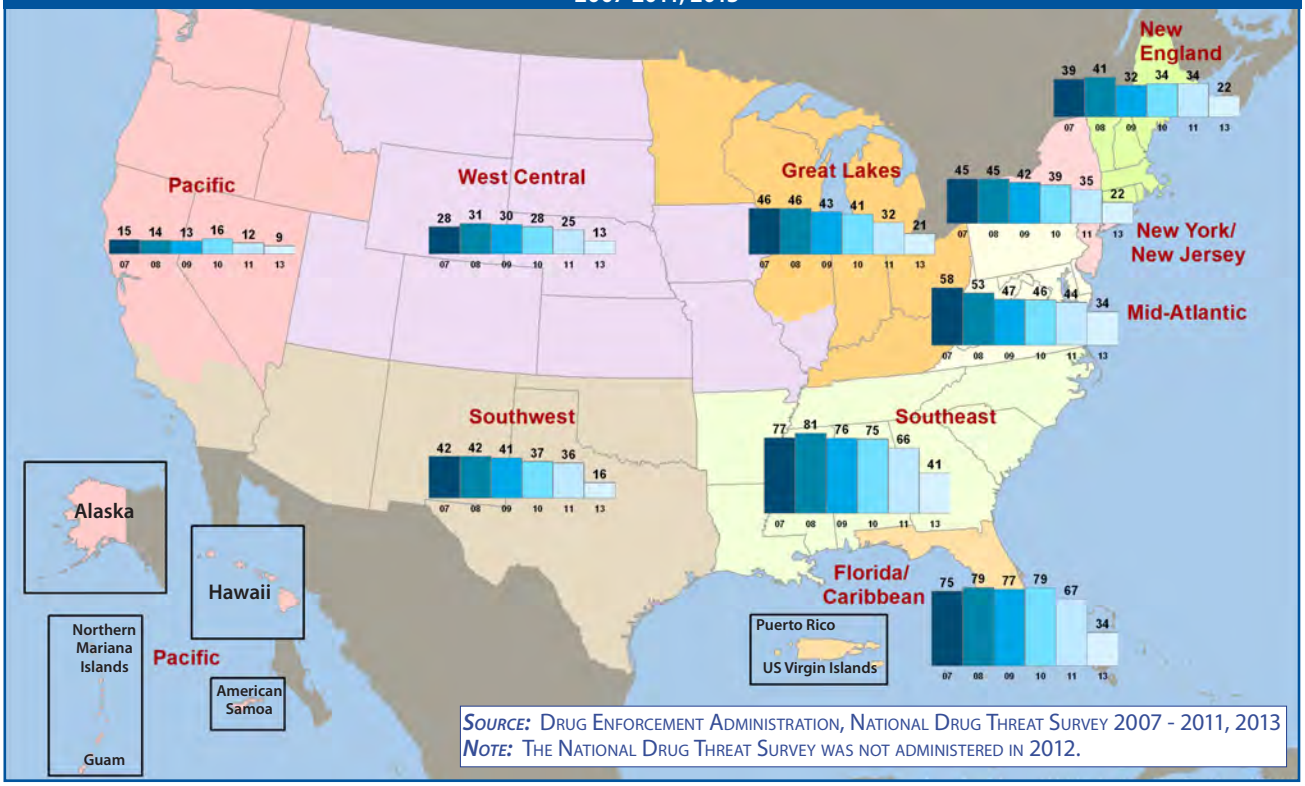
(U//FOUO) No single factor can be identified as causing the decline in domestic cocaine availability (see full discussion on page 12) and there have been no profound, sustained cocaine shortages or indications of stretched supplies in domestic drug markets. Rather, the timing of multiple factors likely contributed to a decrease in the amount of cocaine being transported to the US–Mexico border for subsequent smuggling into the United States.

(U//LES) During 2012, cocaine availability in the United States remained below pre-2007 levels. Following a sharp decline in domestic cocaine availability during 2007, cocaine remained less available in the United States through 2012. [51]

- (U//FOUO) Law enforcement agencies in 22.9 percent of US drug markets tracked by the National Drug Threat Survey (NDTS)[x] 2013 reported cocaine availability levels as high, a significant decrease from 37.4 percent in 2007. (See Table B3 in Appendix B.) Many agencies report that

[x] (U) Until 2011, the NDTS was conducted annually by the National Drug Intelligence Center (NDIC). Since absorbing NDIC's functions in 2012, DEA will now annually conduct the NDTS in order to solicit information from a representative sample of state and local law enforcement agencies. DEA uses this information to produce national-, regional-, and state-level estimates of various aspects of drug trafficking activities. NDTS data reflect agencies' perceptions based on their analysis of criminal activities that occurred within their jurisdictions during the past year. Based on responses from law enforcement agencies in the NDTS sample, weighted estimates for the population of all law enforcement agencies (as defined in the sampling frame, which is stratified based on the number of full-time equivalent sworn officers) are derived for each survey question at the national, regional, and state levels. Although stratified to include large-scale law enforcement agencies (based on the number of full-time equivalent sworn officers), the NDTS sample is not weighted directly to the population in the sample agencies' jurisdictions. The error of estimation for NDTS percentages as reported in graphs and data tables is close to 5 percent. This level of error should be taken into consideration when percentages or differences between percentages of reported NDTS estimates are interpreted.

(U) Map 3: Percentage of NDTS Respondents Reporting High Crack Cocaine Availability in their Jurisdictions 2007-2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013
Note: The National Drug Threat Survey was not administered in 2012.

traffickers continue to move smaller quantities of cocaine and that distributors and abusers complain about the lack of regular supplies and lower quality products.

(U//LES) Seizures at the Southwest Border and price and purity data indicate continued decreased availability of cocaine. Southwest Border cocaine seizures were markedly down the first quarter of 2012 as compared to 2011. This trend continued over the first half of 2012. Further, cocaine prices per gram pure over the last five years increased significantly while purity levels decreased, and cocaine production in Colombia remained at decreased levels.

- (U//FOUO) According to National Seizure System (NSS) data, approximately 16,908 kilograms of cocaine were seized at the Southwest Border in 2011. During 2012, only 7,143 kilograms of cocaine were seized, a decrease of 58 percent.[52]

- (U) DEA's System to Retrieve Information from Drug Evidence (STRIDE)[xi] data indicate that from January 2007 through June 2012, the price per pure gram of cocaine increased 79.4 percent, from $97.64 per gram to $175.16 per gram, while the purity decreased from 67.1 percent to 48.1 percent. (See Chart 1 on Page 12.)

- (U) Cocaine production rates in Colombia—the source of most of the cocaine distributed in the United States—have declined in recent years. Available data on cultivation, yield, and trafficking indicate that global cocaine production declined in 2011 from the high levels seen in the period 2005-2007. This is largely a result of a decrease in cocaine production in Colombia in the six years up to and including 2011, which was partly offset by increases in both Bolivia and Peru.[53] In fact, some Mexican TCOs, such as the Sinaloa Cartel, have begun establishing relationships with Peruvian cocaine suppliers. However, despite production declines, Colombia is the source

[xi] (U//LES) STRIDE is a database of drug exhibits sent to DEA laboratories from the DEA, FBI, CBP, ICE, USCG, and Washington MPD. STRIDE is not a representative sample of drugs available in the United States but reflects all evidence submitted to DEA laboratories for analysis. STRIDE data are not collected to reflect national trends. STRIDE data reflect the best information currently available on changes in cocaine price and purity.

for the overwhelming majority of cocaine available in the United States. According to DEA's Cocaine Signature Program (CSP), 95 percent of wholesale cocaine seized in or destined for the United States and sampled by the CSP is of Colombian origin.

(U) Potential Causes and Contributing Factors Leading to Sporadic Reports of Decreased Domestic Cocaine Availability

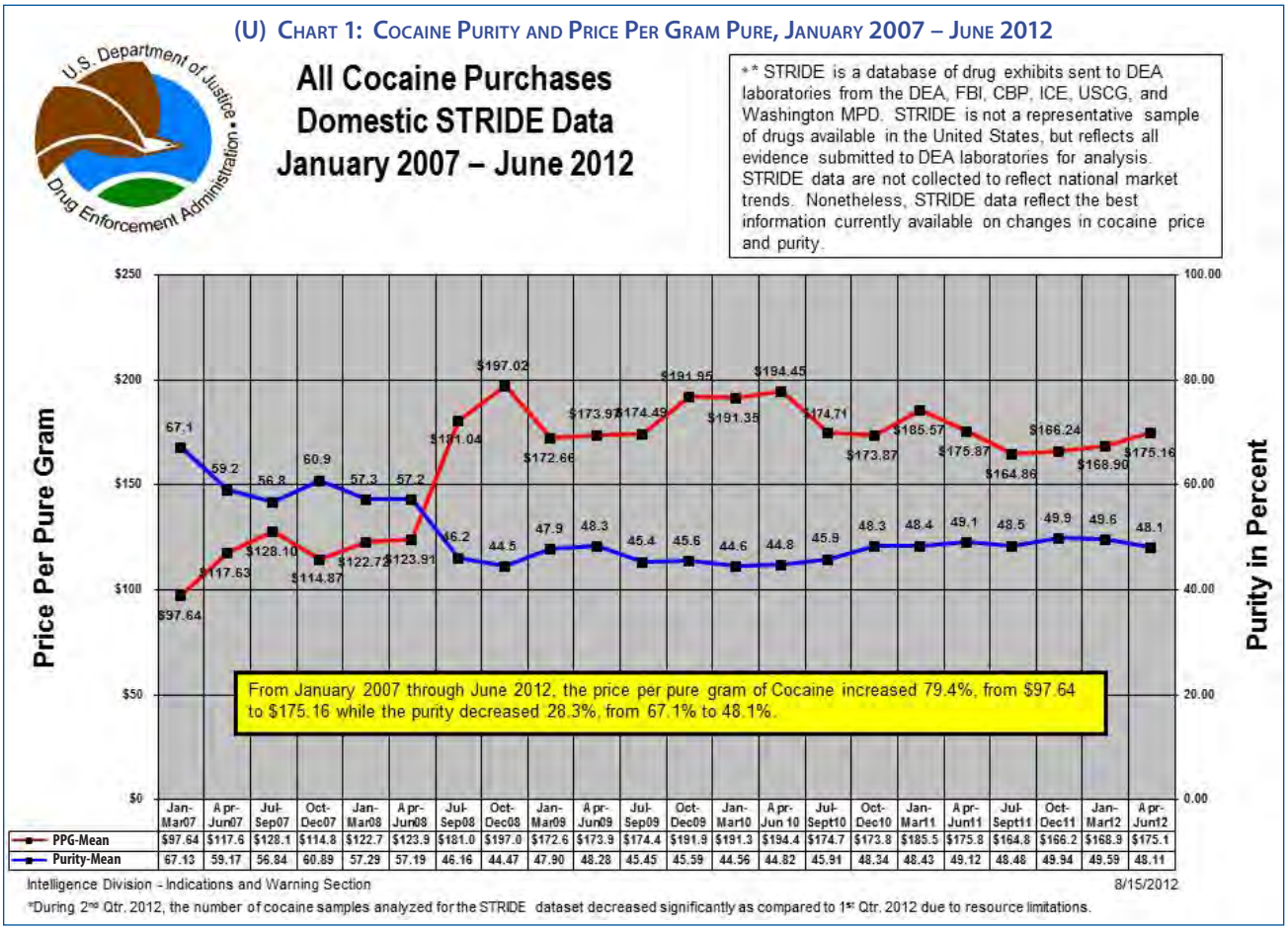
(U//LES) The decline in cocaine availability occurring in various areas throughout some domestic drug markets may be the aggregate result of various factors. Based upon analysis of currently available data and law enforcement and open source reporting, the following factors may have a causative effect on current levels of cocaine availability in some domestic drug markets.

- (U//LES) As previously noted, Colombia remains the primary source for cocaine distributed in the United States. Colombian coca cultivation and cocaine production have declined recently;[54] however, aerial and manual eradication rates in that country have also declined, in part because of budgetary delays, security concerns, and the dispersal of coca plants to smaller fields.[55] Moreover, traffickers have moved coca fields into areas, such as along the border areas with Ecuador, where aerial eradication is prohibited.[56]

- (U//LES) While the vast majority of drugs continue to be transported through Mexico, some TCOs have shifted transshipment points into the Caribbean from the United States to avoid cartel-related violence in Mexico. DEA reporting indicates that the territorial control disputes occurring in Mexico may have caused some traffickers to shift their traditional overland transportation routes through Mexico to include more maritime and/or air routes in order to avoid violent cartel battles.[57]

- (U//LES) Counterdrug efforts may be sufficiently disrupting Colombian traffickers' ability to increase cocaine transportation. DEA reporting indicates that, as a result of government and military enforcement

(U) Chart 1: Cocaine Purity and Price Per Gram Pure, January 2007 – June 2012



actions, cocaine transportation from Colombia to Mexico has posed operational difficulties for TCOs.[58] Reporting indicates the combined effect of several large seizures and the arrests of several high-level traffickers makes TCOs reluctant to transport large shipments of cocaine.[59]

- (U//LES) Conflict between and within TCOs is also a significant factor impacting cocaine flow to the United States.[60] Clashes for lucrative plazas and smuggling corridors have frequently led to increased violence between, and amongst, TCOs. As differing factions struggle for control of smuggling lanes, traffickers may switch to routes they perceive pose less risk to their product. These conflicts may also affect the amount of cocaine moved, as groups scale back their smuggling efforts until disputes abate.

(U) The DEA's Cocaine Signature Program (CSP)

(U) The Cocaine Signature Program (CSP) is an intelligence gathering initiative that determines the processing and geographic origins of cocaine. Like heroin, cocaine is contaminated with a wide variety of natural and processing impurities. The alkaloids found in these cocaine samples, originally derived from the coca leaf, are analyzed by gas chromatography/flame ionization detection, gas chromatography/electron capture detection, isotopic ratio mass spectrometry, and headspace/gas chromatography/mass spectrometry. The comprehensive results are correlated and reported in a quarterly bulletin entitled "Cocaine Signature Program Report." Each year, in-depth chemical analyses are performed on over 3,000 cocaine hydrochloride exhibits obtained from bulk seizures throughout the United States. The CSP is one of the most successful scientific intelligence programs ever developed by DEA's Special Testing and Research Laboratory. The CSP has provided the counterdrug intelligence community with the first science-based methodology to support strategic intelligence estimates on cocaine flow and availability.

(U//LES) Table 1: Dominant Organizations Involved in US Cocaine Trafficking

Field Division	Transportation	Wholesale Distribution	Retail Distribution
Atlanta	Mexican Organizations	African American Street Gangs Mexican Organizations	African American Street Gangs
Boston	African American Organizations Colombian Organizations Dominican Organizations Mexican Organizations	African American Street Gangs Dominican Organizations Mexican Organizations	African American Street Gangs Caucasian Organizations Dominican Organizations Mexican Organizations Other Hispanic Organizations
Caribbean	Colombian Organizations Dominican Organizations Puerto Rican Organizations Other Hispanic Organizations	Colombian Organizations Dominican Organizations Puerto Rican Organizations Venezuelan Organizations Other Hispanic Organizations	Colombian Organizations Dominican Organizations Puerto Rican Organizations Venezuelan Organizations Other Hispanic Organizations
Chicago	African American Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations African American Street Gangs Caucasian Organizations Mexican Organizations Other Hispanic Organizations
Dallas	Mexican Organizations	Mexican Organizations	African American Organizations African American Street Gangs Hispanic Street Gangs Mexican Organizations
Denver	Mexican Organizations	Mexican Organizations	Caucasian Organizations Mexican Organizations
Detroit	African American Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations African American Street Gangs Caucasian Organizations Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations	African American Organizations African American Street Gangs Caucasian Organizations Mexican Organizations Other Hispanic Organizations

(U//LES) Table 1: Dominant Organizations Involved in US Cocaine Trafficking (Continued)

Field Division	Transportation	Wholesale Distribution	Retail Distribution
El Paso	Mexican Organizations	Mexican Organizations	Hispanic Street Gangs Mexican Organizations
Houston	Colombian Organizations Mexican Organizations Other Hispanic Street Gangs	Colombian Organizations Hispanic Street Gangs Mexican Organizations	African American Organizations African American Street Gangs Dominican Organizations Hispanic Street Gangs Mexican Organizations
Los Angeles	Mexican Organizations	Mexican Organizations	Mexican Organizations Hispanic Street Gangs
Miami	Caucasian Organizations Colombian Organizations	African American Organizations Colombian Organizations	African American Street Gangs Colombian Organizations
Newark	Dominican Organizations Haitian Organizations Jamaican Organizationss Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations African American Organizations Colombian Organizations Mexican Organizations	Dominican Organizations Haitian Organizations Jamaican Organizations Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations African American Organizations Colombian Organizations Mexican Organizations	Dominican Organizations Haitian Organizations Jamaican Organizations Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations African American Organizations Colombian Organizations Dominican Organizations Mexican Organizations
New Orleans	African American Organizations Caucasian Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations Mexican Organizations	African American Organizations African American Indep. Dealers African American Street Gangs Caucasian Organizations
New York	Colombian Organizations Dominican Organizations Ecuadorian Organizations Mexican Organizations	Colombian Organizations Dominican Organizations Mexican Organizations	African American Organizations African American Street Gangs Caucasian Organizations Colombian Organizations Dominican Organizations Mexican Organizations Puerto Rican Organizations Other Hispanic Organizations
Philadelphia	Dominican Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations Dominican Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations Dominican Organizations Other Hispanic Organizations
Phoenix	Mexican Organizations	Mexican Organizations	Mexican Organizations
San Diego	Mexican Organizations	Mexican Organizations	Mexican Organizations
San Francisco	African American Organizations Colombian Organizations Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations	African American Organizations Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations	African American Organizations African American Street Gangs Mexican Organizations Middle Eastern Organizations Other Hispanic Organizations
Seattle	Caucasian Organizations Honduran, Ecuadoran & Salvadoran Organizations Indo-Canadian Organizations Mexican Organizations Motorcycle Gangs	Honduran, Ecuadoran & Salvadoran Organizations Indo-Canadian Organizations Mexican Organizations Motorcycle Gangs Other Hispanic Organizations	African American Organizations Caucasian Organizations Ecuadoran and Honduran Organizations Ethnic Asian Organizations Mexican Organizations West African/Nigerian Organizations Other Hispanic Organizations
St. Louis	African American Organizations Mexican Organizations	African American Organizations Mexican Organizations	African American Organizations African American Street Gangs Caucasian Organizations Mexican Organizations
Washington	African American Organizations Mexican Organizations	African American Organizations Mexican Organizations Other Hispanic Organizations	African American Organizations African American Street Gangs Dominican Organizations Hispanic Street Gangs Other Hispanic Organizations

Source: DEA Reporting, January – June, 2012

(U) Heroin

(U//LES) Heroin availability continued to increase in 2012, according to analysis of law enforcement reporting, seizure statistics, and abuse and treatment data. The increase in availability, a trend that began in late 2007, is most likely due to an increase in Mexican heroin production and Mexican traffickers expanding into markets traditionally supplied with white heroin. According to the NDTS, the proportion of law enforcement agencies reporting high availability of heroin increased from 13.4 percent in 2007 to 30.3 percent in 2013. (See Table B3 in Appendix B.) Consumption of heroin appears to be increasing as well, according to user survey and treatment data. Treatment Episode Dataset (TEDS) data show the number of heroin-related treatment admissions increased slightly from 267,968 in 2006 to 270,885 in 2010.[61] (See Table B5 in Appendix B.) Further, Drug Abuse Warning Network (DAWN) data indicate heroin-related emergency department mentions increased by 18.4 percent, from 189,787 in 2006 to 224,706 in 2010.[62] (See Table B6 in Appendix B.)

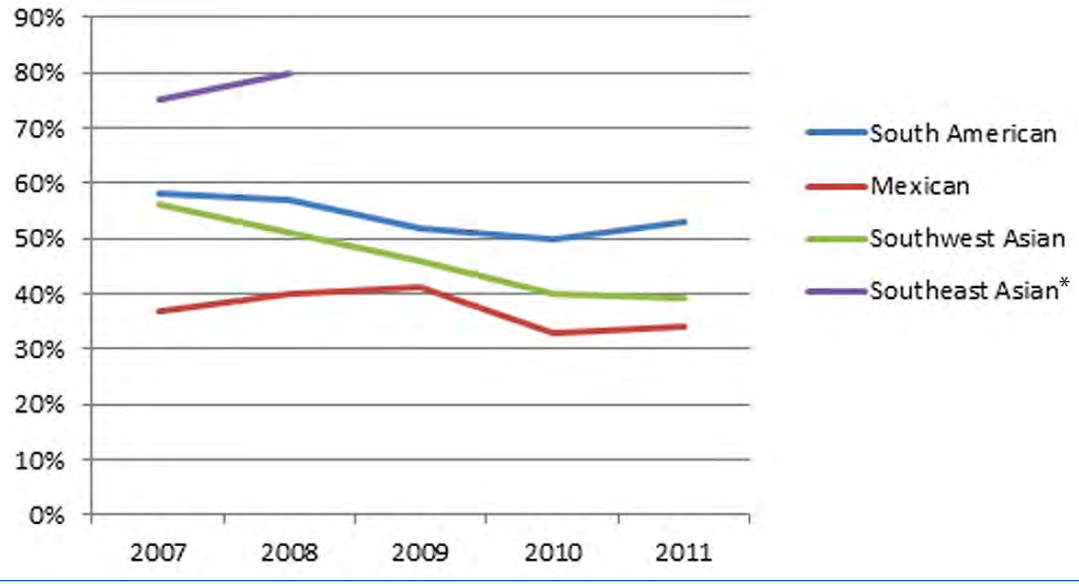
- (U//LES) During the first half of 2012, five of the 21 DEA Field Divisions reported heroin as the number one drug threat facing their jurisdictions. These divisions were: Boston, Chicago, Detroit, New Jersey, and Philadelphia.[63] In addition, four other DEA FDs (Caribbean, New York, Seattle, and St. Louis) reported heroin as their second greatest drug threat.[64]

(U) Price and Purity

- (U) Wholesale-level heroin purities in 2011 remained at similar levels to those in 2010. Over the most recent five-year period, wholesale-level purities for South American (SA) and Mexican (MEX) heroin fluctuated but stayed relatively stable. However, during that same time period Southwest Asian (SWA) heroin wholesale purity declined each year from 56 percent pure in 2007 to 39 percent pure in 2011. (See Chart 2.) This trend is consistent with the limited availability of SWA heroin in US markets. No Southeast Asian (SEA) heroin exhibits have been submitted to the HSP since 2008.

- (U//LES) Retail-level heroin purities fluctuated between 2007 and 2011. SA heroin purity remained stable overall with the exception of a drop in 2010. However, MEX and SWA heroin retail purity declined significantly over that time period. (See Chart 3.)

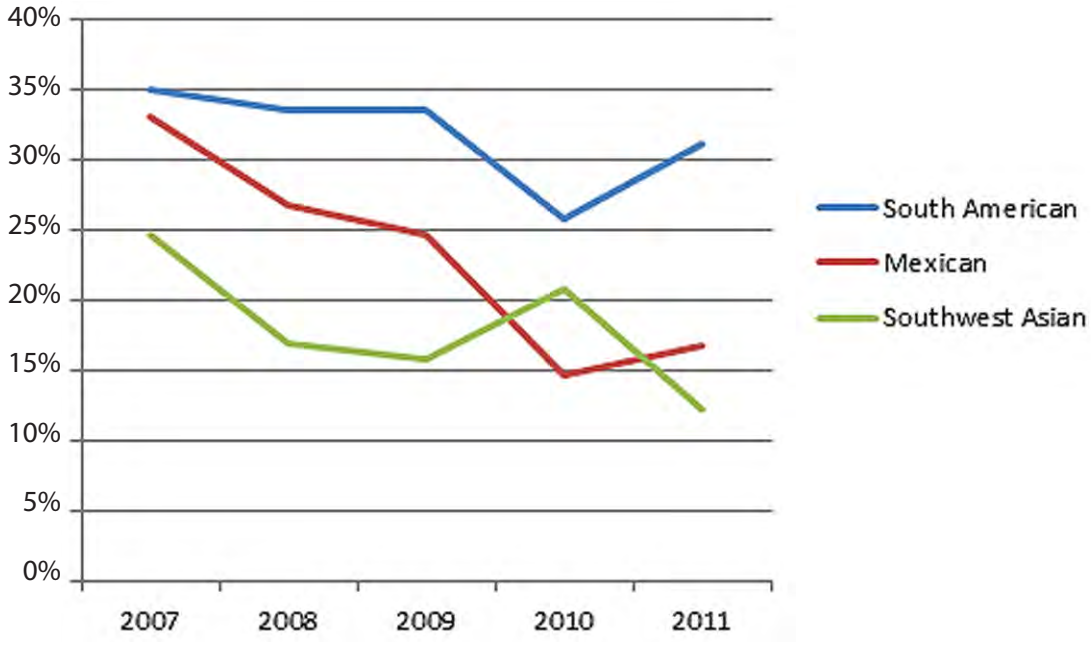
(U) Chart 2: Wholesale Heroin Purity by Source Area
CY2007 – CY2011



Source: Heroin Signature Program, 2011

*No heroin samples have been identified as Southeast Asian in origin since 2008.

(U//FOUO) Chart 3: Retail Heroin Purity by Source Area
CY2007 – CY2011*



Source: Heroin Domestic Monitor Program, 2011
*No heroin samples have been identified as Southeast Asian in origin since 2005.

(U) The DEA's Heroin Signature Program (HSP) and Heroin Domestic Monitor Program (HDMP)

(U) The DEA's Heroin Signature Program (HSP) and Heroin Domestic Monitor Program (HDMP) provide in-depth chemical analysis on the source area origin and purity of heroin found in the United States. Since 1977, the HSP has reported the geographic source of heroin seized primarily at ports-of-entry, as well as wholesale-level purity. Each year, chemists at the DEA Special Testing and Research Laboratory perform an in-depth chemical analysis of 500 to 900 samples taken from heroin seizures and purchases made in the United States. The samples selected for signature analysis include all DEA seizures at US points of entry and other seizures and purchases selected at random. Initiated in the New York Field Division in 1979, the HDMP provides data on the price, purity, and geographic origin of street-level (retail-level) heroin in 27 US cities. Both programs provide a snapshot of the US heroin market. Since all heroin seizures in the US are not submitted for analysis, the source area proportions should not be characterized as market share.

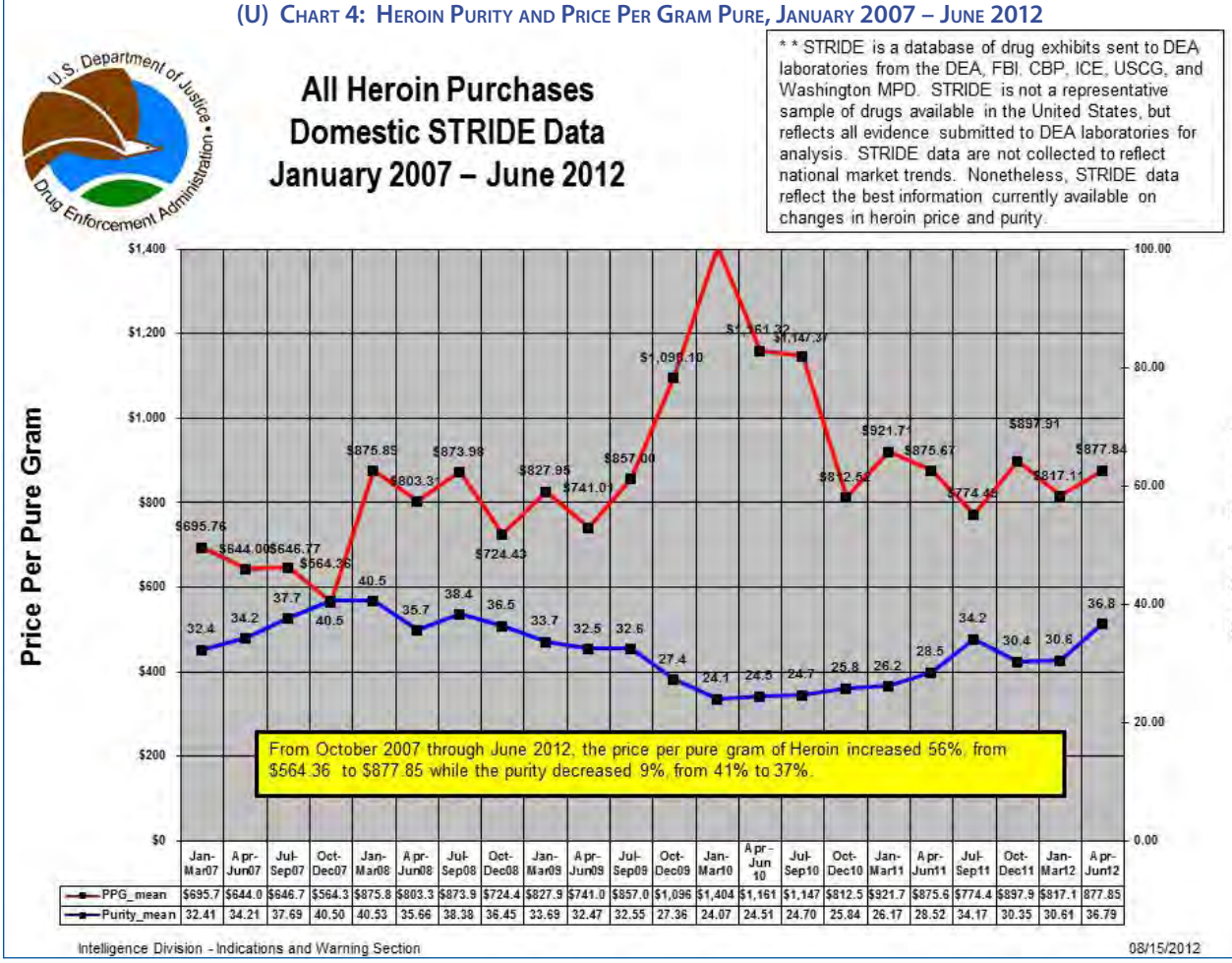
(U//LES) Table 2: Retail-Level Heroin, Price per Milligram Pure, 2007-2011

	2007	2008	2009	2010	2011
South American	$1.00	$1.07	$1.28	$1.75	$1.18
Mexican	$0.81	$1.06	$1.11	$2.00	$1.35
Southwest Asian	$0.93	$0.89	$1.94	$1.21	$1.66

Source: Heroin Domestic Monitor Program, 2011.
No heroin samples have been identified as Southeast Asian in origin since 2005.

- (U//LES) Data from the HDMP show some unusual fluctuations in retail-level heroin pricing. It is important to note that HDMP prices only reflect heroin purchased in the 27 unique heroin markets sampled by the HDMP and they should not be interpreted as true national averages. However, analysis of pricing data from those 27 cities reveals a significant change in heroin retail pricing between 2010 and 2011. (See Table 2.) Both SA and MEX heroin prices declined considerably while SWA heroin prices increased. However, when retail prices over a five-year period are examined, prices for 2010 appear to be an aberration. SA and MEX heroin prices rose significantly in that year, by 37 percent and 80 percent, respectively. This anomaly is also reflected

(U) Chart 4: Heroin Purity and Price Per Gram Pure, January 2007 – June 2012



	Jan-Mar07	Apr-Jun07	Jul-Sep07	Oct-Dec07	Jan-Mar08	Apr-Jun08	Jul-Sep08	Oct-Dec08	Jan-Mar09	Apr-Jun09	Jul-Sep09	Oct-Dec09	Jan-Mar10	Apr-Jun 10	Jul-Sep10	Oct-Dec10	Jan-Mar11	Apr-Jun11	Jul-Sep11	Oct-Dec11	Jan-Mar12	Apr-Jun12
PPG_mean	$695.7	$644.0	$646.7	$564.3	$875.8	$803.3	$873.9	$724.4	$827.9	$741.0	$857.0	$1,096	$1,404	$1,161	$1,147	$812.5	$921.7	$875.6	$774.4	$897.9	$817.1	877.85
Purity_mean	32.41	34.21	37.69	40.50	40.53	35.66	38.38	36.45	33.69	32.47	32.55	27.36	24.07	24.51	24.70	25.84	26.17	28.52	34.17	30.35	30.61	36.79

in STRIDE data, which shows a spike in heroin price per pure gram from October 2009 through September 2010. In the fourth quarter of 2010, heroin prices returned to normal levels. (See Chart 4.) These changes in price per gram pure represent an intelligence gap. The US heroin market is currently in a state of flux with Mexican TCOs attempting to expand into new areas and solidify control in others. This may explain some of the fluctuations in pricing data.

(U) Heroin Source Areas

(U//LES) Four geographic source areas (South America, Mexico, Southwest Asia, and Southeast Asia) produce the world's heroin supply. Since 1977, different regions have dominated the US market. For the past 20 years the US heroin market has been roughly divided by the Mississippi River, with Mexican black tar and brown powder heroin dominating west of the Mississippi and white powdered South American heroin more common in the East. Southwest Asia, while the dominant source of most of the world's heroin, represents a small portion of the US heroin market. Southeast Asian heroin has rarely been encountered in US markets in recent years.

(U) South America

(U//LES) South American heroin is usually sold as white, off-white, or tan powder. It is most commonly abused in the large eastern US heroin markets. Of the HDMP qualified samples[xii] classified as SA heroin, approximately 99.3 percent were purchased east of the Mississippi River.[65] For the past decade SA heroin has been the dominant form of heroin in the United States. However, declining

[xii] (U//FOUO) The heroin exhibits included in the HDMP are those that are deemed "qualified samples," meaning that price, purity, and geographic source data could be determined for the exhibit. Not all submitted exhibits meet this criteria. For example, some exhibits are determined to contain no controlled substance; some are determined to contain cocaine or another controlled substance; and some, while containing heroin, do not contain a sufficient amount to allow for geographic signature classification. In other instances, the results of the geographic analysis are inconclusive. Such samples are not included in the HDMP.

(U) Table 3: Percentage of Seized Heroin Weight, by Source Area*					
	2007	2008	2009	2010	2011
South American	70%	59%	62%	53%	43%
Mexican	25%	38%	34%	33%	50%
Southwest Asian	5%	3%	4%	14%	7%
Southeast Asian	<1%	<1%	0%	0%	0%

Source: Heroin Signature Program, 2011.
*Percentages do not represent market share.

poppy cultivation in South America,[66] decreasing SA heroin seizures, and the expanding influence of Mexican TCOs over the US heroin market indicate that the dominance of SA heroin may be declining.

(U) Mexico

(U//LES) Mexican heroin is most commonly encountered in western US heroin markets; 94.9 percent of the qualified HDMP samples classified as Mexican heroin were purchased west of the Mississippi River.[67] Mexican heroin traditionally is sold in brown powder and black tar forms; however, there are indicators that Mexican heroin producers may be manufacturing white powder heroin as well. HSP data reflects that in 2011 the percentage of seized Mexican heroin, by weight, surpassed that of all other heroin types for the first time since 1987 (which was prior to the development of a South American heroin signature). While HSP data does not represent market share, this is an indicator of increasing Mexican heroin availability in the United States. (See Table 3.)

(U) Southwest Asia

(U) Southwest Asian heroin is produced in Afghanistan and, to a lesser extent, Pakistan and Iran. SWA heroin is a white or tan powder, similar to SA heroin. Opium produced in Afghanistan is the source for most of the world's heroin; however, it accounts for a relatively small share of the US heroin market. It is chiefly consumed in eastern US markets where white powdered heroin is preferred.

(U) Southeast Asia

(U) Southeast Asian heroin, sometimes referred to as "China White,"[xiii] is a white or off-white powdered or crystalline heroin produced in the historic "Golden Triangle" region of Burma, Laos and Thailand. From the mid-1980s through the early 1990s, SEA heroin dominated all levels of the US heroin trade. However, since 2002, data from both the HSP and the HDMP reflect that the availability of SEA heroin has declined to the point where it has virtually disappeared from the US drug market. Key factors contributing to the reduced availability of SEA heroin include declines in Southeast Asian poppy cultivation, the rise of synthetic drug production in Southeast Asia, and domination of the US heroin market by Colombian and Mexican TCOs.

(U) The amount of heroin seized at the Southwest Border increased significantly between 2008 and 2012 and this, along with other indicators, points to increased smuggling of Mexican heroin. According to NSS data, the amount of heroin seized each year at the Southwest Border increased 232 percent from 2008 (558.8 kilograms) to 2012 (1,855 kilograms).[68] (See Chart 5 on Page 20.) The increase in Southwest Border seizures appears to correspond with increasing levels of production of Mexican heroin and the expansion of Mexican heroin traffickers into new US markets. Further, as previously noted, 2011 HSP data indicates the percentage of seized Mexican heroin, by weight, exceeded that of South American heroin for the first time since 1987.[69]

(U//LES) Mexican TCOs are expanding into white heroin markets by distributing South American heroin and what may be Mexico-produced white heroin. While Colombian and Dominican traffickers have historically supplied SA heroin to eastern US markets, DEA reporting indicates Mexican TCOs are expanding their role in white heroin markets and are increasingly involved in domestic transportation and wholesale distribution of SA heroin and alleged "Mexican white" heroin.[71]

- (U//LES) According to DEA reporting,[72] increasing seizures of South American heroin at the Southwest Border, and an overall increase in heroin being transported across the Southwest Border[73] indicate that Mexican TCOs are expanding their role in the US heroin market. (See Chart 5 on Page 20.)

[xiii] (U) "China White" was a term originally devised to describe SEA heroin; however, this term has become problematic because it is now often used to describe any white powder heroin, regardless of origin. Heroin colloquially referred to as "China White" is not necessarily SEA in origin.

(U//LES) In November 2012, the DEA Providence (Rhode Island) Resident Office (RO) disrupted a heroin organization that had distributed at least five kilograms of heroin per month in Rhode Island and Massachusetts since 2007. DEA arrested three individuals and seized 19 kilograms of heroin. This was the largest heroin seizure on record in Rhode Island, with a street value of $4.5 million.

This investigation was conducted by DEA with assistance from the ATF, the Providence Police Department, and the Cranston, RI Police Department.[70]

(U) Seized heroin. Source: DEA

- (U//LES) DEA analysis indicates it is likely that white heroin processing is occurring in Mexico. The DEA Special Testing and Research Laboratory uses Signature Analysis to determine the geographic source region of heroin samples and conducts in-depth chemical analysis that identifies the heroin according to the process by which it was manufactured. Each of the major heroin source areas has a unique production process or "signature" which is used to determine the origin of the heroin sample. The Special Testing and Research Laboratory has analyzed an increasing number of Mexican heroin samples as well as lighter-colored heroin samples of an unknown classification. The percentage of Unknown samples increased from 13 percent in 2010 to 21 percent in 2011, the highest percentage of Unknowns analyzed through HSP. The Unknown samples are found primarily in the Eastern and Midwestern United States where SA heroin typically dominates the market.[74] Several of the Unknown samples show similar characteristics indicating two possible scenarios, both of which point to an expansion of Mexican TCO white heroin operations:

  - (U//LES) A change in processing methods that could indicate Mexico-produced white heroin.

  - (U//LES) Heroin of different geographic origins being mixed, such as South American and Mexican heroin.

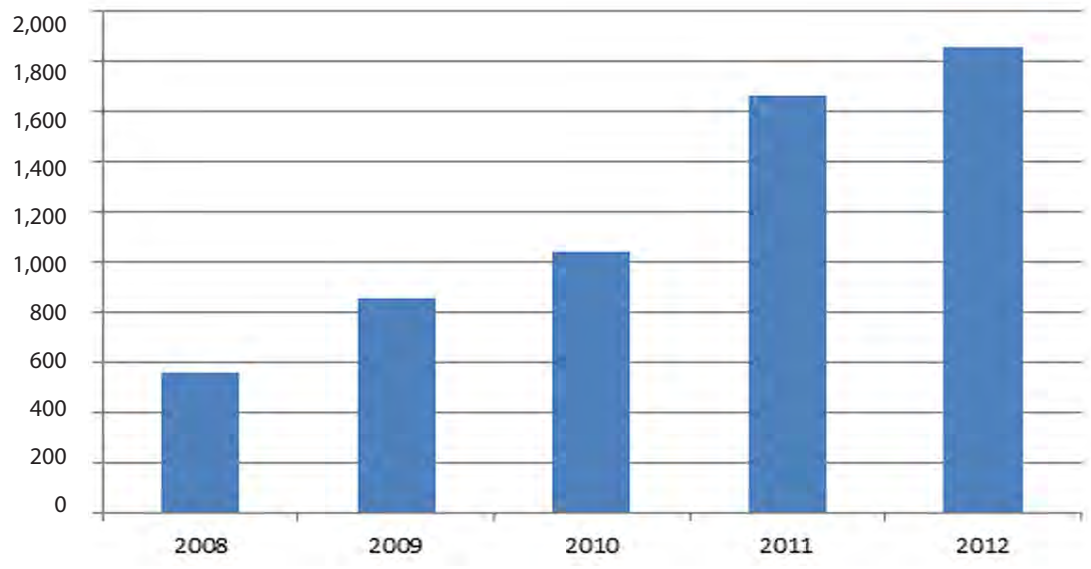
(U//LES) Heroin-related overdoses and overdose deaths are increasing in certain areas due to a number of factors. Heroin consumption rates in many areas of the United States remain high as do the corresponding number of heroin-related overdoses.[75] Reporting indicates an increase in fatal and non-fatal heroin-related overdoses in several metropolitan areas.

- (U//LES) Heroin overdoses and overdose deaths in the Minneapolis, MN area have undergone an increase that is unprecedented for that area. Task Force Commanders throughout Minnesota are reporting an increase in heroin availability and overdoses and many local police departments in the Minneapolis/St. Paul area are also reporting an increase in heroin overdoses.[76] The total number of heroin overdose deaths in the Minneapolis/St.Paul metro area nearly tripled from 2010 to 2011, increasing from 16 to 46 deaths.[77] Six other counties surrounding the Twin Cities metropolitan area reported an additional 13 heroin overdose deaths in 2011. Further, there were 26 heroin overdose deaths in Hennepin County alone in the first ten months of 2012, already surpassing that county's 2011 total of 21.[78]

- (U//LES) Law enforcement officials report an increase in the availability of high-purity, low-priced heroin over the last several years in Philadelphia and its suburban counties. Heroin is the most commonly found illicit substance involved in alcohol and/or drug intoxication deaths in Philadelphia. In 2011, 251 alcohol and/or drug intoxication deaths showed the presence of heroin/morphine, a significant increase from 138 in 2010.[79]

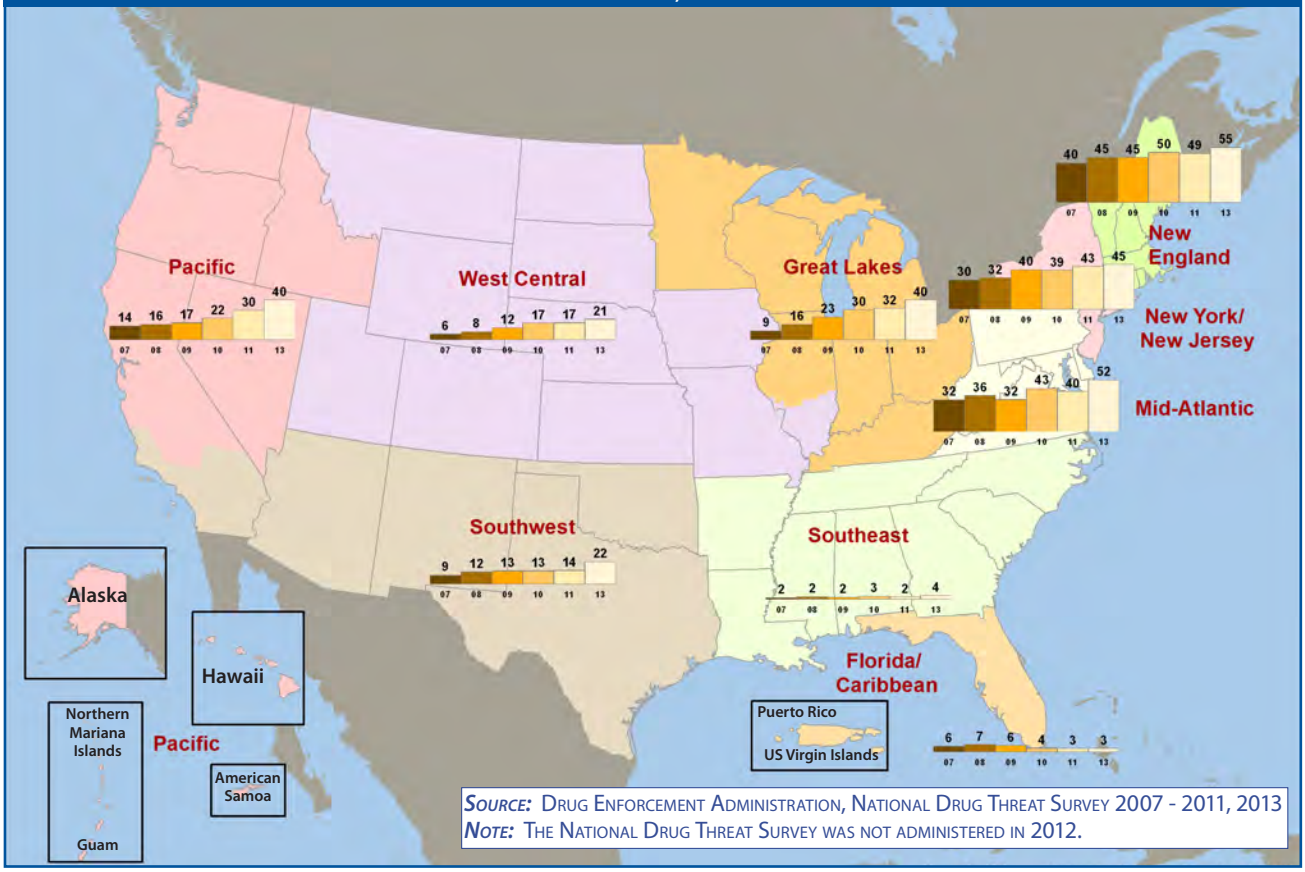
Heroin is also the most commonly found substance in mortality cases where illicit drugs are present. In 2011, in Philadelphia deaths where illicit drugs were present in the system, heroin/morphine was found in 32.4 percent of cases.[80] Further, the Philadelphia Medical Examiner's Office reports that this figure may be underrepresented due to the speed with which heroin is metabolized in the body.[81]

(U) Chart 5: Heroin Seizures at the Southwest Border, CY2008 - CY2012



Source: National Seizure System, January 15, 2013

(U) Map 4: Percentage of NDTS Respondents Reporting High Heroin Availability in their Jurisdictions 2007-2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013
Note: The National Drug Threat Survey was not administered in 2012.

(U) Possible reasons for these increases in overdose deaths include:

(U) Higher purity heroin is available.

(U//LES) Law enforcement officials in each of the affected areas reported an increase of high purity heroin available at the street level. Purity indicators bear this out in some instances; however, because there are far fewer undercover purchases each quarter for heroin compared to cocaine and methamphetamine, it is much more difficult to accurately identify trends in heroin price, purity, and availability.

(U) People are switching from abusing prescription drugs to abusing heroin.

(U) Law enforcement and treatment officials throughout the country report that many heroin abusers began using the drug after having first abused prescription opioids. These abusers turned to heroin because it was cheaper and/or more easily obtained than prescription drugs and because heroin provides a high similar to that of prescription opioids. According to treatment providers, many opioid addicts will use whichever drug is cheaper and/or available to them at the time.[82] Several treatment providers report the majority of opioid addicts will eventually end up abusing heroin and will not switch back to another drug because heroin is highly addictive, relatively inexpensive, and continually available.[83] Those abusers who have recently switched to heroin are at higher risk for accidental overdose. Unlike with prescription drugs, heroin purity and dosage amounts vary, and heroin is often cut with other substances, all of which could cause inexperienced abusers to accidentally overdose.

(U) More people are using heroin, and at a younger age.

(U) It is possible that increasing overdoses are the result of more people using heroin and using it at a younger age. According to national-level survey data, the number of new heroin users has recently been increasing. The National Survey on Drug Use and Health (NSDUH) reports the number of new heroin users increased from 142,000 in 2010 to 178,000 in 2011. Both numbers are a sizeable increase from the average annual estimates of 2002 to 2008 (ranging from 91,000 to 118,000).[84] Moreover, these new heroin users are considerably younger. In 2011, the average age at first use among heroin abusers aged 12 to 49 was 22.1 years and in 2010 it was 21.4 years, significantly lower than the 2009 estimate of 25.5 years.[85] In Minneapolis, for example, arrestees testing positive for opiates were much younger (19.8 percent were under 21 years of age) than those testing positive for cocaine and methamphetamine, according to the Arrestee Drug Abuse Monitoring (ADAM) II program.[86]

(U) The rate of fatalities due to heroin- or other opioid-related overdoses may have stabilized in some areas due in large part to expanded use of naloxone, an opioid antagonist. Between 2007 and 2010, the number of individuals enrolled in Overdose Education and Naloxone Distribution (OEND) programs in the United States increased from 20,950 to 53,339; while the number of reported heroin or other opioid-related overdose reversals due to OEND programs increased from 2,642 in 2007 to 10,194 in 2010.[87] Although no nationwide study of the effects of naloxone administration at the user level currently exists, available research and anecdotal information suggest a strong correlation between OEND programs and decreased heroin-related overdose fatality rates.[88]

- (U) In Pittsburgh, more than 1,000 vials of naloxone hydrochloride were distributed to 639 individuals between 2005 and 2010. During this period, 472 heroin-related overdose reversals were documented. Further, a significant decrease in heroin-related overdose deaths in the city correlated with the program's implementation in 2005.[89]

- (U) In San Francisco, there were more than 600 reports of heroin-related overdose reversals between November 2003 and November 2011. This was largely due to increased administration of naloxone by trained personnel to individuals who overdosed.[90]

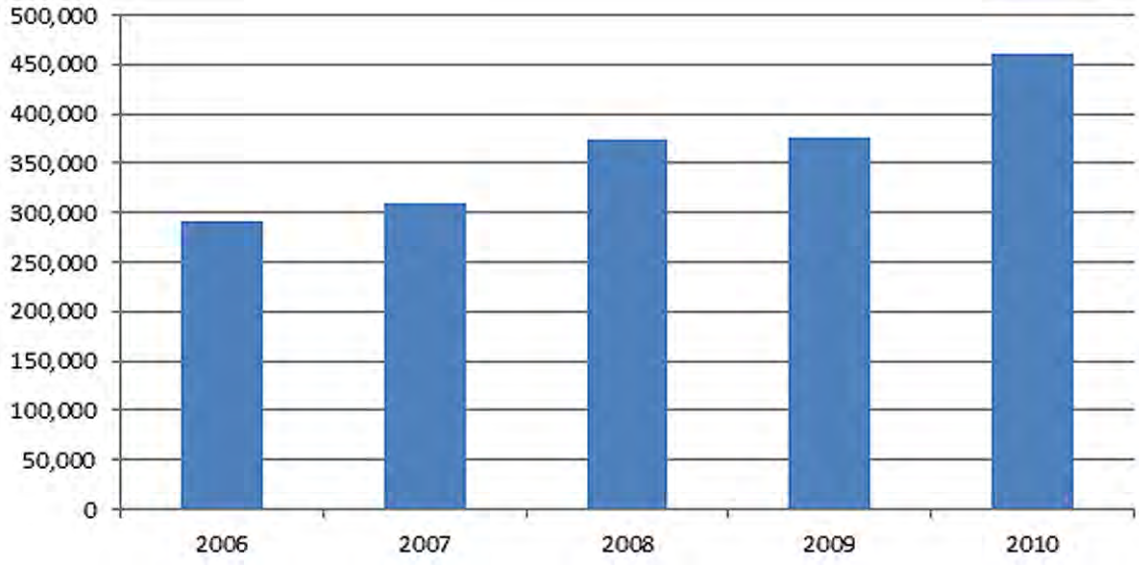
(U) Marijuana

(U) Marijuana is the most widely available and commonly abused illicit drug in the United States. According to the NDTS 2013, 88.2 percent of responding agencies reported that marijuana availability was high in their jurisdictions.[91] (See Table B3 in Appendix B.) Marijuana smuggling into the United States has occurred at consistently high levels over the past 10 years, primarily across the US–Mexico border, where more than a million kilograms of marijuana are seized annually.[92] Smaller quantities of high potency marijuana also continue to transit the Northern Border through and between ports of entry. An increase in domestic cannabis cultivation in recent years is evidenced by record levels of eradication, the emergence of growing operations in previously uncultivated areas,[93] and a considerable increase in large-scale cultivation by TCOs and criminal groups, particularly involving Mexican traffickers.[94]

(U) High levels of marijuana availability are matched by high levels of domestic demand. According to national-level data, in 2011 more individuals reported having used marijuana in the past year than reported using all other drugs combined.[95] Use of the drug will likely continue to increase over the next decade; recent national-level studies indicate that use is most prevalent among young adults, and is increasingly accepted and engaged in by adolescents.[96]

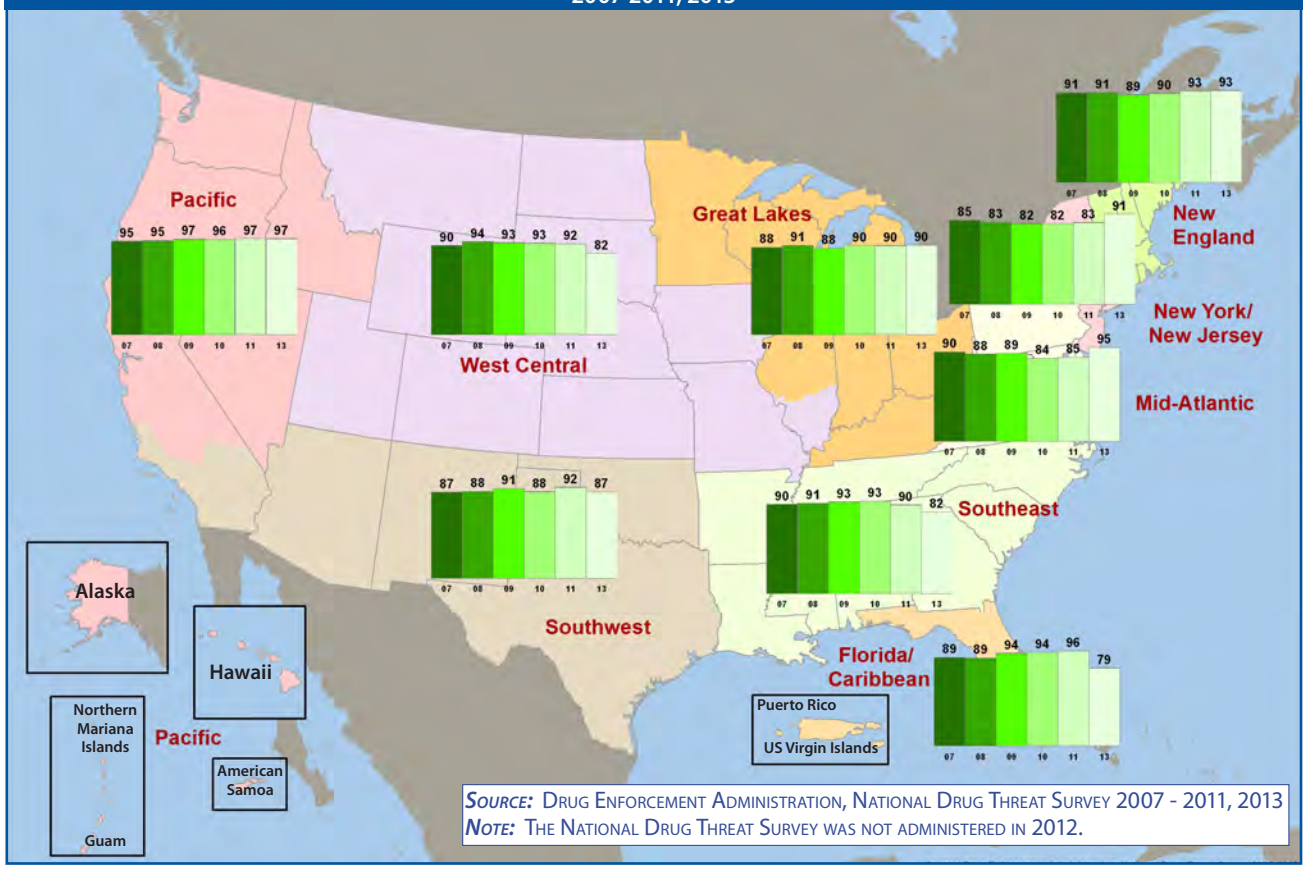
- (U) According to NSDUH survey data, the number of people reporting current (past month) marijuana use increased 21 percent from 2007 to 2011. In each of those years, the number of people reporting marijuana abuse was greater than for all other drugs combined.[97]
- (U) DAWN data shows there was a 59 percent increase in marijuana-related emergency department visits between 2006 (290,565 visits) and 2010 (461,028 visits). Marijuana was second only to cocaine for illicit drug-related emergency department visits in 2010.[98] (See Chart 6.)
- (U) According to Monitoring the Future (MTF) data, between 2008 and 2012 there was a steady decline in the percentage of 8th, 10th, and 12th graders who view as high-risk behavior trying marijuana once or twice, smoking marijuana occasionally, and smoking marijuana regularly. The most pronounced decline in viewing marijuana use as risky behavior occurred among 10th graders.[99]
- (U) Marijuana-related treatment admissions increased 14 percent between 2006 (310,155) and 2010 (353,271), according to TEDS data.[100]

(U) Chart 6: Marijuana-related Emergency Department Visits
CY2006 - CY2010



Source: Drug Abuse Warning Network

(U) Map 5: Percentage of NDTS Respondents Reporting High Marijuana Availability in their Jurisdictions 2007-2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013
Note: The National Drug Threat Survey was not administered in 2012.

(U//LES) High levels of domestic marijuana availability coupled with recent state legislation changes legalizing marijuana in Colorado and Washington may significantly impact domestic drug transportation routes and distribution points for trafficking organizations operating in the United States. TCOs will likely take advantage of greater availability of the drug, which will occur in these domestic markets, particularly Colorado—based on its strategic location in the West Central region of the country.

- (U//FOUO) In 2012 marijuana availability appeared to be increasing throughout the United States, most likely because of increased domestic cannabis cultivation and sustained high levels of production in Mexico. Increasing availability of the drug in Colorado and Washington may lead to greater demand in these and neighboring states.

- (U//FOUO) Mexican traffickers and US street gangs will likely seek to enhance criminal relationships in Colorado and Washington to provide their organizations with greater access to marijuana—particularly since access to the drug in these states may be perceived to be legitimized.

  - (U//LES) Mexican traffickers already dominate wholesale drug trafficking in the United States and collaborate with US-based street gangs to facilitate the smuggling of illicit drugs across the Southwest Border for distribution in the United States. Some US-based street gangs purchase wholesale quantities of marijuana directly from Mexican traffickers.[101]

(U//LES) Marijuana availability will sustain high levels of demand, particularly for high-potency marijuana. Both indoor and outdoor cannabis cultivation in Colorado and Washington will likely increase in the near term as traffickers attempt to expand their market shares, using the guise of state-sanctioned cannabis cultivation to illicitly produce high-potency marijuana.

(U) Traffickers Use School Bus to Conceal Marijuana Load

(U) In October 2012, a Texas Highway Patrol trooper executed a traffic stop on a school bus near Laredo, Texas. The trooper discovered 5,408 pounds of marijuana concealed in a large compartment inside the bus. Above the compartment, the bus was configured with the tops of seats and mannequin heads to give the impression from the outside that the bus was filled with students. The bus was also painted to resemble a Laredo Independent School District bus. The driver of the bus fled on foot and was soon captured after being located by a Texas Department of Public Safety helicopter.

(U//LES) School bus with Laredo ISD markings. Source: DEA

(U//LES) The space above the compartment fitted with seat tops. Source: DEA

(U//LES) The compartment where 5,408 pounds of marijuana was concealed. Source: DEA

(U//LES) Mannequin heads used to make the bus look full of students. Source: DEA

(U//LES) Law enforcement officials remove more than five thousand pounds of marijuana from the bus compartment. Source: DEA

(U//LES) Mexican TCOs and criminal groups in California are increasingly disguising cannabis cultivation sites as "medical marijuana" grows on private lands to exploit California's "medical marijuana" program laws and reduce the risk of eradication or seizure.[102] Law enforcement agencies in California reported the emergence of Mexican-operated grow sites on private lands, where they were being established under the guise of "medical marijuana" grows. Concurrently, the California Bureau of Investigation's Campaign Against Marijuana Planting (CAMP) reported a 48 percent (4,320,314 to 2,234,152 plants) decrease in the number of plants eradicated in the state in 2011. CAMP partially attributes the decline to a decrease in the amount of cannabis detected on public lands as the number of purported "medical marijuana" grows on private lands increased.

(U//LES) Because Mexican-operated "medical" grows are new occurrences and currently account for a small percentage of all "medical" grows throughout the state of California, investigations of Mexican-operated "medical marijuana" grows are limited in number and are of relatively low priority. However, investigations in Fresno, Merced, and Tulare counties, in particular, are increasing in number. These investigations have revealed that a significant amount of the marijuana produced by Mexican TCOs and criminal groups under the guise of "medical marijuana" is intended for distribution beyond those who hold a recommendation for "medical marijuana" from a physician. Law enforcement reporting reveals that this marijuana could be destined for markets outside of California, such as Boston, Chicago, and Dallas—all destinations previously identified through the investigation of "medical" grows in these counties—and for other markets such as the Midwest, which is both a recipient and a thoroughfare for "medical marijuana."[103]

(U//FOUO) Officials in several large cities in the western United States report criminals exploiting Colorado's "medical marijuana" laws are fueling an increase in the distribution of high-potency indoor-grown marijuana, a trend that may escalate with new marijuana legalization measures.[104] In November 2012, Colorado, as well as Washington, voted to legalize possession of small amounts (1 ounce or less, in Colorado) of marijuana among people aged 21 and older. The exploitation of "medical marijuana" laws by criminal groups is an indication they will further exploit legalization laws to expand their marijuana trafficking activities.

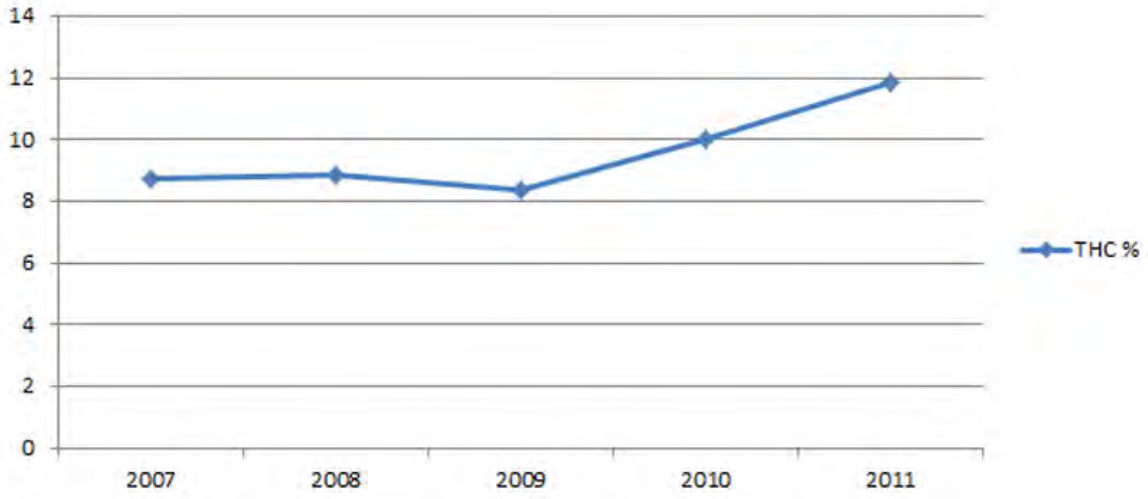
(U) Marijuana potency is increasing. According to the Potency Monitoring Project, the average percentage of tetrahydrocannabinol (THC), the constituent that gives marijuana its potency, increased 37 percent from 2007 (8.7%) to 2011 (11.9%). (See Chart 7 on page 26.)

(U//LES) DEA Chicago Seizes Eight Ton Shipment of Marijuana

(U//LES) In June 2012, as part of a joint investigation, the DEA Chicago FD seized approximately eight tons of marijuana from a rail car. The marijuana was being transported, on behalf of a Mexican TCO, from Laredo to Chicago via railway. It was packaged in rectangular bales and wrapped in plastic. The marijuana, worth millions of dollars, was destined for distribution in Chicago, its surrounding communities, and other areas. This investigation was conducted jointly with DEA Indianapolis, DEA Laredo, the Chicago Police Department, the Internal Revenue Service, Illinois State Police, and the CSX and Union Pacific Railroad Police.[105]

(U) Seized marijuana. Source: DEA

(U) Chart 7: Average THC Content of Seized and Eradicated Marijuana CY2007 - CY2011



Source: University of Mississippi, Potency Monitoring Project

(U//LES) Mexican criminal groups and independent traffickers are establishing more cannabis cultivation sites in areas where these groups were not reported as operating in the past, furthering their entrenchment in marijuana production in the United States. Over the past decade, Mexican and Hispanic[xiv] cultivation groups have shifted their cannabis cultivation operations, generally moving from west to east across the country, now operating in at least 29 states. This migration is partially attributed to groups attempting to avoid detection by law enforcement authorities and theft from rival groups, according to the Central Valley (CA) High Intensity Drug Trafficking Area (HIDTA). During 2011, Mexican- and Hispanic- operated cultivation sites were reported for the first time in Montana, New Mexico, northeastern Oregon, and northeastern Tennessee.[106] The movement and expansion of these cultivation groups across the country pose a significant threat because of their history of violence, as well as the negative environmental impact of their large cultivation operations.

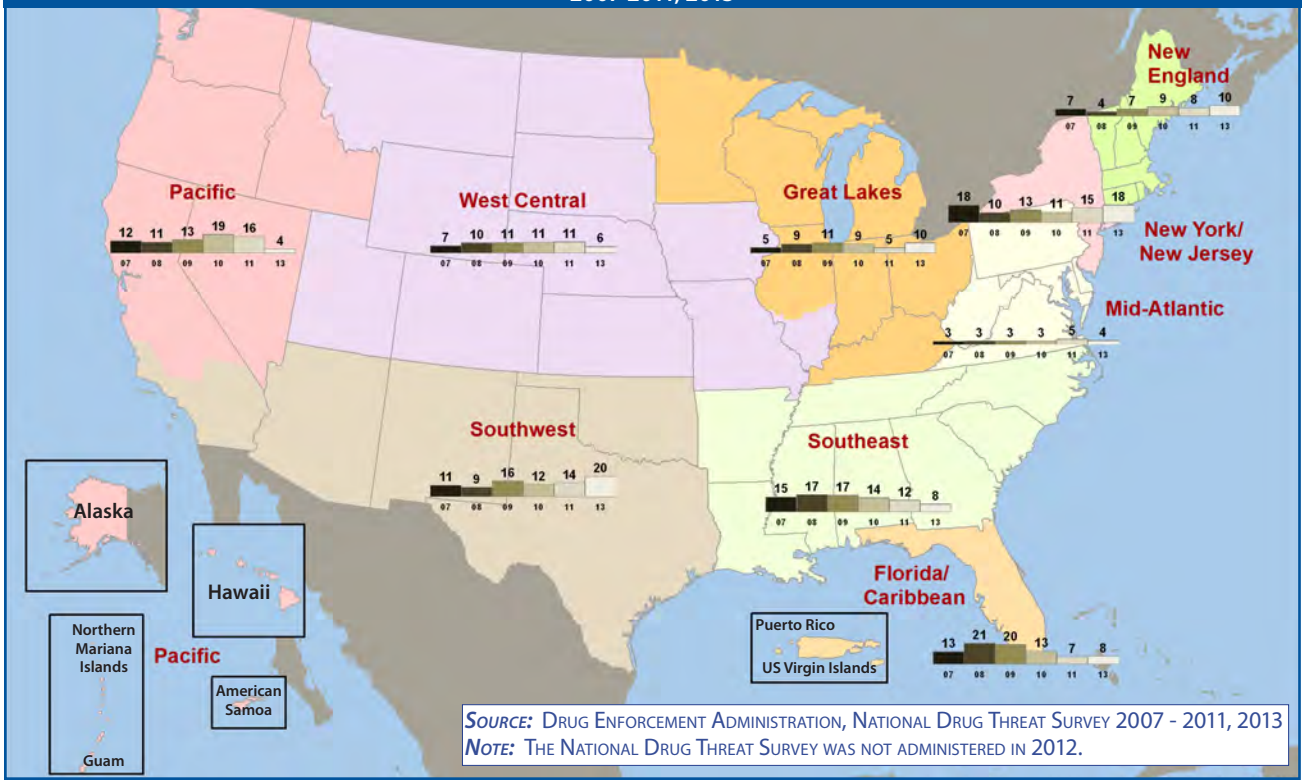
(U) Outdoor cannabis cultivation is very detrimental to the environment. Growers often clear and modify the land in order to establish the grow site. Cannabis cultivation also results in the chemical contamination and alteration of watersheds, diversion of natural water courses, elimination of native vegetation, chemical contamination of soil, illegal use of banned pesticides, wildfire hazards, poaching of protected wildlife, and illegal disposal of garbage, non-biodegradable material, and human waste.[107]

(U//FOUO) Traffic Stop Leads to Eradication of Outdoor Grow on Public Lands

(U//FOUO) In July 2012, a traffic stop by the US Border Patrol and Arizona Department of Public Safety near Kingman, AZ led to the identification of an outdoor marijuana grow on Bureau of Land Management land near Wikieup, AZ in the Big Sandy River Basin. Federal and state agencies eradicated more than 12,000 marijuana plants at that location and arrested four male Mexican nationals.[108]

[xiv] (U//LES) The majority of these Hispanic growers are Mexican; however, the nationality of the growers could not be determined in every case.

(U) Map 6: Percentage of NDTS Respondents Reporting High MDMA Availability in their Jurisdictions 2007-2011, 2013



(U) MDMA (3,4-methylenedioxymethamphetamine)

(U//LES) MDMA is available in markets throughout the United States; however, survey and seizure data suggest availability of the drug may have peaked. According to the NDTS 2013, only 10 percent of law enforcement agencies surveyed reported high levels of availability of MDMA in their area. (See Table B3 in Appendix B.) According to NSS, law enforcement officers seized 173,749 dosage units of MDMA and 390 kilograms of the drug in 2012—significantly less than the approximately 1.9 million dosage units and 675 kilograms seized in 2011.[109]

(U) Demand and treatment data indicate MDMA abuse may be declining. MDMA is most commonly abused by adolescents and college-aged young adults. The number of past year MDMA initiates increased from 892,000 in 2008 to 1,118,000 in 2009, but declined to 949,000 in 2010 and again to 922,000 in 2011.[110] Additionally, both MTF and NSDUH data show that past year use among youths has declined from 2010.[111] MTF data show that past year use declined to 3.1 percent in 2011—down from 3.6 percent in 2010.[112] Likewise, NSDUH data show a decline from 1.9 percent in 2010 to 1.7 percent in 2011.[113] (See Tables B5 and B6 in Appendix B.)

(U//LES) Canada-based Asian TCOs are—and will likely remain—the primary suppliers of MDMA to the United States, producing tens of millions of tablets for the US market.[114] These TCOs produce wholesale quantities of MDMA in industrial-sized laboratories in Canada. The drugs are then transported across the Northern Border for distribution in the United States. CBP reports that almost all[xv] MDMA seizures by CBP in FY2011 occurred along the US-Canada border.[115]

- (U//LES) Most of the MDMA transported across the Northern Border is seized at two Ports of Entry (POEs): Spokane, WA and Detroit, MI. MDMA transported through the Spokane POE is typically supplied to dealers along the West Coast and as far east as Denver.[116] MDMA transported through Detroit is typically transported to dealers in the Great Lakes, parts of the Southeast region, New England, New York/New Jersey, the Mid-Atlantic, and parts of the Southeast.[117]

[xv] (U//LES) Of the 354.24 kilograms of MDMA seized by CBP, 353.48 kilograms (approximately 100 percent) were seized in the Northern Region.

(U//LES) MDMA production in the United States is increasing, although it is on a much smaller scale than production in Canada.[118] Ten MDMA laboratories were seized in the United States in 2012, up from two seized in 2011 and three seized in 2010; however, less than the 11 seized in 2009.[119] (See Table 4.) Most of the MDMA laboratories seized over the last four years were in California.

(U) Operator of Large Scale MDMA Trafficking Ring Sentenced to 22 Years.

(U) In February 2012, a Monterey Park, CA, man was sentenced to 22 years after he pleaded guilty to federal drug trafficking charges. The defendant claimed responsibility for the distribution of more than one million MDMA pills between March and July 2010.

(U//LES) MDMA is also available via the Internet. "Silk Road," an anonymous, international online marketplace that operates as a TOR hidden service,[xvi] facilitates the purchase of MDMA and uses Bitcoin[xvii] as its exchange currency.[120] Though Silk Road is not a shop, it provides infrastructure for buyers and sellers to conduct transactions in an online environment.[121] Silk Road focuses on ensuring, as much as possible, anonymity of both sellers and buyers.[122] In 2012, three MDMA cases initiated through OCDETF involved MDMA obtained through the Silk Road.[123]

(U) Table 4: Clandestine MDMA Laboratory Seizures, by State, 2009-2012

	2009	2010	2011	2012
Alabama		1	1	
Arizona				1
Arkansas	1			
California	3		1	3
Colorado		1		
Connecticut	1			
Georgia	1	1		
Illinois				1
Louisiana				1
Massachusetts	1			
New Hampshire	1			1
New Jersey				1
New York	2			
North Carolina				1
Texas	1			
Virginia				1
Total Laboratories	11	3	2	10

Source: National Seizure System

(U) Other Synthetic Drugs

(U) The abuse of synthetic designer drugs—and the increasing availability of the drugs—have emerged as serious problems in the United States over the past few years. There are seven classes of synthetic designer drugs: cannabinoids, phenethylamines, phencyclidines

(U) Operation Adam Bomb Dismantles Online Narcotics Marketplace

(U) In April 2012, eight people were arrested and charged with federal drug trafficking and money laundering stemming from the creation and operation of an online illicit drugs marketplace, known as the "The Farmer's Market." The marketplace facilitated the sale of a variety of controlled substances to approximately 3,000 customers in 34 countries and all 50 states by allowing independent traffickers to anonymously advertise and sell illicit drugs through the Internet. The operators of the online marketplace provided a controlled substances storefront, order forms, online forums, customer service, and payment methods for the traffickers. For customers, the operators screened all sources of supply and guaranteed delivery of the illegal drugs. They also handled all communications between the traffickers and customers. For these services, the operators charged a commission based upon the value of the order. Controlled substances purchased through the marketplace included LSD, MDMA, fentanyl, mescaline, ketamine, DMT (N,N-dimethyltryptamine), and high-potency marijuana. Between January 2007 and October 2009, more than 5,000 online orders for controlled substances were processed, valued at over $1 million.[124]

[xvi] (U) TOR stands for The Onion Router, named because it hides data in layers and encrypts each layer. *TOR hidden services* allow users to publish web sites and other services on a server without revealing the server's IP address or network location.

[xvii] (U) Bitcoin is a decentralized digital currency that enables low-cost payments without the need for central authorities and issuers. Bitcoin is a peer-to-peer (P2P) currency system created in open source C++ programming code. Bitcoins can be accessed from anywhere in the world with an Internet connection. Once a user has Bitcoins, they are stored in a digital wallet. Bitcoins can then be sent to anyone else who has a Bitcoin address. Bitcoin was developed in 2009 and is based on the works of an individual or group of individuals known as Satoshi Nakamoto.

or arylcyclohexamines, tryptamines, piperazines, pipradrols or N-Ring systems, and tropane alkaloids (See Table 5). Synthetic cannabinoids give the abuser an effect similar to marijuana, while the other six classes give the abuser effects similar to stimulants and/or hallucinogens.[125]

- (U) Retailers obtain synthetic drugs not specifically scheduled under the Controlled Substances Act (CSA) or state or local legislation from foreign manufacturers and deceptively market them as legitimate items such as incense, plant food, or bath salts. The drugs are sold primarily over the Internet and in paraphernalia shops, tobacco and smoke shops, adult stores, convenience stores, and gas stations.

(U) Synthetic cannabinoids are the most commonly abused synthetic designer drug and are a fast growing threat. Synthetic cannabinoid products—initially marketed as "legal alternatives to marijuana"—emerged in the US drug market in 2008. These drugs are commonly known by a variety of names, such as "K2" and "Spice."[126]

- (U) The number and the type of synthetic cannabinoids have increased exponentially since 2008 as evidenced by the number of reports submitted to the National Forensic Laboratory Information System (NFLIS) (See Table B10 in Appendix B).[127] According to the NFLIS, there were 29,467 synthetic cannabinoid drug reports in 2012, an increase of 33 percent from 2011 (22,109).[128]

- (U) There were 5,200 calls to poison controlled centers about exposures to synthetic cannabinoids in 2012.[129] This number is lower than the number of calls reported in 2011 (6,968); but, still significantly higher than those reported in 2010 (2,906).[130]

(U) As JWH-related compounds[xviii] have become controlled, several other synthetic cannabinoids have appeared to replace them for recreational use.[131] Specifically, as the number of JWH-related

(U) DEA Uses Emergency Scheduling Authority to Safeguard against Synthetic Cannabinoids

(U) On March 1, 2011, DEA exercised its emergency scheduling authority to temporarily control five synthetic cannabinoids (JWH-018; JWH-073; JWH-200; CP-47, 497; and cannabicyclohexanol) as Schedule I controlled substances.[132] Except as authorized by law, the action makes possessing and selling chemicals or products that contain one or more of these chemicals (typically adulterated plant material sold as herbal incense) illegal in the United States for at least one year while the DEA and Health and Human Services (HHS) study whether the chemicals should be permanently controlled under Schedule I of the CSA.[xvii]

(U) Table 5: Synthetic Drug Classifications

Synthetic Drug Class	Mimics the effects of	Examples
Cannabinoids	Marijuana	K2, Spice, Herbal Incense
Phenethylamines	Stimulants and Hallucinogens	Bath Salts, 2-C Series Compounds
Phencyclidines or Arylcyclohexamines	PCP	
Tryptamines	Hallucinogens	
Piperazines	BZP	
Pipradrols or N-Ring systems	Stimulants	N-Bomb
Tropane alkaloids	Cocaine	

Source: Drug Enforcement Admnistration, Office of Diversion Control

[xviii] (U) JWH-related compounds and AM-related compounds are named for the researchers who originally synthesized the compounds.

[xix] (U) This rule-making does not preempt or modify any provision of state law, impose enforcement responsibilities on any state, or diminish the power of any state to enforce its own synthetic cannabinoid laws.

reports submitted to NFLIS declined sharply (57.0%) from 2011 to 2012 (after the emergency scheduling in March 2011), the number of AM-related reports has increased dramatically (66.5%).[133] (See Table 6.)

(U) Availability of synthetic designer drugs known as "bath salts" rapidly increased between 2010 and 2012, causing severe consequences to abusers. Synthetic cathinones,[xviii] products containing MDPV (3,4 methylenedioxypyrovalerone)—marketed as "legal alternatives to cocaine or Ecstasy (MDMA),"—emerged in the US designer drug market during 2009. Head shops and other retail establishments often sell these products labeled as "bath salts." Such products have caused users throughout the country to experience severe adverse health effects and violent behavior. The number of calls to US poison control centers related to synthetic cathinones increased substantially from 2010 (304) to 2011 (6,136), but has since declined (2,654).[134] However, the number of reports submitted to NFLIS has increased continually since 2009 (See Chart 8).[135] In 2009 there were only 26 NFLIS reports involving synthetic cathinones; that number skyrocketed to 9,189 (a 352.4% increase) in 2012. (See Table B11 in Appendix B).[136]

(U) Table 6. Synthetic Cannabinoid Reports, 2011-2012

	2011	2012
AM-related compounds	6,973	11,611
JWH-related compounds	12,858	5,535

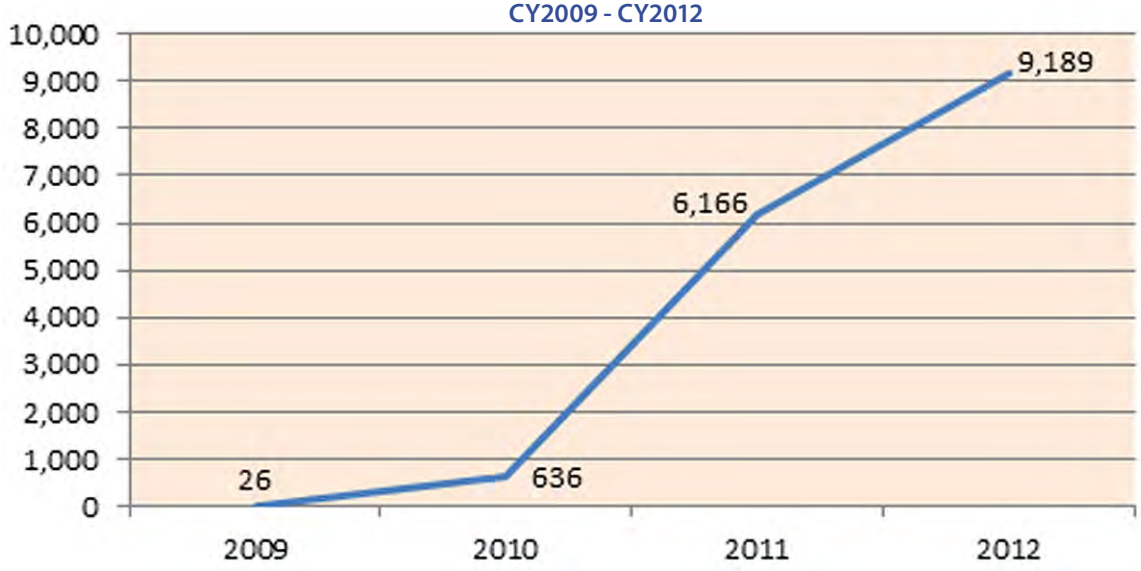
Source: National Forensic Laboratory Information System

(U) The Synthetic Drug Abuse Prevention Act of 2012

(U) The Synthetic Drug Abuse Prevention Act of 2012 was signed into law on July 9, 2012.[137] This law amended the Controlled Substances Act to place synthetic drugs in Schedule I.[138] Specifically, the law states that, unless specifically exempted or unless listed in another schedule, the substances to be controlled as Schedule I are "any material, compound, mixture, or preparation which contains any quantity of cannabimimetic agents, or which contains their salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation."[139] (See Table B12 in Appendix B for a list of banned substances.)

(U) The increasing number of synthetic drug reports has spurred several states to enact legislation outlawing synthetic cannabinoids, synthetic cathinones, or both. Law enforcement agencies are seizing increasing amounts of

(U) Chart 8: Total Synthetic Cathinone Reports CY2009 - CY2012



Source: National Forensic Laboratory Information System

[xx] (U) Synthetic cathinones belong to the phenethylamine class of synthetic designer drugs.

synthetic cannabinoids and synthetic cathinones. In response, 46 states and Puerto Rico have instituted a ban on one or both of these substances. (See Table 7.)

- (U) In July 2012, federal, state, and local law enforcement agencies across the country undertook the first-ever nationwide coordinated law enforcement action, Operation Log Jam, against the synthetic designer drug industry. Law enforcement officers in more than 109 cities in 31 states arrested more than 90 individuals and seized enough products to produce more than 19 million packets of finished synthetic designer drugs as well as over $36 million in US currency.[140]

- (U//LES) In February and March 2012, federal and local law enforcement agencies executed warrants on the residence, storage unit, and business (smoke shop) of a bath salts and synthetic marijuana distributor operating in Memphis, TN. Officers filled three pick-up trucks with the bath salts and synthetic marijuana removed from the storage unit and business. The subject distributed bath salts and synthetic marijuana throughout Western Tennessee.[141]

- (U) Charts 9 and 10 on page 32 highlight several states that have seen dramatic increases in the number of synthetic drug reports submitted to NFLIS.[142] (See also Maps A13 and A14 in Appendix A.)

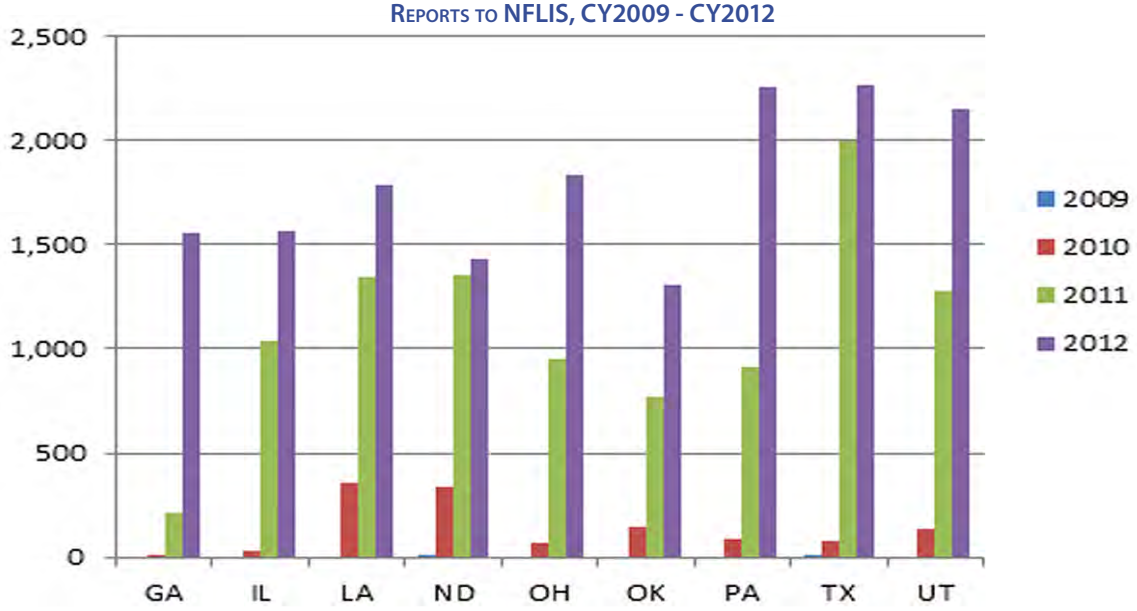
(U) Table 7: States with Legislation Outlawing Synthetic Drugs

State	Synthetic Cannabinoids	Synthetic Cathinones	State	Synthetic Cannabinoids	Synthetic Cathinones
Alabama	X	X	Montana	X	
Alaska	X	X	Nebraska	X	
Arizona	X	X	Nevada		X
Arkansas	X	X	New Hampshire		
California	X		New Jersey		X
Colorado	X	X	New Mexico	X	X
Connecticut	X	X	New York		X
Delaware	X	X	North Carolina	X	X
Florida	X	X	North Dakota	X	X
Georgia	X	X	Ohio	X	X
Hawaii	X	X	Oklahoma	X	X
Idaho	X	X	Oregon		
Illinois	X	X	Pennsylvania	X	X
Indiana	X	X	Rhode Island	X	X
Iowa	X	X	South Carolina	X	X
Kansas	X	X	South Dakota	X	X
Kentucky	X	X	Tennessee	X	X
Louisiana	X	X	Texas	X	X
Maine	X	X	Utah	X	X
Maryland		X	Vermont		
Massachusetts		X	Virginia	X	X
Michigan	X	X	Washington		
Minnesota	X	X	West Virginia	X	X
Mississippi	X	X	Wisconsin	X	X
Missouri	X	X	Wyoming	X	X
			Puerto Rico	X	X
			Total Bans Per Substance	42	44
			Total Bans On Both	39	

Source: National Conference of State Legislatures, November 28, 2012

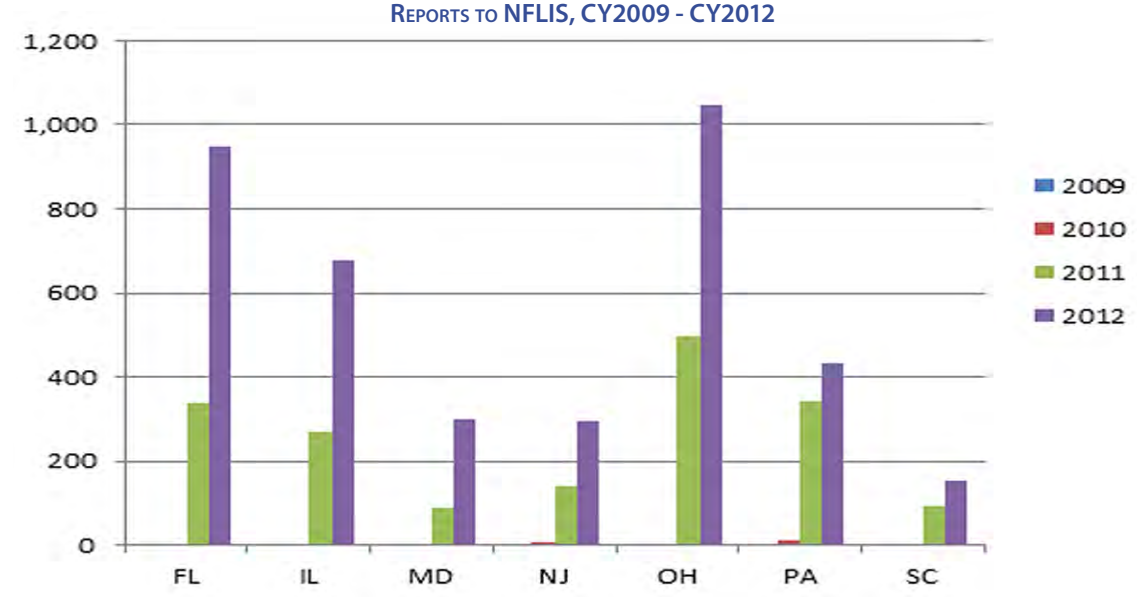
(U) The most recent emerging threats to the synthetic drug market are three categories of drugs whose abuse has been steadily increasing in the past five years: 2C-phenethylamines, piperazines, and tryptamines.[143] These drugs are often marketed as a "research chemical" or "not for human consumption;" however, abusers ingest these drugs for their stimulant and hallucinogenic effects. [144] Phenethylamines of particular concern to law enforcement include 2C-B, 2C-B-Fly, 2C-C, 2C-D, 2C-E, 2C-G, 2C-H, 2C-I, 2C-N, 2C-P, 2C-T-2, 2C-T-4, 2C-T-7, and 2C-T-21.[145] In September 2012, several teenagers' deaths in North Dakota were attributed to 2C-I.[146]

(U) Chart 9: States with Significant Increases in Synthetic Cannabinoid Reports to NFLIS, CY2009 - CY2012



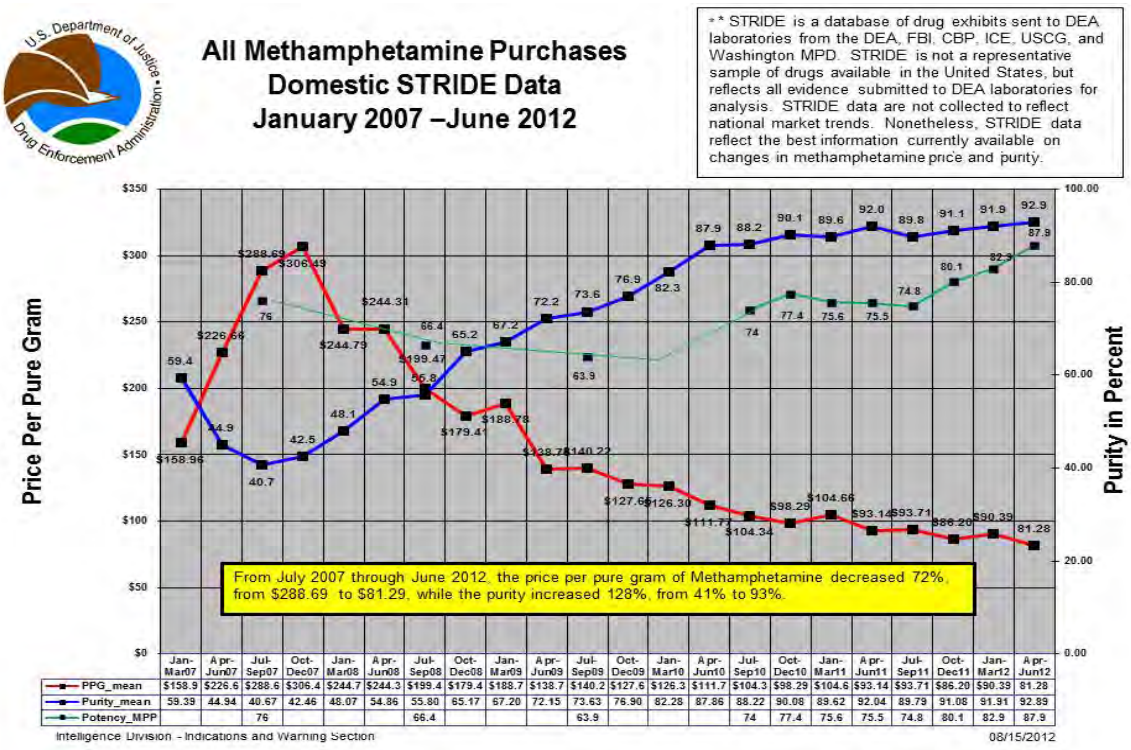
Source: National Forensic Laboratory Information System

(U) Chart 10: States with Significant Increases in Synthetic Cathinone Reports to NFLIS, CY2009 - CY2012



Source: National Forensic Laboratory Information System

(U) Chart 11: Methamphetamine Purity and Price Per Gram Pure, January 2007 – June 2012



	Jan-Mar07	Apr-Jun07	Jul-Sep07	Oct-Dec07	Jan-Mar08	Apr-Jun08	Jul-Sep08	Oct-Dec08	Jan-Mar09	Apr-Jun09	Jul-Sep09	Oct-Dec09	Jan-Mar10	Apr-Jun10	Jul-Sep10	Oct-Dec10	Jan-Mar11	Apr-Jun11	Jul-Sep11	Oct-Dec11	Jan-Mar12	Apr-Jun12
PPG_mean	$158.9	$226.6	$288.6	$306.4	$244.7	$244.3	$199.4	$179.4	$188.7	$138.7	$140.2	$127.6	$126.3	$111.7	$104.3	$98.29	$104.6	$93.14	$93.71	$86.20	$90.39	81.28
Purity_mean	59.39	44.94	40.67	42.46	48.07	54.86	55.80	65.17	67.20	72.15	73.63	76.90	82.28	87.86	88.22	90.08	89.62	92.04	89.79	91.08	91.91	92.89
Potency_MPP			76				66.4				63.9				74	77.4	75.6	75.5	74.8	80.1	82.9	87.9

(U) Methamphetamine

(U//LES) Availability indicators reflect that Mexican methamphetamine[xxi] availability is increasing in the United States. Law enforcement reporting, price and purity data, and increased methamphetamine flow across the Southwest Border all indicate rising domestic availability. Methamphetamine availability in most areas of the United States is directly related to high levels of methamphetamine production in Mexico.

- (U//LES) According to DEA reporting, methamphetamine is the number one drug threat in the Dallas, Denver, Los Angeles, San Diego, San Francisco, Seattle, and St. Louis Field Divisions. Additionally, the Chicago, Houston, and Phoenix Field Divisions rank methamphetamine as their number two drug threat.[147]

- (U) Methamphetamine prices decreased more than 70 percent between the third quarter of 2007 to the second quarter of 2012; during that time methamphetamine purity increased almost 130 percent.[148] (See Chart 11.)

- (U) Seizures of Mexican methamphetamine coming across the Southwest Border have increased nearly fivefold between 2008 (2,282.6 kilograms) and 2012 (10,636.5 kilograms), according to NSS data.[149] (See Chart 12 on page 34.)

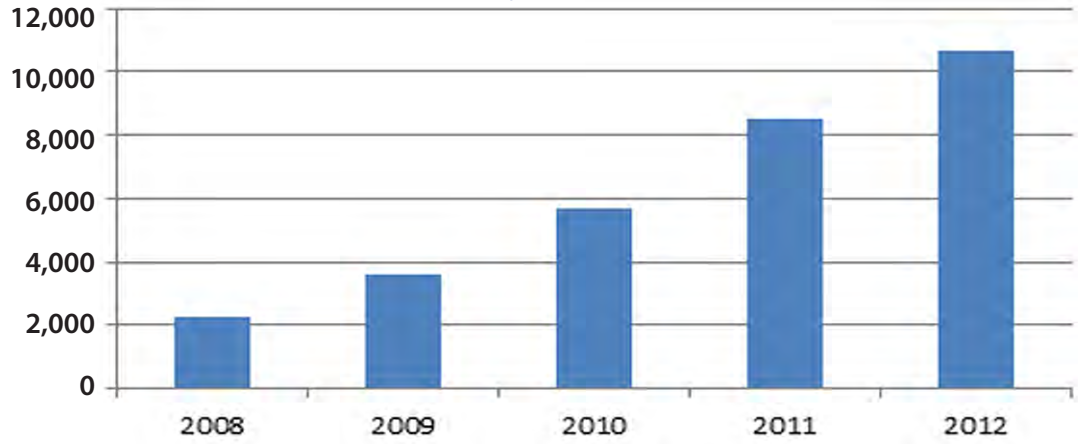
(U//LES) Mexico is the primary source of methamphetamine in the United States and laboratory and precursor chemical seizures in Mexico remain high. Because the Government of Mexico (GOM) has tight restrictions on the importation of precursor chemicals, traffickers are increasingly importing precursor chemicals through Central America.

- (U) Reporting indicates FY2011 lab seizures in Mexico, although still lower than the record high lab seizures reported in 2009, were similar to numbers reported for FY2010.[150] (See Chart 13 on page 35.)

- (U//LES) In 2012, the GOM seized several large, operational methamphetamine labs and a record number of precursor

[xxi] (U) The powder and ice forms of methamphetamine are distinguished by appearance only and each can vary significantly in purity. Powder methamphetamine has the appearance of powder or small crystals (similar to table salt or sugar) and usually is white or off-white. Ice methamphetamine has the appearance of large crystals (similar to glass shards, ice chunks, or rock candy) and often is clear.

(U) Chart12: Methamphetamine Seizures at the Southwest Border in Kilograms, CY2008 - CY2012



Source: National Seizure System, data as of January 8, 2013

chemicals used in the manufacture of methamphetamine.[151]

- (U//LES) Traffickers increasingly move precursor chemicals up through Central America because regulations in Central America are not as stringent as they are in Mexico.[152]

(U//LES) Methamphetamine manufacturers have adapted to precursor restrictions on pseudoephedrine by using the reductive amination process, using phenyl-2-proponone (P2P) instead of pseudoephedrine. In the past, this method of methamphetamine production has yielded an inferior product; however, Mexican manufacturers have refined the process so that the methamphetamine produced by this method is both pure[xxii] and potent.[xxiii] They are using tartaric acid to separate the high-potency d-isomer methamphetamine from the lower potency l-isomer methamphetamine, resulting in a more potent form of methamphetamine.[153]

- (U//LES) Ninety-six percent of the methamphetamine samples analyzed through DEA's Special Testing Laboratory (STL) indicated they were produced via reductive amination using P2P.[154]

- (U//LES) Seventy-six percent of the samples analyzed at STL were d-isomer only – the potent methamphetamine isomer.

(U//LES) While most methamphetamine consumed in the United States is transported from Mexico, domestic production still occurs throughout the country. Most methamphetamine labs seized domestically are small labs (e.g. "one-pot" or "shake-and-bake") that produce methamphetamine in small (less than 2 ounce) batches. While seizures of domestic methamphetamine labs decreased over the past two years, law enforcement reporting throughout the United States indicates that "one-pot" labs are increasingly common. Domestic lab seizures continue to be high in the Great Lakes, Southeast, and West Central regions, and low in the Northeast. Further, open source and law enforcement reporting indicates that small methamphetamine labs may be increasing in urban and suburban areas.

- (U) Domestic methamphetamine lab seizures decreased approximately 23 percent from 2011 to 2012.

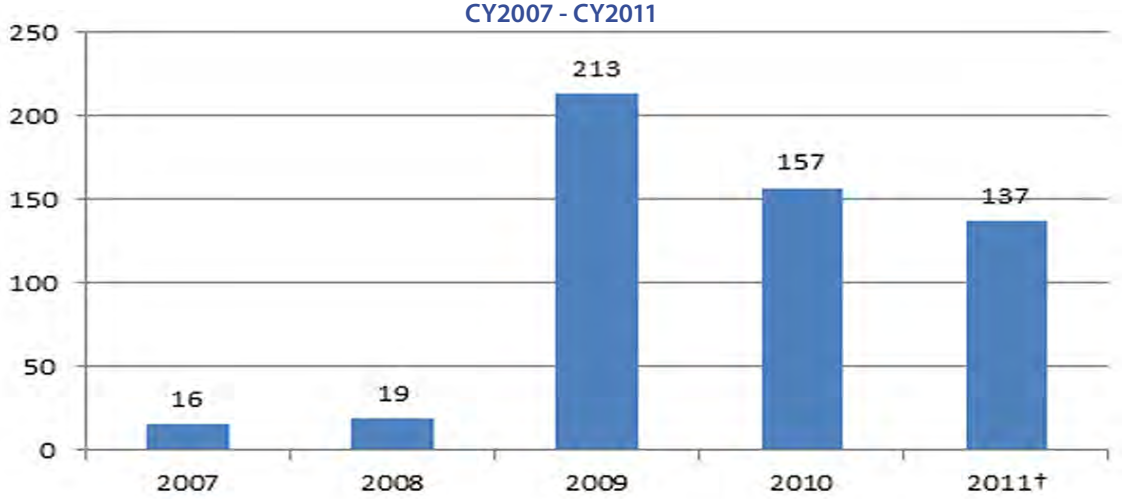
- (U) Small labs dominate domestic methamphetamine lab seizures. Approximately 83 percent of the domestic labs seized in 2012 produced methamphetamine in batches smaller than two ounces. (See Chart 14 on page 37.)

- (U) Areas in the Great Lakes, Southeast, and West Central regions continue to have the highest rates of methamphetamine lab seizures. Eighty-eight percent of domestic lab seizures in 2012 happened in these three regions. (See Table 9 on page 37.)

[xxii] (U) Purity refers to the ratio of a drug to the additives, adulterants, and/or contaminants it contains.

[xxiii] (U) Potency is ability or capacity for a drug to produce euphoria or a "high."

(U) Chart13: Methamphetamine Laboratory Seizures in Mexico
CY2007 - CY2011



Source: International Narcotics Control Strategy Report (INCSR), 2008-2012
†As of August 2011

(U) Methamphetamine Isomers: d vs. l

(U) Methamphetamine can have two different isomers: d or l. The d-isomer is the specific isomer that causes the strong central nervous system stimulant effects in the human body. The d-isomer (highly potent) results from the once predominant red phosphorus ("Red-P") method of manufacture, which uses pseudoephedrine (PSE) as its primary precursor. The l-isomer, however, is non-potent, and is typically found in nasal decongestants. Moreover, the less potent d,l-isomer results from the P2P method of manufacture.

- (U//LES) The Northeast has the lowest incidence of methamphetamine lab seizures; however, this region has showed a steady increase in the number of lab seizures since 2007.[155]

- (U//LES) Localities in the Miami, New Orleans, New York, Philadelphia, St. Louis, and Washington, DC Field Divisions report that "one pot" methamphetamine is the most common type of lab encountered. The Cedar Rapids RO, the Rochester RO, the Sioux City RO, and the New Orleans FD all report increases in one-pot methamphetamine labs. Further, law enforcement reporting in Arkansas indicates the one-pot method has emerged as a popular method of production in that area.[156]

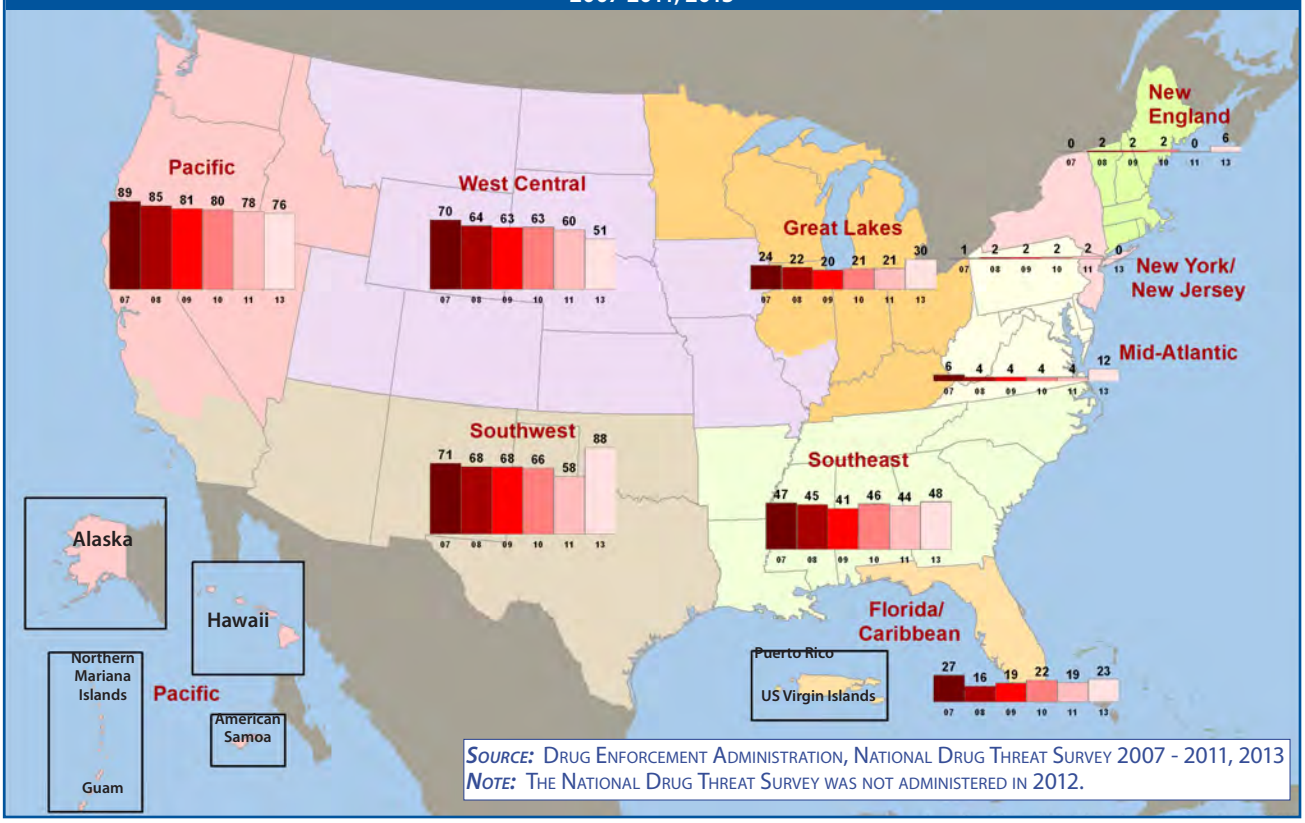
- (U//LES) Recent open source and DEA reporting indicate a possible increase in the number of methamphetamine labs in urban and suburban areas.[157]

(U//FOUO) Negative consequences related to domestic labs such as explosions, injuries, and toxic contaminations escalated over the past three years; however, this trend may be reversing. The number of children and law enforcement officials affected at methamphetamine lab sites increased overall from 2008 to 2012; however, the number of individuals affected declined from 2011 to 2012, indicating a possible reversal in the trend.

- (U//FOUO) Between 2011 and 2012 the number of law enforcement officers injured while responding to methamphetamine laboratories decreased seven percent from 83 to 77; however, this followed a 28 percent increase in law enforcement injuries during the previous year. While law enforcement officer deaths decreased from five in 2010 to one in 2011, there were seven law enforcement officer deaths reported in 2012 (through November 30, 2012).[158]

- (U//FOUO) The number of children affected by domestic labs decreased 23 percent from 1,931 in 2010 to 1,483 in 2011. This indicates a reversal of a previously upward trend of children affected by methamphetamine labs. From 2008 to 2011 the number of children affected by

(U) Map 7: Percentage of NDTS Respondents Reporting High Methamphetamine Availability in their Jurisdictions 2007-2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013
Note: The National Drug Threat Survey was not administered in 2012.

methamphetamine labs increased 62 percent from 1,194 to 1,931. The number of methamphetamine lab-related deaths of children remained constant with two deaths each year reported in 2009, 2011, and 2012.[159]

(U//LES) Pseudoephedrine smurfing[xxiv] continues to be problematic in several DEA Field Divisions. Although most reporting indicates smurfing is done in conjunction with small methamphetamine production operations, several DEA Field Divisions reported large, organized groups involved in the practice. Additionally, the Eastern District of Tennessee reported an emerging smurfing trend.

- **(U//LES) St. Louis:** Smurfing of pseudoephedrine products remains a significant problem and local manufacture of methamphetamine continues at high levels.[160]

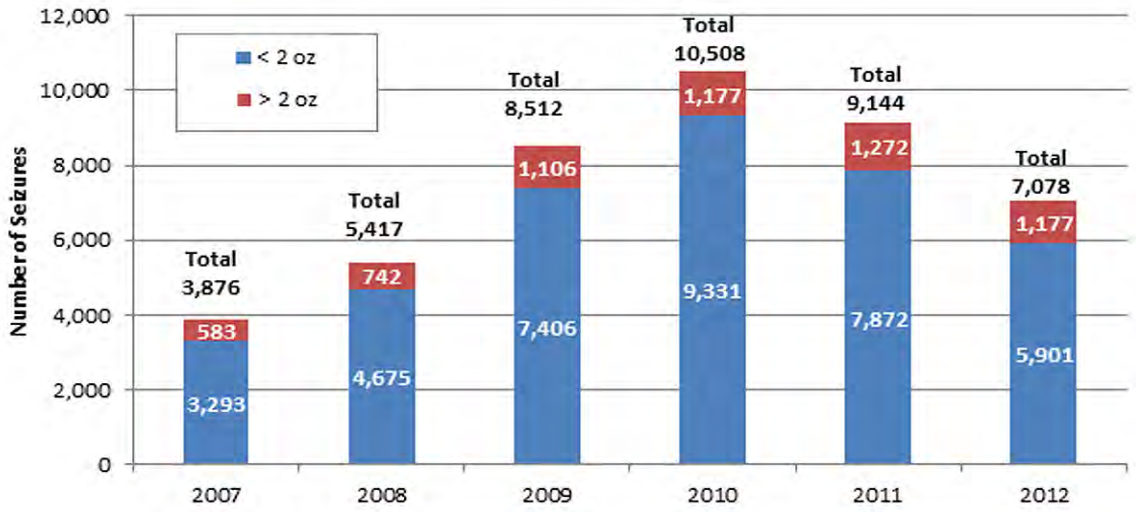
- **(U//LES) El Paso:** Small methamphetamine laboratories are a growing threat. The preferred production method is the "Red Phosphorus" method which produces higher potency methamphetamine. Additionally, organized "meth smurfing" groups are supporting local methamphetamine production organizations.[161]

- **(U//LES) Atlanta:** A new trend involves a person buying pseudoephedrine products, opening the outer package, replacing it with a similar non-pseudoephedrine product, then returning the box that appears to contain the pseudoephedrine for a refund.[162]

(U// LES) It is likely Mexican TCOs are attempting to not only increase their presence in areas where they are already established but also to expand into new and emerging markets. Recent seizures and law enforcement reporting indicate Mexican TCOs are attempting to expand their involvement in the Chicago methamphetamine market and to open up a methamphetamine market in the New England states, an area where methamphetamine has typically not been common.

- **(U//LES) Chicago:** Mexican methamphetamine traffickers, in an attempt to increase market share, are

(U) Chart 14: Laboratory Seizures by Capacity, CY2007 – CY2012



Source: National Seizure System, data as of January 8, 2013

(U) Table 9: Methamphetamine Laboratory Seizures by Region 2007 – 2012

	2007	2008	2009	2010	2011	2012
Northeast	20	25	28	46	60	132
Mid Atlantic	131	138	173	310	255	252
Southeast	1,475	2,379	3,996	4,912	3,272	2,157
Great Lakes	1,046	1,357	2,089	2,862	3,388	2,955
West Central	685	843	1,210	1,400	1,416	1,146
Southwest	251	442	811	809	629	363
Pacific	268	233	205	169	124	73
Total	3,876	5,417	8,512	10,508	9,144	7,078

Source: National Seizure System, Data as of January 8, 2013

giving distributors large amounts of methamphetamine without requiring an initial payment.[163]

(U// LES) Recent reporting indicates that seizures of liquid methamphetamine and "ice" conversion labs are increasing in several AORs. Liquid methamphetamine is easier to conceal and then convert to the more popular crystalized ice form once it has crossed the border. NSS data indicates that conversion labs tripled from 2011 to 2012, with the vast majority seized in California.[164]

- (U) Liquid methamphetamine was found concealed in windshield wiper reservoirs, glass bottles, inoperable gas tanks as well as other containers.
- (U// LES) Houston, Phoenix, Los Angeles, and St. Louis FDs report encountering liquid methamphetamine more frequently. Additionally, the Dallas, Atlanta, El Paso, and Seattle FDs reported incidents of liquid methamphetamine. In June 2012, the Atlanta FD dismantled an active ice conversion lab and seized 70 lbs. of finished product.
- (U// LES) Methamphetamine conversion labs were reported in the San Francisco, Los Angeles, Phoenix, Houston, and Atlanta FDs.
- (U// LES) In the San Francisco FD, six ice conversion labs were seized during the first half of 2012. One of these labs was classified as a super lab.

(U// LES) Methamphetamine traffickers are increasingly transporting and distributing methamphetamine with other drugs. Marijuana and cocaine are most commonly trafficked in tandem with methamphetamine; however heroin is also occasionally moved with methamphetamine.

[xxiv] (U) Pseudoephedrine smurfing is a method methamphetamine traffickers use to acquire large quantities of precursor chemicals. Producers purchase the chemicals in quantities at or below legal thresholds from multiple retail locations and often enlist the assistance of several friends or associates in smurfing operations to increase the speed of the smurfing operation and the quantity of chemicals acquired. Smurfs typically use several different false identifications to purchase pseudoephedrine in multiple names.

(U//LES) DEA Worcester Seizes Record Amount of Ice Methamphetamine in New England

(U//FOUO//DSEN) In December 2012, the DEA New England FD, Worcester Tactical Diversion Squad seized 16 kilograms of crystal (ice) methamphetamine in Walpole, Massachusetts as a result of an ongoing investigation into a Mexican TCO with distribution points in southern Massachusetts and Rhode Island. The methamphetamine was concealed inside a hidden compartment in an SUV that was shipped on a car carrier from California to Massachusetts.[165]

(U) Packages of methamphetamine removed from the Jeep's hidden compartment. Source : DEA

(U) Hidden compartment near the wheelwell where the methamphetamine was concealed. Source: DEA

- **(U//LES) El Paso, New Orleans, Salt Lake City, and Las Vegas:** Methamphetamine was distributed with other drugs, particularly marijuana and cocaine, but also heroin.[166]

- **(U//LES) Brownsville, TX:** Marijuana is often used as a cover-load for more expensive drugs such as methamphetamine, as well as heroin and cocaine.[167]

(U) Abuse and demand data indicate that methamphetamine abuse is stable. The number of amphetamine-related treatment admissions is slowly but steadily declining. The number of new methamphetamine abusers ("past year initiates") fluctuated but remained statistically similar from 2008 to 2011. The number of current users increased from 2010 to 2011, but also remained statistically similar and did not exceed the number reported in 2009.[168] Arrestee data in 2011 confirmed regional abuse patterns, with large percentages of arrestees in the western states testing positive for methamphetamine and much lower rates in eastern states where methamphetamine abuse is not as common.

- (U) According to TEDS, the number of amphetamine[xxv]-related treatment admissions declined each year over the past five years from 2006 (161,391) to 2010 (115,360).[169]

- (U) According to NSDUH data, the number of past year methamphetamine initiates ages 12 and older was 133,000 in 2011, a statistically similar number to that of 2010 (107,000). In 2009 the number of past year initiates was 155,000, up from 97,000 in 2008.[170]

- (U) The number of past month methamphetamine users increased from 353,000 in 2010 to 439,000 in 2011; however the overall percentage of past month users remained relatively unchanged at 0.1 percent and 0.2 percent, respectively.[171]

- (U) A large percentage of adult male arrestees tested positive for methamphetamine in Sacramento, CA (42.9 percent) and Portland, OR (22.9 percent). These percentages declined in sites further east. For example, in Denver, CO, 5.9 percent of the arrestees tested positive for methamphetamine compared with 0.4 percent in Washington, DC and 0.1 percent in New York City.[172]

[xxv] (U) The TEDS "amphetamine" category includes methamphetamine and other amphetamines such as Benzedrine, Dexedrine, Preludin, Ritalin and any other amines and related drugs.

(U) Controlled Prescription Drugs

(U//LES) Prescription drug abuse continues to be the nation's fastest growing drug problem. The abuse of controlled prescription drugs (CPDs) poses a significant drug threat to the United States and places a considerable burden on law enforcement and public health resources. Nationally, 28.1 percent of law enforcement agencies responding to the NDTS 2013 reported CPDs as the greatest drug threat, up from 9.8 percent in 2009.[173] (See Table B1 in Appendix B.) Law enforcement agencies in the Florida/Caribbean, New England, New York/New Jersey, and the Southeast OCDETF regions all report that CPDs posed the greatest drug threat at a higher percentage than the national rate, [174] (See Table 10), and the Miami DEA FD reported that pharmaceutical drugs pose the greatest drug threat for 2011 and the first half of 2012. [175] Demand for CPDs has eclipsed that of heroin in some areas of Maine, New Hampshire, and Vermont, contributing to high rates of addiction and abuse.[176]

(U) Table 10: National Drug Threat Survey 2013 Percent Reporting Controlled Prescription Drugs as Greatest Drug Threat by Region

Region	Percentage
Florida/Caribbean	60.4
Great Lakes	20.5
Mid-Atlantic	25.0
New England	41.1
New York/New Jersey	41.7
Pacific	10.6
Southeast	38.0
Southwest	22.0
West Central	18.1
United States	28.1

Source: National Drug Threat Survey 2013

(U) Demand and treatment data indicate that abuse of CPDs, particularly painkillers, is a rapidly growing threat. According to NSDUH, pain relievers are the most common type of CPD taken illicitly and are the CPD most commonly involved in overdose incidents. Further, CPD-related treatment admissions rose 68 percent between 2007 and 2010 and prescription opiate/opioid-related emergency department visits rose 91.4 percent between 2006 and 2010.

- (U) NSDUH data indicate that 6.1 million people (2.7 percent of the population) aged 12 or older are current nonmedical users of psychotherapeutic drugs in 2011.[177] Of these 6.1 million people, 4.5 million were users of pain relievers, 1.8 million were users of tranquilizers, 970,000 were users of stimulants, and 231,000 were users of sedatives.[178] (See Chart 15 on Page 40.) [179]

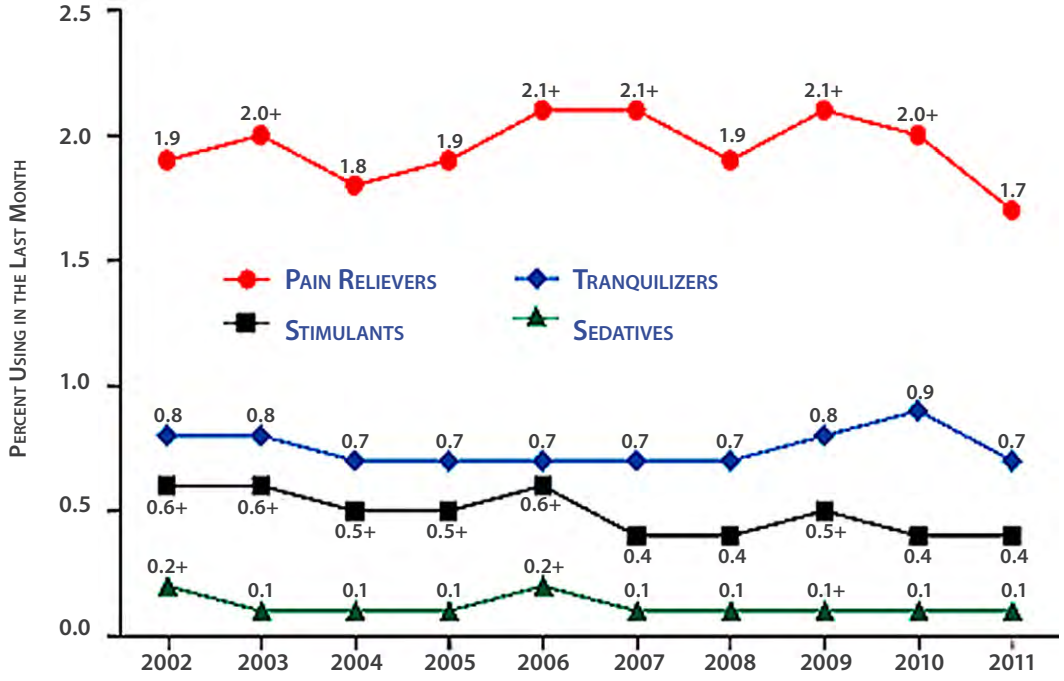
- (U) NSDUH data also indicate that in 2011, the rate of current illicit drug use among persons aged 12 or older in 2011 (8.7 %) was similar to the rates in 2010 (8.9 %), 2009 (8.7 %), and 2002 (8.3 %), but was higher than the rates in most years from 2003 through 2008.[180] Among persons aged 12 or older, the rates for past month nonmedical use of psychotherapeutic drugs (2.4%) were second only to marijuana (7.0%), and significantly higher than the rates for hallucinogens (0.4%) and cocaine (0.5%).[181] (See Chart 16 on Page 40.)

- (U) Opioid pain relievers are the most widely misused or abused CPDs and are involved in most CPD-related overdose incidents. According to DAWN, the estimated number of emergency department visits involving nonmedical use of prescription opiates/opioids increased 112 percent—84,671 to 179,787—between 2006 and 2010.[182]

- (U) Treatment data further reflect the magnitude of the opioid abuse problem in the United States. TEDS reporting indicates that the number of other opiate-related[xxiv] treatment admissions (not including heroin) to publicly funded facilities increased 97 percent from 2006 (84,196) to 2010 (166,233).[183] Further, the number of treatment admissions for other opiates in 2010 was greater than the number of admissions for cocaine (155,290) and for amphetamines (115,360).[184] (See Table 11 on Page 41.)

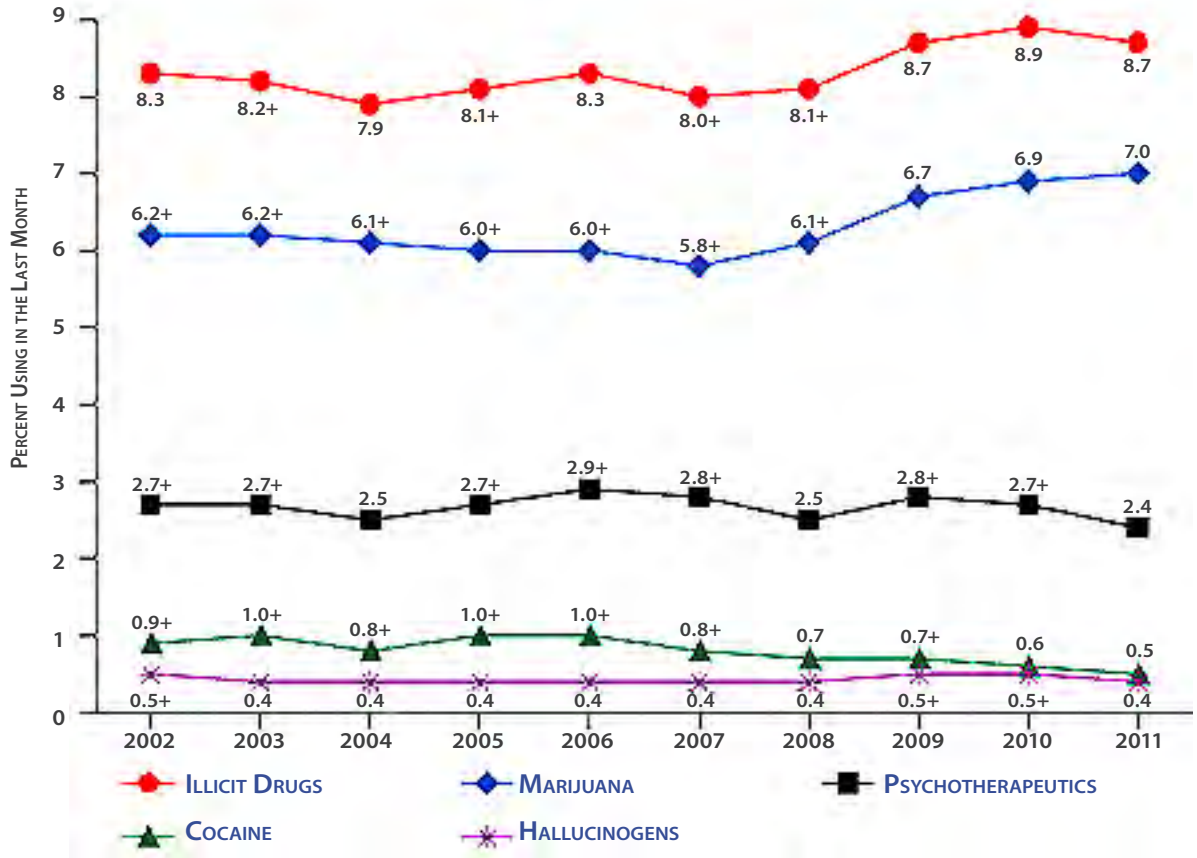
[xxvi] (U) The TEDS "other opiates" category includes admissions for non-medical use of methadone, codeine, morphine, oxycodone, hydromorphone, meperidine, opium, and other drugs with morphine-like effects.

(U) Chart 15: Past Month Nonmedical Use of Types of Psychotherapeutic Drugs among Persons Aged 12 or Older: CY2002 – CY2011



+ Difference between this estimate and the 2011 estimate is statistically significant at the .05 level.
Source: Substance Abuse and Mental Health Services Administration

(U) Chart 16: Past Month Use of Selected Illicit Drugs among Persons Aged 12 or Older: CY2002 – CY2011



+ Difference between this estimate and the 2011 estimate is statistically significant at the .05 level.
Source: Substance Abuse and Mental Health Services Administration

(U) Table 11: Treatment Episode Data Set, 2006 - 2010									
Year	Cocaine (Smoked)	Cocaine (other route)	Marijuana	Heroin	Other Opiates	Hallucinogens	Amphetamines	Other Stimulants	Sedatives
2006	194,940	78,551	310,155	267,968	84,196	1,638	161,391	1,205	4,124
2007	179,973	71,707	308,399	262,226	99,254	1,631	146,302	1,900	4,496
2008	164,779	66,542	348,405	281,746	122,836	1,878	127,216	2,000	4,839
2009	134,215	52,992	363,224	286,686	143,564	1,841	116,880	1,008	5,168
2010	109,750	45,540	353,271	270,855	166,233	1,744	115,360	1,189	4,263

Source: Treatment Episode Data Set

(U) Table 12. Number of Prescriptions Issued 2007 - 2011					
	2007	2008	2009	2010	2011
Total US Prescription Market (in Millions)	3,825	3,866	3,949	3,993	4,024
Hydrocodone/acetaminophen	119.2	124.1	128.2	131.2	136.0
Oxycodone/acetaminophen	25.9	28.4	30.2	31.9	32.8

Copyright IMS HEALTH, a healthcare information, services, and technology company

Source: IMS National Prescription Audit™

Report reflects prescription-bound products including Insulins (and excludes other products such as over the counter)

IMS routinely updates its market audits, which can and does result in changes to previously reported market size and growth rates.

(U) Data indicates availability of CPDs is increasing. There are no conclusive estimates as to the total amount of illegally diverted prescription narcotics, depressants, and stimulants are available in domestic drug markets. However, data regarding legitimate commercial disbursal of prescription pharmaceuticals indicates the amount of prescription drugs disbursed to pharmacies, hospitals, practitioners, and teaching institutions has increased steadily over the past five years, thereby rendering more of the drug available for illegal diversion.

- (U) According to the DEA, pharmaceutical drug disbursals continually increased from 2007 to 2011.[185]
- (U) There was also an increase in the number of prescriptions written for hydrocodone (14.1%) and oxycodone (26.6%) during the same time period. (See Table 12.)

(U) Law enforcement reporting throughout the United States indicates that the availability of illegally diverted CPDs has increased over the past three years, an assertion supported by national-level drug survey data.

- (U) NDTS 2013 data reveal that the percentage of state and local law enforcement agencies reporting high availability of CPDs increased from 40.7 percent in 2007, to 75.4 percent in 2013.[186] (See Table B3 in Appendix B.)
- (U) NDTS 2011 data further indicate that state and local law enforcement agencies reporting low availability of CPDs have declined from 13.6 percent in 2009 to only 4.5 percent in 2011.[187]

(U//LES) Operation Pill Nation

(U//LES) Operation Pill Nation is a multi-agency operation initiated in 2010 to proactively address the illicit distribution of pharmaceutical controlled substances from South Florida area medical facilities.[188] The proliferation of medical clinics, operating as "pain management" or "urgent care" centers, in south Florida has opened a never-before-seen illicit market for oxycodone that extends beyond the bounds of South Florida impacting the public health and safety of Kentucky, Ohio, Tennessee, and other areas in the eastern United States.

(U//LES) Since Operation Pill Nation's inception, law enforcement officers have arrested 34 physicians, 8 clinic owners, and 16 clinic employees. Other significant milestones as a result of Operation Pill Nation include: [189]

- Surrender of 59 DEA Registrations (47 physicians, 8 pharmacies, 4 wholesale distributors)
- Suspension Orders issued against 63 physicians
- Closure of 41 clinics
- Indictments against 11 physicians
- Seizure of over $19 million in currency, vehicles, jewelry, and real estate

(U) CPD diversion by theft and robbery is increasing in certain areas of the United States.

- (U//LES) According to the DEA Drug Theft and Loss Electronic Database, the number of pharmacy thefts[xxvii] has increased significantly since 2008.[190] There were 929 thefts in 2008, continually increasing each year to 4,335 in 2011, before declining slightly to 3,962 in 2012. Additionally, the number of armed robberies reported by pharmacies increased 576 percent from 2008 to 2010, before declining slightly (8%) from 2010 to 2012. (See Map A12 in Appendix A.) Several states have seen dramatic increases in the number of armed robberies from 2008 to 2012 (See Table 13.) In particular, the number of armed robberies in Indiana increased 746 percent from 13 in 2008 to 110 in 2012.[191]

- (U) NDTS data is a further indicator of how CPD abuse contributes to, or is associated with, crime.[192] Nationally, only 9.6 percent of law enforcement agencies responding to the NDTS 2013 indicate that the abuse of CPDs contribute to violent crime.[193] However, law enforcement agencies in the Florida/Caribbean and the New England regions report that CPD abuse contributes to significantly higher levels of violent crime than nationally. Nearly one-third (29.2%) of law enforcement agencies in New England indicate that CPD abuse contributes to violent crime while 20.5 percent in the Florida/Caribbean region report the same.[194]

- (U) DEA arrest data shows a 51 percent increase in arrests for CPD-related offenses over the past five years. The greatest increase was for opioid-related offenses. (See Table 14.)

(U//LES) Table 13: Armed Robberies Reported by Pharmacies 2008 - 2012 (Total Number of Thefts)

State	2008	2009	2010	2011	2012
Arizona	5	32	34	51	61
Indiana	13	53	46	53	110
Maine	1	8	25	17	35
Massachusetts	3	14	13	12	23
Ohio	7	39	26	17	43
Pennsylvania	6	33	37	37	40

Source: DEA Drug Theft and Loss Electronic Database

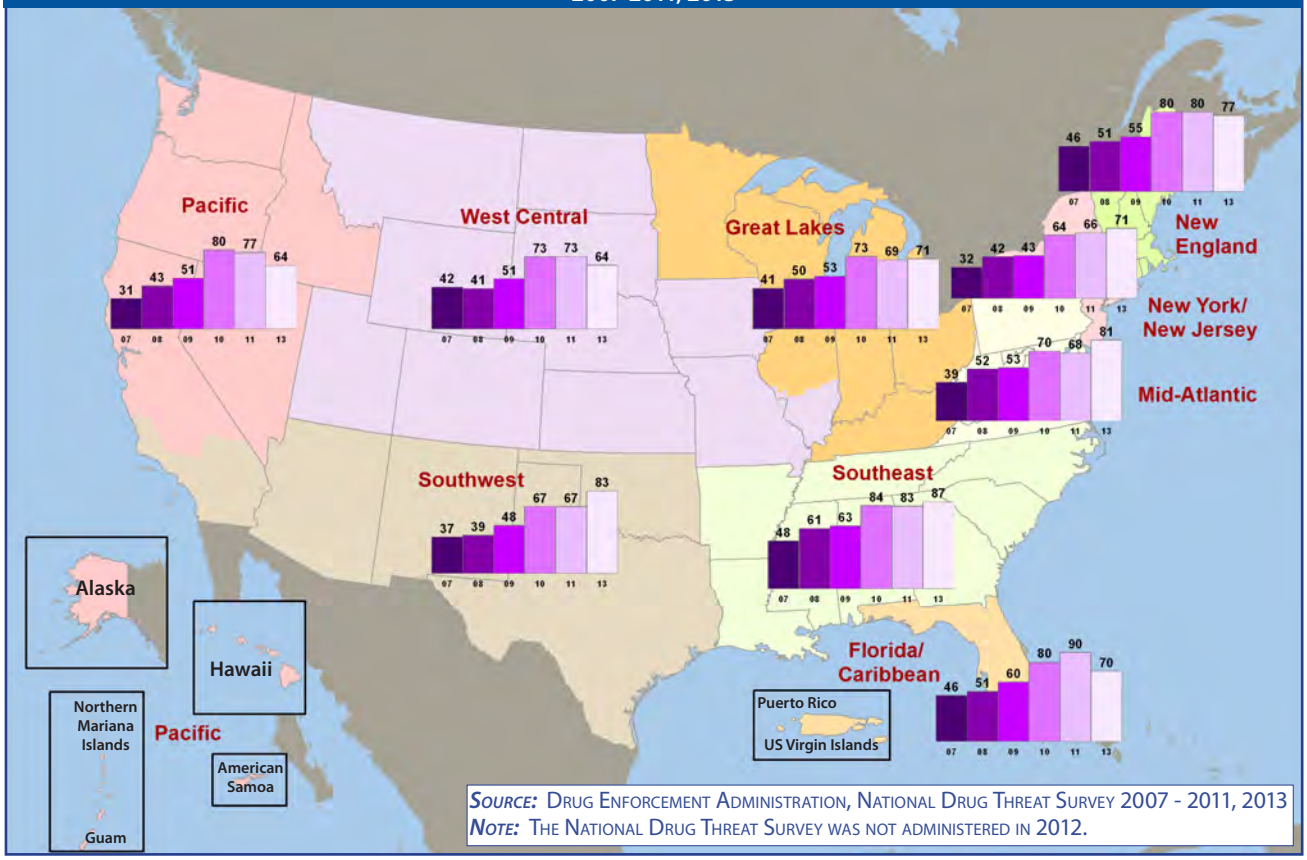
(U) Table 14. DEA Arrests for CPD-related Offenses 2008 - 2012

	2008	2009	2010	2011	2012
Amphetamine	10	10	28	15	36
Depressant	5	3	2	9	3
Opioid	1,446	1,821	2,190	2,938	2,166
Steroid	2	1	0	12	4
TOTAL	**1,463**	**1,835**	**2,220**	**2,974**	**2,209**

Source: DEA Arrest Data

[xxvii] (U) Thefts include customer theft, employee pilferage, and night break-ins.

(U) Map 8: Percentage of NDTS Respondents Reporting High CPD Availability in their Jurisdictions 2007-2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013
Note: The National Drug Threat Survey was not administered in 2012.

(U//LES) CPDs are also transported across the US–Mexico and the US–Canada borders through and between POEs.[195] DEA offices in Brownsville, Corpus Christi, El Paso, Houston, Los Angeles, McAllen, and San Diego report CPDs diverted from Mexico, while FDs in Boston, New York, and Seattle report CPDs diverted from Canada.[196]

- (U//LES) In April 2012, Mexican traffickers were arrested after a traffic stop on Interstate 5 in Blaine, WA. They were found to be transporting methamphetamine and approximately 60,000 tablets that tested positive for opiates.[197]

- (U//LES) In Early 2012, a DEA San Diego FD investigation involved a subject arrested at the San Ysidro POE attempting to bring 80mg OxyContin® tablets into the US from Mexico.[198]

- (U//LES) The DEA Seattle Diversion Group noted that an OxyContin® source of supply was distributing pills imprinted with "CDN," meaning they were manufactured in Canada, as well as pills imprinted with "ABG," meaning they were manufactured in Australia.[199]

- (U//LES) The DEA Bangor, ME office reported an increase in the distribution of 15 to 30 mg tablets of oxycodone across parts of northern Maine. Law enforcement officers have seized 80 mg tables of Canadian-produced OxyContin®.[200]

- (U//LES) The DEA Plattsburgh office reported Canadian TCOs smuggle OxyContin® into the Plattsburgh, NY, area through the Akwesasne Mohawk Indian Reservation.[201]

(U) CPD distributors and abusers acquire prescription drugs with relative ease through numerous rogue pain management clinics (commonly referred to as pill mills). This contributes to widespread availability of these drugs throughout the United States.[202]

(U) Pill mill operations exhibit several unique characteristics, such as nearly exclusive associations with specific pharmacies and

physicians, cash-based payment methods, and rapid, casual examinations.[203] Owners of pill mills have established many cash-only operations in various areas of the country but most prevalently in California, Florida, Louisiana, and Texas from which distributors and abusers within those states and from other areas of the eastern United States frequently obtain CPDs.[204]

(U) Pill mill operators continually devise methods to subvert regulations and investigations while attracting patients. For example, some pill mills have begun to establish onsite or nearby pharmacies in an attempt to allow patients to circumvent prescription quantity restrictions.[205] Some pill mill operators also attempt to counter law enforcement surveillance of repeat patients through vehicle license plate surveillance. For example, some clinics offer free shuttle service and advise patients to meet at pick-up locations, such as local hotels, for further transportation to the clinic.[206] At the pick-up locations, the patients are met by individuals driving large passenger vehicles or even rental cargo trucks and are subsequently driven to the clinic. Additionally, some pill mills in the Tampa, FL area offer patients free visits for referring new patients to the clinic.[207]

(U) Illicit Internet Pharmacies Dismantled in Largest Illegal Prescription Drug Case in New Orleans History

(U) CPDs are also diverted via rogue Internet pharmacies. Unscrupulous physicians and pharmacists working through rogue Internet pharmacies engage in "script mill" practices whereby patients obtain CPDs without a face-to-face medical evaluation. In August 2012, four defendants in the largest illegal prescription drug case in New Orleans history were convicted. This year-long investigation targeted an enterprise of multiple rogue Internet pharmacy fronts that were distributing large quantities of drugs without valid prescriptions in New Orleans and throughout the United States. Investigators discovered more than 5,000 documented individual transactions conducted through the web marketing accounts that totaled over $16 million.[208]

(U) Several states have recently enacted legislation in an effort to combat the proliferation of pill mills. For example:

- (U) In May 2011, Florida passed House Bill (HB) 7095 that includes the regulation of activities by physicians, pain management clinics, pharmacies, and wholesale drug distributors. It also revises the criteria for required registration as a pain management clinic, provides mandatory administrative penalties for certain violations related to prescribing, requires prescriptions for controlled substances to be written on counterfeit-resistant pads produced by approved vendors or to be electronically prescribed, provides conditions for being an approved vendor, and requires certain physicians to designate themselves as controlled substance prescribing practitioners on their practitioner profiles.[209]

- (U) On April 24, 2012, the governor of Kentucky signed HB1, which introduced restrictions on pain management clinics, strict new limits on prescribing controlled substances, and increased reporting requirements for practitioners using Kentucky's All Schedule Prescription Electronic Reporting (KASPER) electronic controlled substances monitoring system. HB 1 also places tight restrictions on health care practitioners prescribing controlled substances, whether or not in the context of a pain management facility. For example, the practitioner must obtain a complete medical history and conduct a physical examination of the patient and document the information in the patient's medical record. The practitioner must also query KASPER for all available data on the patient, make a written treatment plan stating the objectives of the treatment and further diagnostic examinations required, discuss the risks and benefits of the use of controlled substances with the patient (including the risk of tolerance and drug dependence), and obtain written consent for the treatment.[210]

- (U) Texas pill mill legislation enacted in 2011 makes it illegal to own or operate a pain clinic without certification from the Texas

Medical Board. Additionally, owners and employees of pain clinics must go through a background check before working at a pain clinic. [211]

- (U) The Ohio legislature passed pill mill legislation in 2011 that requires licensure of pain management clinics, authorizes the state medical board to establish rules as to when a physician should review the Ohio Automated Rx Reporting database, severely restricts in-office dispensing of controlled substances, and establishes a Medicaid pharmacy lock-in program and prescription drug take-back program.[212]

(U) Prescription Monitoring Programs Reduce CPD Diversion

(U) Most pharmaceutical drugs abused in the United States are illegally diverted by doctor shopping, forged prescriptions, and increasingly via the Internet. To reduce the occurrence of pharmaceutical diversion by doctor shopping and prescription fraud, and to identify individuals who may be in need of treatment for substance abuse, 49 states have either authorizing legislation or operational Controlled Substance Monitoring Programs (CSMPs)[xxviii]; currently Missouri and Washington, DC do not have legislation for a CSMP.[213] CSMPs are designed to monitor the prescribing and dispensing of CPDs. Some research indicates that CSMPs effectively limit drug supplies and reduce the probability of CPD abuse.[214] Evaluation of several states' CSMPs indicates that, when used, monitoring programs reduce CPD diversion and improve clinical decision-making, which helps curb CPD abuse.[215]

(U) A number of recently implemented initiatives have been designed to reduce CPD diversion and abuse. At the national level, steps have been taken to increase public awareness about the dangers of non-medical prescription drug use.

- (U) The Office of National Drug Control Policy has crafted a comprehensive Prescription Drug Abuse Prevention Plan with a four-pronged approach to curtailing prescription drug abuse focusing on education, monitoring, enforcement, and proper disposal of medications.[216]

- (U) In 2010, the three most-used Internet search engines in the United States[xxix, 217] adopted policies prohibiting Internet pharmacies[xxx] from advertising on the sidebars of search results pages unless they are Verified Internet Pharmacy Practice Sites (VIPPS)[xxxi] certified by the National Association of Boards of Pharmacy (NABP) and operate in compliance with US pharmacy laws and practice standards. The policies are aimed at reducing the number of rogue pharmacies operating on the Internet, particularly unlicensed web-based pharmacies and pharmacies operating from foreign countries that do not require valid prescriptions to dispense drugs.[218] Nevertheless, availability of CPDs without prescriptions over the Internet, whether the actual source of the drugs is domestic or foreign, remains a concern.

[xxviii] (U) A CSMP uses an electronic database to capture explicitly defined information on dispensed controlled substances. A CSMP is maintained by a legislatively specified regulatory, administrative, or law enforcement agency that has the authority to distribute the data to authorized individuals. Use of the term CSMP in this report replaces prior use of the term Prescription Drug Monitoring Program because CSMP more accurately describes the purpose of the program, which is to monitor the dispensing of controlled substances only.

[xxix] (U) Ninety-eight percent of US Internet surfers in September 2010 used these three search engines when performing an Internet search.

[xxx] (U) Historically, these pharmacies may not have played a significant role as primary suppliers of pain relievers, tranquilizers, stimulants, or sedatives.

[xxxi] (U) VIPPS-accredited pharmacies have completed the NABP accreditation process, which includes a thorough review of all policies and procedures regarding the practice of pharmacy and dispensing of medicine over the Internet, as well as an onsite inspection of all facilities used by the site to receive, review, and dispense medications. Accredited Internet pharmacies display the VIPPS seal on their home pages.

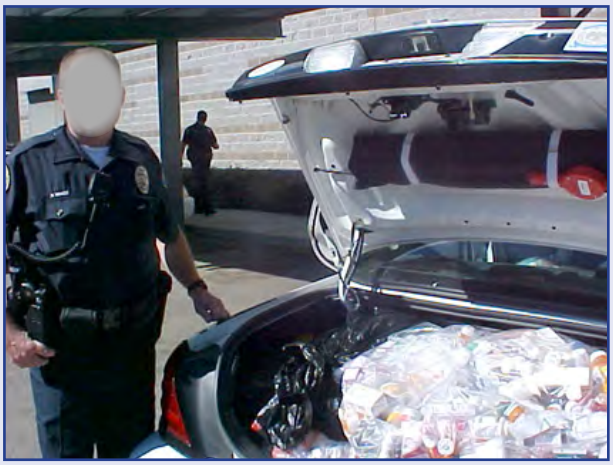
(U) DEA's National Prescription Drug Take-Back Day Initiative Nets More than One Thousand Tons of Prescription Drugs

(U) In September 2010, DEA created the National Prescription Drug Take-Back Day initiative to encourage people nationwide to turn in unused or unwanted prescription medications. The program also prevented medications from being disposed of improperly, particularly by being washed or flushed down a drain. During the first national Take-Back Day, individuals across the country turned in collectively over 121 tons of medications to 4,086 Take-Back locations. Since that first national Take-Back Day, DEA has sponsored five more of these events and has collected more than 1, 000 tons of unused prescription medications.[219]

(U) Take-Back Day collection bins in Solano County, California.
Source: DEA

(U) 7,272 pounds of prescription drugs collected at the DEA El Paso Office during the National Take-Back Day in September 2012.
Source: DEA

(U) In September 2012 the DEA Caribbean Division collected 2,694 pounds of unwanted prescription pharmaceuticals.
Source: DEA



(U) A police officer volunteer with some of the 400 pounds of pharmaceuticals collected in Rocklin, California.
Source: DEA

(U) Boxes filled with unused or expired medication.
Source: DEA

(U) Illicit Finance

(U//FOUO) Bulk cash smuggling is the primary method used by drug traffickers for moving money out of the United States.[220] Cash from street-level drug transactions is the starting point of the illicit financial system.[xxxii] Dealers accumulate large quantities of cash, much of which will be used to pay for their next shipment. As cash moves back up the drug supply chain, each level receives a progressively larger payment of cash, leading to the accumulation of considerable amounts of bulk cash, which ultimately must be transported to TCOs in Mexico and South and Central America and other locations. Much of this money is moved out of major US cities, down highways connecting to the Southwest Border, and into Mexico. Law enforcement officials in Arizona, California, New Mexico, and Texas seize tens of millions of dollars in illicit cash each year ($135 million was seized in California in 2011;[xxxiii] $77 million in Texas). Other significant cash rallying points are New York and Georgia ($89 million and $47 million seized, respectively).[221] Tractor-trailers and privately-owned vehicles are the primary conveyances used by traffickers to move bulk currency to and across the Southwest Border. Millions of such vehicles cross the border into Mexico each year. Mexican traffickers/launderers and their employees conduct most of the drug money movement.[222]

(U//LES) Bundles of cash are brought to major US cities for consolidation, and then transported in trucks, private vehicles, or rental cars (sometimes the same vehicle which delivered the drugs).[xxxiv] The trucks and private vehicles are often equipped with elaborate concealed compartments. Bundles of cash are often wrapped in materials designed to hide the odor from detection dogs or the shape from x-ray machines. The bundles are usually hidden in luggage or concealed compartments of the vehicles. Most drug cash flowing out of the United States is collected at consolidation sites along the Southwest Border, and then transported into Mexico. [223] Most of the funds are ultimately destined for either Mexican or Colombian TCOs. Other shipments of cash are delivered to Panama, Ecuador, and Venezuela. [224] The funds that remain in Mexico are used to pay the expenses of Mexican trafficking organizations.

(U//FOUO) Other methods for moving bulk cash include couriers traveling by commercial air from

most regions of the US to Southwest Border area locations as well as foreign destinations such as the Dominican Republic. Further, couriers from Hawaii and Guam take bulk cash to the US mainland. Commercial air and parcel services are also used to move cash, sometimes with the assistance of employees. Couriers leaving East Coast cities often take commercial air flights to Puerto Rico and deliver bulk cash which is then smuggled on to South America or delivered to Colombian money laundering cells in Puerto Rico. [225] Further, California border-area locations report that airline cash couriers and parcels of cash arrive from other parts of the United States. [226] Finally, reporting from the New York FD shows that commercial maritime cargo containers are used for moving cash as well.[227]

- **(U//FOUO) Other destinations for US drug cash** (in addition to Mexico, Central and South America) include: The Bahamas (from Florida) for further movement to Haiti (and presumably on to South America); [228] and Canada[xxxv] (from northern New England, New York State, and Washington State).

[xxxii] (U) Diverted prescription drugs sold online follow a different payment pattern. Some of the payment options for these drugs are online payment systems, stored-value cards, and money transfers to bank accounts which are frequently located overseas.

[xxxiii] (U) 2011 records were used because they are more fully available for release than 2012 records. The top US states for cash seizure in 2011 are: California ($135 million), New York ($89 million), Texas ($77 million), Georgia ($47 million), and Arizona ($39 million).

[xxxiv] (U) Some Detroit TCOs travel south with bulk currency to purchase drugs at the Southwest Border.

[xxxv] (U) DEA reporting shows that Canada can be a destination for marijuana payments. Cash can be moved either north or south between Washington State and Canada (marijuana and MDMA payments go north, cocaine and methamphetamine payments go south) or cash can be avoided altogether by exchanging southbound drugs for northbound drugs.

(U//FOUO) Restrictions on US currency transactions enacted by the Mexican government in 2010 and 2011[xxxvi] appear to have changed the way TCOs handle money. These restrictions limited the amount of dollars that can be deposited in Mexican financial institutions. Some US regions report more frequent or smaller cash shipments[xxxvii] to the Southwest Border and on to Mexico during the years since the restrictions took effect.[229] Some US regions report increased use of banks and wire remitters.[230] Further, illicit currency transportation services are growing in importance. These services specialize in moving bulk illicit proceeds, mostly from the United States into Mexico, via overland methods as well as through money remitters. They usually charge three to five percent of the total amount moved; more if the currency is to be moved deeper into South America.[231] Other changes resulting from Mexico's currency transaction restrictions are:

- (U//FOUO) US dollars (as cash) are moving as far south as Central and South America instead of being absorbed into the financial system in Mexico.[232] This is made possible by countries with US dollar-based economies and/or Free Trade Zones, such as El Salvador, Panama and Ecuador, and countries with treaties[xxxviii] that enable local banks to handle large volumes of US cash associated with business transactions.[233]

- (U//FOUO) A portion of the cash arriving in Mexico is sorted and tallied, then sent back to the United States.[234] This money is declared at the border coming back into the United States as dollar income generated legitimately in Mexico. The dollars returning to the United States are used to purchase real estate, invest in businesses, pay salaries and expenses, buy merchandise for shipment to Latin American destinations, or are wired to Mexico as pesos.[235]

(U//FOUO) The banking system is used by TCOs and money launderers in every region of the United States, though to a lesser extent than bulk cash smuggling.[236] Launderers set up multiple accounts under falsified or fraudulently used names or business fronts. Employees of the TCO or money launderer then make structured deposits[xxxix] into the accounts. Individuals hired to make the deposits are known to travel by vehicle from one bank to another, sometimes in multi-city circuits. The funds are then withdrawn from a branch or ATM in another location (usually California, Southern Texas, Mexico, and sometimes Colombia) or wired to a final destination. Funds withdrawn in Southern California can be carried across the border into Mexico. Accounts held in California by state residents are receiving notable deposits from outside the state, withdrawn within 72 hours by the account-holder.[237] Other reporting indicates launderers are relying more on structured deposits to an increasing number of accounts since the Mexican currency transaction restrictions took effect.[238]

(U) Other money laundering methods used by TCOs include:

- (U//LES) International banking: Wire transfers from US bank accounts are sent through complex networks to source zones or to companies providing merchandise for trade-based laundering.[239] Corrupt bank employees can also facilitate the illicit banking activity.[240] Additionally, banking relationships sometimes cause funds to

[xxxvi] (U) The Mexican Finance Ministry, Secretaría de Hacienda y Crédito Público, began implementing restrictions designed to target illicit drug dollars placed in Mexican financial institutions on June 16, 2010. The legislation limits bank deposits of US currency by individual customers to $4,000 per month and by individual noncustomers to $1,500 per month. The daily threshold does not apply to non-Mexicans. In September 2010, the majority of restrictions were implemented, including those limiting deposits to a maximum of $14,000 in US currency per month for corporate entities located in or conducting most of their business within a tourist area, within 20 kilometers of the US border, or within the states of Baja California or Baja California Sur. In January 2011, deposit limits for other businesses, such as exchange houses and brokerage firms, were raised from $7,000 to $14,000 in US currency per month.

[xxxvii] (U) DEA's Atlanta Field Division notes a reduction in the average dollar value of cash shipments seized in Georgia in 2012, but recognizes that the reduction may be a cash smuggler response to large regional seizures during 2010 and 2011; couriers apparently reduced the amount of each load in 2012 to reduce their risk from seizures.

[xxxviii] (U) Examples of such treaties are the North American Free Trade Agreement (NAFTA) and the United States-Dominican Republic-Central America Free Trade Agreement (CAFTA).

[xxxix] (U) Structured deposits are deposits made in amounts below required financial reporting thresholds specifically in order to avoid scrutiny.

pass through US banks while moving from one foreign location to another.[xl] Thus, illicit funds that have no connection to the United States will sometimes pass through US banks and can be seized by US authorities.

- (U//FOUO) Wire remitters are used to send money between states (usually the movement is toward Southwest Border areas such as California and Texas) or directly to Mexico or South America. It is moved in multiple small remittances, each below reporting thresholds, and using false names.[241]

- (U//FOUO) Money orders and stored value cards are used to some degree by TCOs and money launderers.[242] Hawalas[xli] are reportedly used in some US areas as well.[243]

(U) Terrorist-controlled Money Laundering Scheme Dismantled

(U) In August 2012, DEA announced the seizure of $150 million in connection with a massive, international scheme to launder drug trafficking proceeds through the US financial system. Entities linked to the terrorist organization Hizballah, including the now defunct Lebanese Canadian Bank (LCB), used the US financial system to launder narcotics trafficking and other criminal proceeds through West Africa and into Lebanon. Between January 2007 and early 2011, at least $329 million was transferred by wire from LCB and other financial institutions to the United States for the purchase of used cars that were then shipped to West Africa. Cash from the sale of the cars, along with the proceeds of narcotics trafficking, were funneled to Lebanon through Hizballah-controlled money laundering channels. LCB played a key role in these money laundering channels and conducted business with a number of Hizballah-related entities.[244]

(U//LES) Money laundering brokers are often hired to ensure the safe movement of money out of the United States and to drug suppliers awaiting payment in Latin America. Many of the large-scale money brokers are based in Latin America, most frequently in Colombia, Mexico, Panama, and Venezuela, but some brokers reside in major US cities such as Chicago, Los Angeles, Miami, and New York.[245] Brokers use money laundering systems such as the black market peso exchange (BMPE) or trade-based money laundering (TBML)[246] to enable the materialization of funds at the destination, often in the local currency.

(U//LES) Drug suppliers frequently wish to receive their proceeds in the local currency (hence the need for exchanging dollars for pesos) and money laundering brokers find it profitable to perform this service via international trade. This often involves the broker arranging for the drug dollars to pay for merchandise on behalf of a merchant (typically electronics, clothing, perfume, and leather goods). The merchandise is purchased in the United States, China, or other locations, and then sent to the merchant's business to be sold. The value of the goods can be misrepresented as it crosses international borders, allowing large amounts of drug income to appear as the result of a legitimate business venture.[247] The misrepresentation of value then allows merchants to avoid paying taxes, as well as currency exchange rates, and other fees.[248] They can also circumvent their country's controls on dollars and exchange rates. The drug suppliers receive their reimbursement from the money broker who will either front the money in the desired currency (the most expensive option), or wait until the merchandise is sold and then transfer the proceeds to the drug supplier (minus the broker's fees).

(U//LES) TBML and BMPE schemes are concentrated in the Rio Grande Valley area of Texas;[249] South Florida;[250] New York City/New Jersey;[251] and Los Angeles,[252] where numerous businesses are

[xl] (U) If a money launderer is moving funds between two banks which do not have a relationship with each other, the funds must first be transferred to a corresponding account at a third bank that does have a relationship with the destination bank. If that third bank is located in the United States, illicit funds unrelated to the United States will pass through US banks, usually without the knowledge of the money launderer.

[xli] (U) A hawala, an Arabic word meaning "transfer," is an informal value transfer system used to transfer funds or value from place to place either without leaving a formal paper trail of the entire transaction or going through regulated financial institutions. Hawalas usually provide money transfers to and from areas in which modern financial services are often unavailable, inaccessible, or unaffordable. Hawala businesses may be operated at virtually any business location or private residence that has access to a communication network; modernized or contemporary hawalas use the services of traditional financial institutions.

willing to participate in laundering activity.[253] Electronics and cell phone companies are frequently used; launderers arrange for wire transfers from legitimate (third-party) businesses, some in Mexico or other countries. The invoices are falsified and the value of the merchandise may be misrepresented or no actual merchandise might be sent. Much of this activity occurs between the United States and Mexico or Colombia; however, New York City is also connected to trade and BMPE laundering schemes throughout the Middle East and Hong Kong.[254] Further, New Jersey and New York report TBML/BMPE activity with Argentina. Drug proceeds transported to Argentina are deposited into an account belonging to a shell company. The shell company then wires the funds to the United States, disguising the transfers as payments for merchandise. Fake invoices corresponding to the outgoing wires are created to further disguise the transfers.

- (U//LES) Money brokers operating mainly out of Bogota and Cali, Colombia, working for high-level TCOs, use BMPE and TBML mechanisms through South Florida. Cash pick-ups from the United States, Europe, and Central America are delivered in cash form or wired (totaling hundreds of millions of dollars) to electronics companies in South Florida. The payments are co-mingled with merchandise sales to Latin American companies. Suspected drug money is also wired from the Miami area to Hong Kong and China to purchase electronics or other goods which are then sold in Colombia. The actual or falsified movement of the merchandise to be sold in Colombia, Venezuela, or Mexico allows illicit funds to ultimately reach the source- and transit-zone traffickers.[255] DEA estimates that the Chinese-Latin American association will become even more relevant to the illicit drug trade in the Americas, and that Central America will likely remain a significant hub for the financial operations of some Mexican TCOs.

(U//FOUO) Contra Entrega schemes (also known as "mirror transfers") are increasingly used to launder funds because they expose traffickers to fewer risks. These schemes occur in several parts of the United States, primarily major cities.[256] Bulk cash pick-ups in the United States are arranged by a broker; an equivalent amount of funds, minus commissions, is simultaneously released to a TCO representative in a foreign country. Contra Entrega value transfer costs a higher commission than other, slower methods, and lessens the risk to the TCO because the traffickers are reimbursed more quickly, decreasing the chance their funds will be seized while tied up in the value of merchandise or in a lengthy movement process.[257] DEA estimates that Contra Entrega will continue to grow in popularity worldwide as TCOs seek to minimize the risk of money seizures and guarantee timely payments.

(U//FOUO) Several types of businesses[xlii] in the US are commonly used as conduits for sending drug proceeds abroad as well as integrating the proceeds into the legitimate financial system in the US:[258]

- Wire remitters, and check cashing and currency exchange businesses
- Restaurants, Mexican markets, convenience stores, night clubs, and liquor stores
- Auto-related businesses such as dealers, repair shops, and accessories vendors
- Real estate, property development, and property management businesses[xliii]
- Services such as nail and hair salons and dry cleaners
- Transportation and freight companies
- Construction and sub-prime lending institutions
- Pawn shops and tattoo parlors
- Music recording businesses

[xlii] (U//FOUO) The listed business types were reported by multiple DEA field divisions. Unique business types listed by only DEA's San Francisco Field Division include wineries, marijuana dispensaries, hydroponic marijuana growing supply vendors, marijuana-related caregiver businesses, and Internet business to business (B2B) platforms. The DEA St. Louis Field Division reported that launderers in the area have been known to operate ostrich farms.

[xliii] (U) Most DEA field divisions report that real estate purchases are used to integrate drug proceeds. Fraud schemes related to real estate and mortgages are reported to a lesser extent.

(U) These businesses are used to launder funds in a variety of ways:

- (U//LES) Mexican TCOs continued to repatriate US currency into the United States for investment purposes. DEA in East and South Texas locations report that Mexican nationals have been purchasing property in the United States with tourist visas rather than investor visas, as well as setting up multiple Limited Liability Corporations (LLC) and front corporations to invest in and develop property.

- (U//FOUO) Most areas with casinos, Louisiana and Mississippi in particular, report that casinos are used to integrate illicit income.[259]

- (U//FOUO) Gulf Coast states report that some traffickers and brokers use the cover of the seafood industry to facilitate smuggling and money laundering. The largely cash businesses allow illicit transactions to occur disguised as legitimate transactions.

- (U//FOUO) Transport of vehicles from the United States to international destinations is also used to launder funds or transfer value. The cars can carry cash and/or can be under or over-valued on invoices and bills of lading. Cars shipped for these purposes have been noted coming from Detroit and East Coast origins; they are shipped to Mexico, Puerto Rico, Africa, or the Middle East.[260]

- (U//FOUO) Stock market investments have been linked to drug money laundering, as reported by DEA's New Jersey[261] and St. Louis FDs. Officials in St. Louis seized a brokerage account with over $11 million that was linked to a high-level Colombian TCO.[262]

(U//LES) These money laundering techniques have significance to US interests beyond the realm of illicit drug trafficking. Money launderers in many US regions reportedly work for multiple types of criminal networks or head multi-crime networks themselves. Businesses or people who launder have been described as willing to launder for terrorists or loan sharks in addition to drug traffickers. Relationships are known to exist between drug money launderers and Russian, Israeli, and Eastern European organized crime groups.[263]

(U) Outlook

(U//LES) Mexican TCOs and their associates will continue to dominate the supply, trafficking, and wholesale distribution of illicit drugs in the nation. Mexican TCOs will continue to use members of gangs to further expand their influence. Mexican traffickers will increase their use of alternative transportation routes and smuggling methods to avoid law enforcement activity.

(U//LES) Relationships between Mexican TCOs and US-based gangs are likely to further develop in the near-term, strengthening over time and enhancing these TCOs ability to traffic illicit narcotics throughout the United States. These relationships may mature to the point where partnered or aligned gangs replace Mexican TCOs, with their consent, as the primary wholesale-level drug traffickers in locations beyond the Southwest Border.

(U//LES) Trends in Colombian cocaine production will affect US cocaine availability for the near term. Colombia is well-established as the primary source for cocaine distributed in the United States, a situation unlikely to change in the immediate future.

- (U//LES) Colombian coca cultivation and cocaine production have declined, but the threat of increased coca cultivation in Colombia remains. Aerial and manual eradication rates in that country declined, in part, because of budgetary delays, security concerns, and the dispersal of coca plants to smaller fields. Moreover, traffickers are moving coca fields into areas, such as along the border areas with Ecuador and Venezuela, where aerial eradication is prohibited.

(U//LES) Peru will likely increase in importance as a cocaine source of supply for Mexican TCOs. The Sinaloa Cartel has already established relationships with Peruvian cocaine suppliers and other Mexican TCOs are working to establish relationships with sources in Peru as well. The cocaine is usually transported from Peru, through Ecuador.[264]

(U//LES) Counterdrug efforts may be sufficiently disrupting Colombian traffickers' ability to increase cocaine production. The dismantling of large TCOs combined with seizures and the arrests of high level traffickers has resulted in smaller groups with less power and financial resources to conduct trafficking operations.

(U//FOUO) The US wholesale heroin market will remain in flux for the near term as traffickers attempt to expand control over certain markets and gain entry to others. It is likely that Mexican traffickers will continue to expand into lucrative white heroin markets by increasing their own access to white heroin and, to a lesser extent, attempting to introduce Mexican heroin into new markets.

(U//FOUO) TCOs and criminal groups will increasingly exploit the opportunities for marijuana cultivation and trafficking created in states that allow "medical marijuana" grows and have legalized marijuana possession. Marijuana abuse levels will increase over the next decade, particularly if its use continues to be increasingly accepted by adolescents.

(U) The threat posed by synthetic cannabinoids and synthetic cathinones will most likely continue to increase. The chemical make-up of these drugs often differs by only one compound. As DEA exercises its scheduling authority to control certain substances, producers will quickly change the chemical component of the newly banned substance to create a new one.

(U//LES) Mexican traffickers will continue to dominate methamphetamine trafficking both in the wholesale and retail markets, and will attempt to break into historically non-traditional markets. Methamphetamine will remain highly pure as the gap between potency and purity continues to narrow; prices will remain low. With the inflow of high-quality Mexico-produced methamphetamine, large-scale domestic production will continue to diminish; however, it will not disappear.

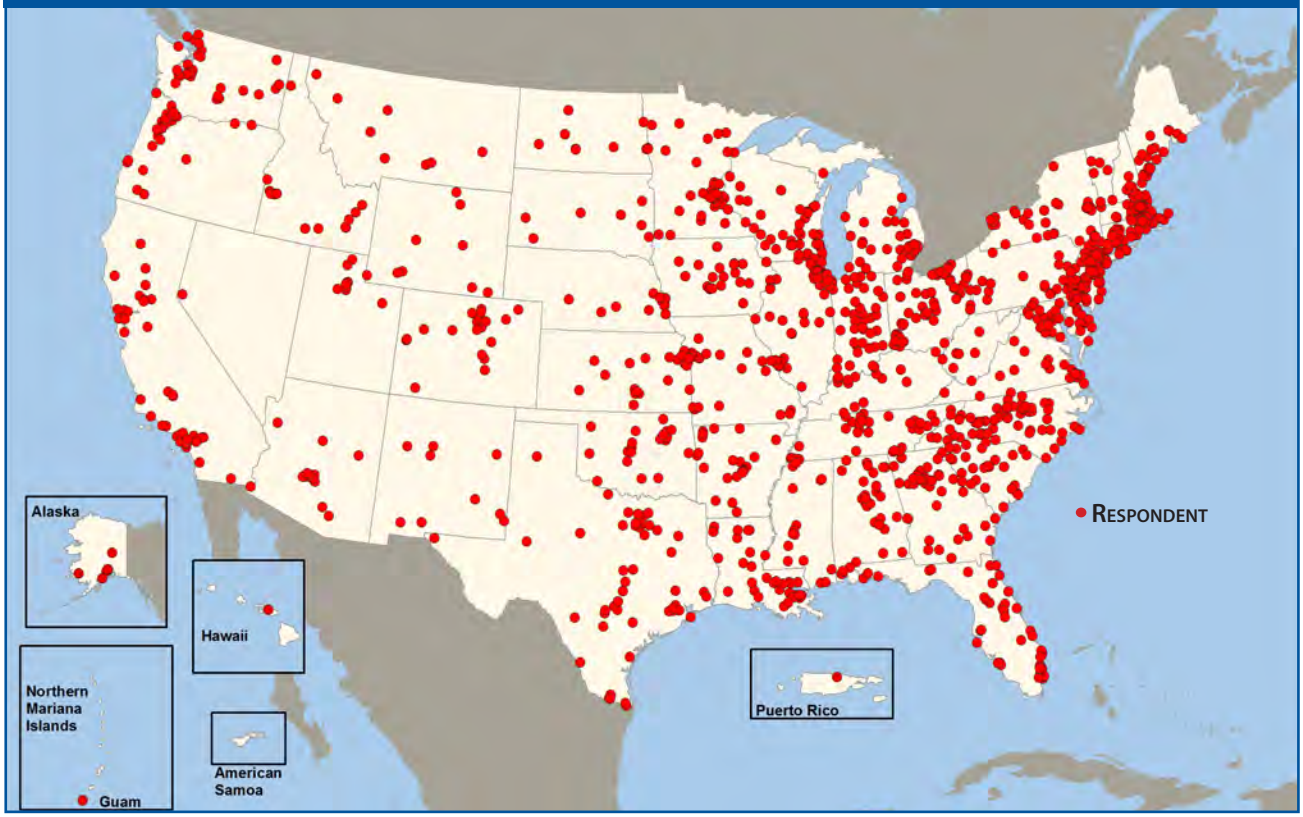
(U) The implementation of legislation to curb the diversion of CPDs through pill mills will likely force abusers and distributors to obtain CPDs in other areas of the country where little or no legislation currently exists, thereby exacerbating the CPD threat in those areas, or in other countries such as Canada and Mexico. Additionally, the proliferation of online pharmacies that dispense CPDs without prescriptions will continue to be a concern for law enforcement.

(U) Appendix A: Maps

(U) Map A1: Nine OCDETF Regions

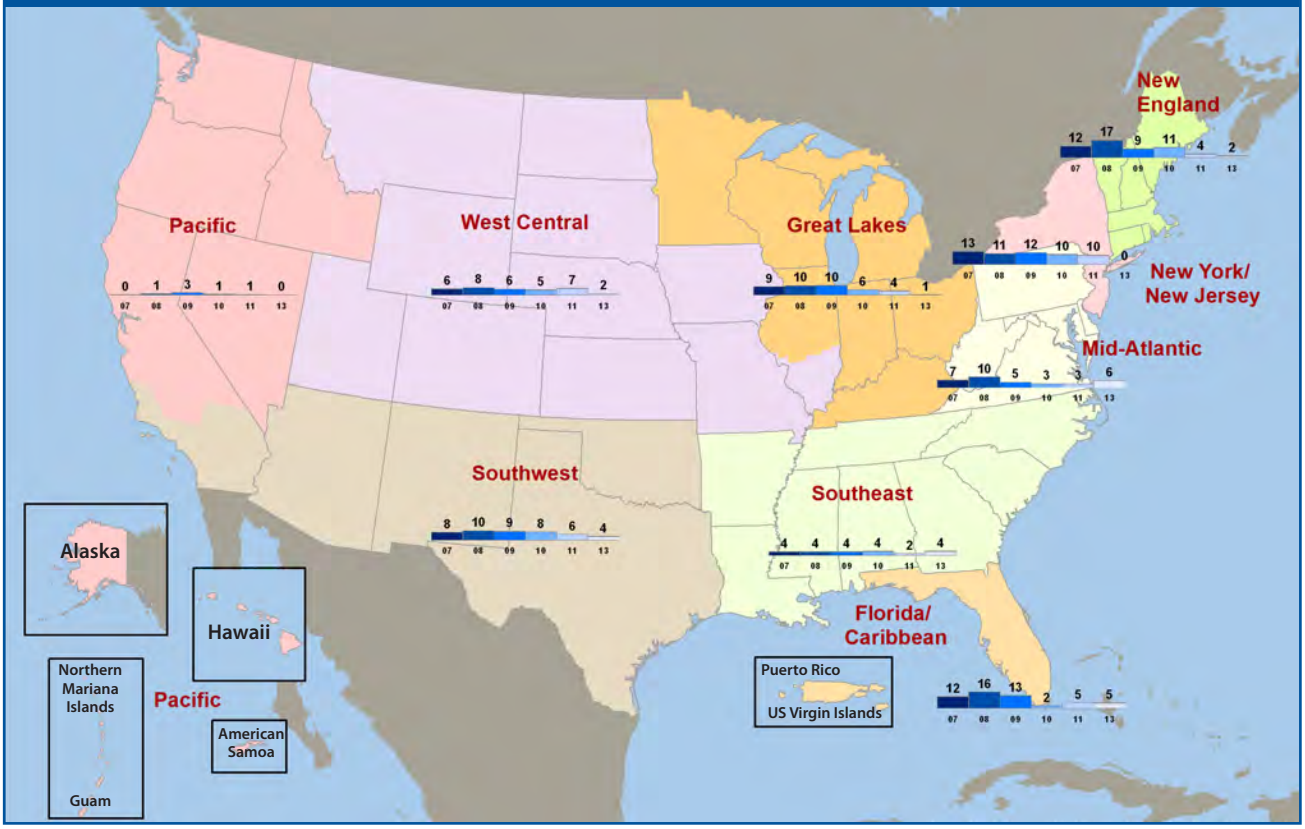
Source: Organized Crime Drug Enforcement Task Force

(U) Map A2: Locations of Respondents to NDTS 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2013

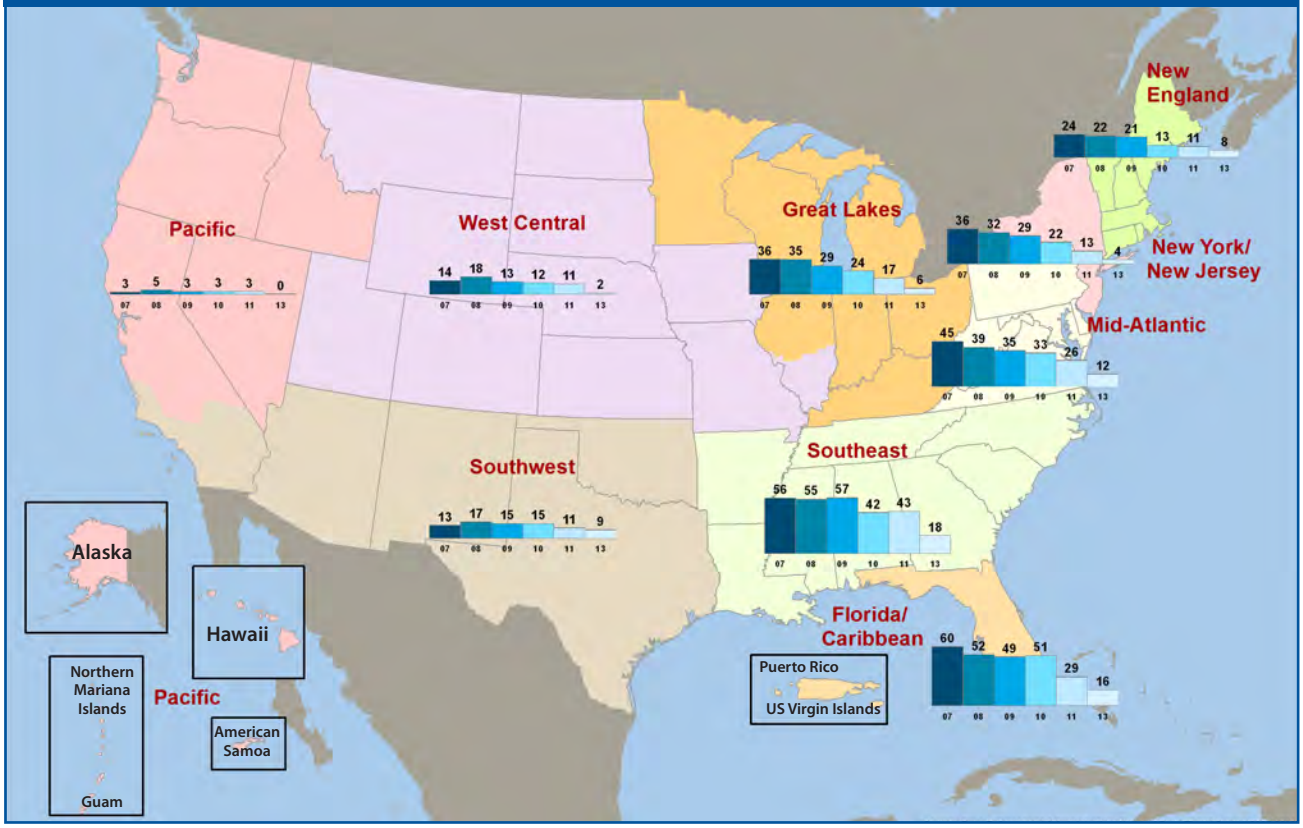
(U) Map A3: Powder Cocaine as the Greatest Drug Threat, Represented Regionally, as Reported by State and Local Agencies 2007–2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

Note: The National Drug Threat Survey was not administered in 2012.

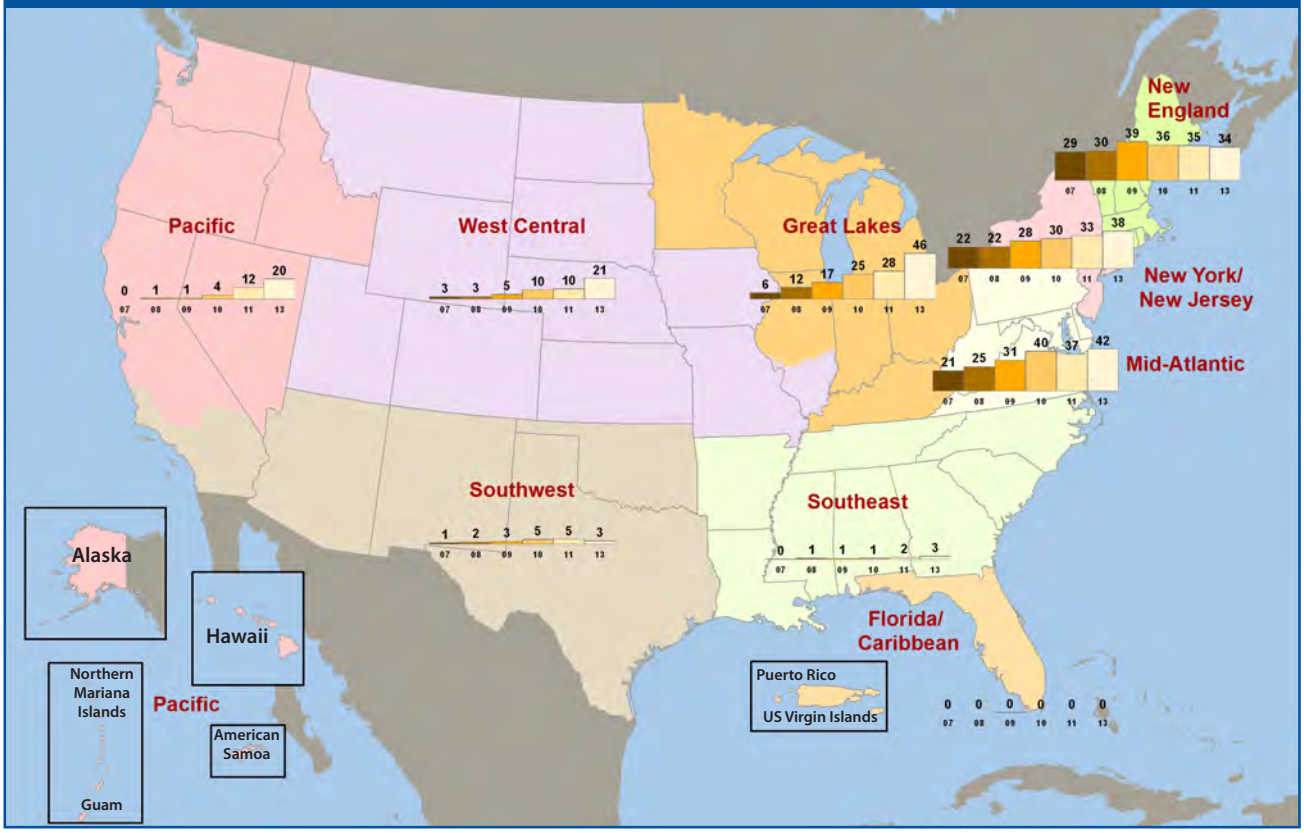
(U) Map A4: Crack Cocaine as the Greatest Drug Threat, Represented Regionally, as Reported by State and Local Agencies 2007–2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

Note: The National Drug Threat Survey was not administered in 2012.

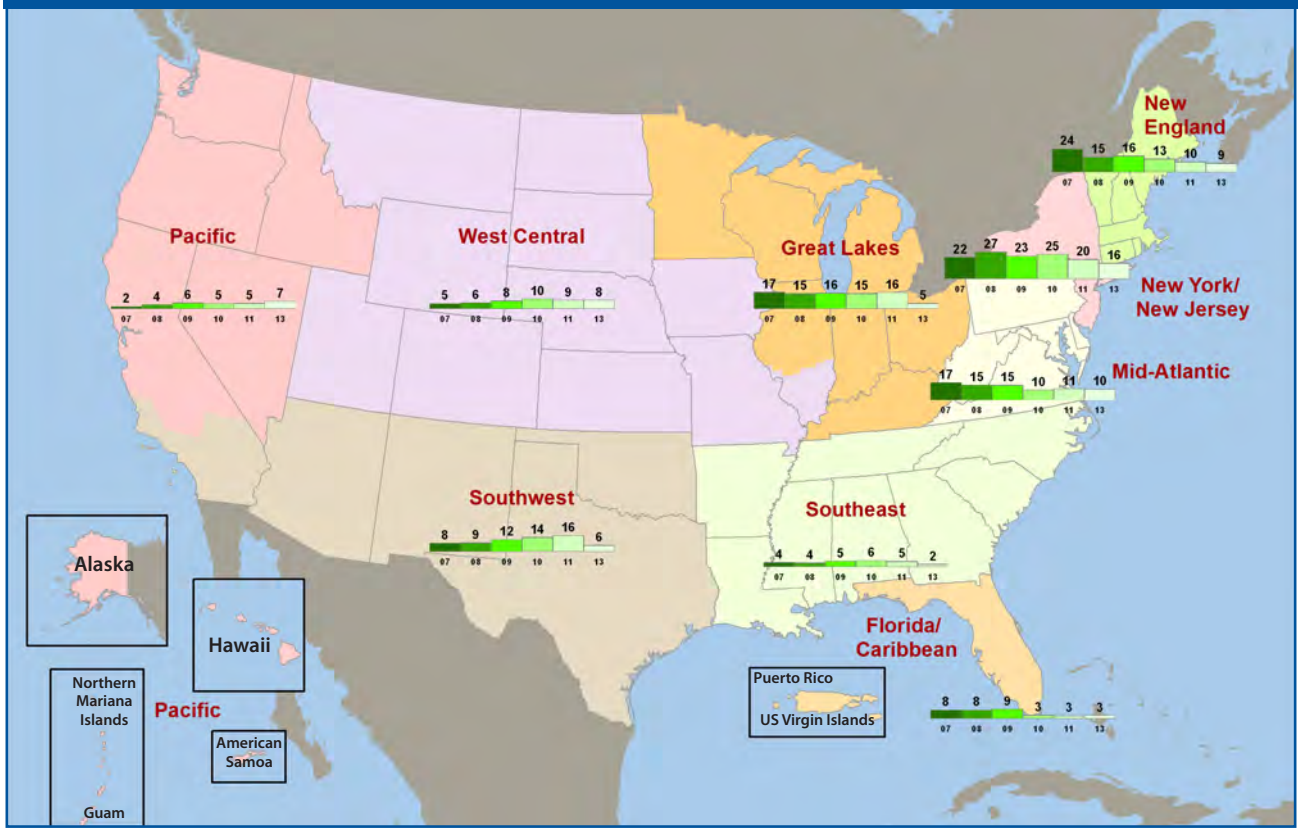
(U) Map A5: Heroin as the Greatest Drug Threat, Represented Regionally, as Reported by State and Local Agencies 2007–2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

Note: The National Drug Threat Survey was not administered in 2012.

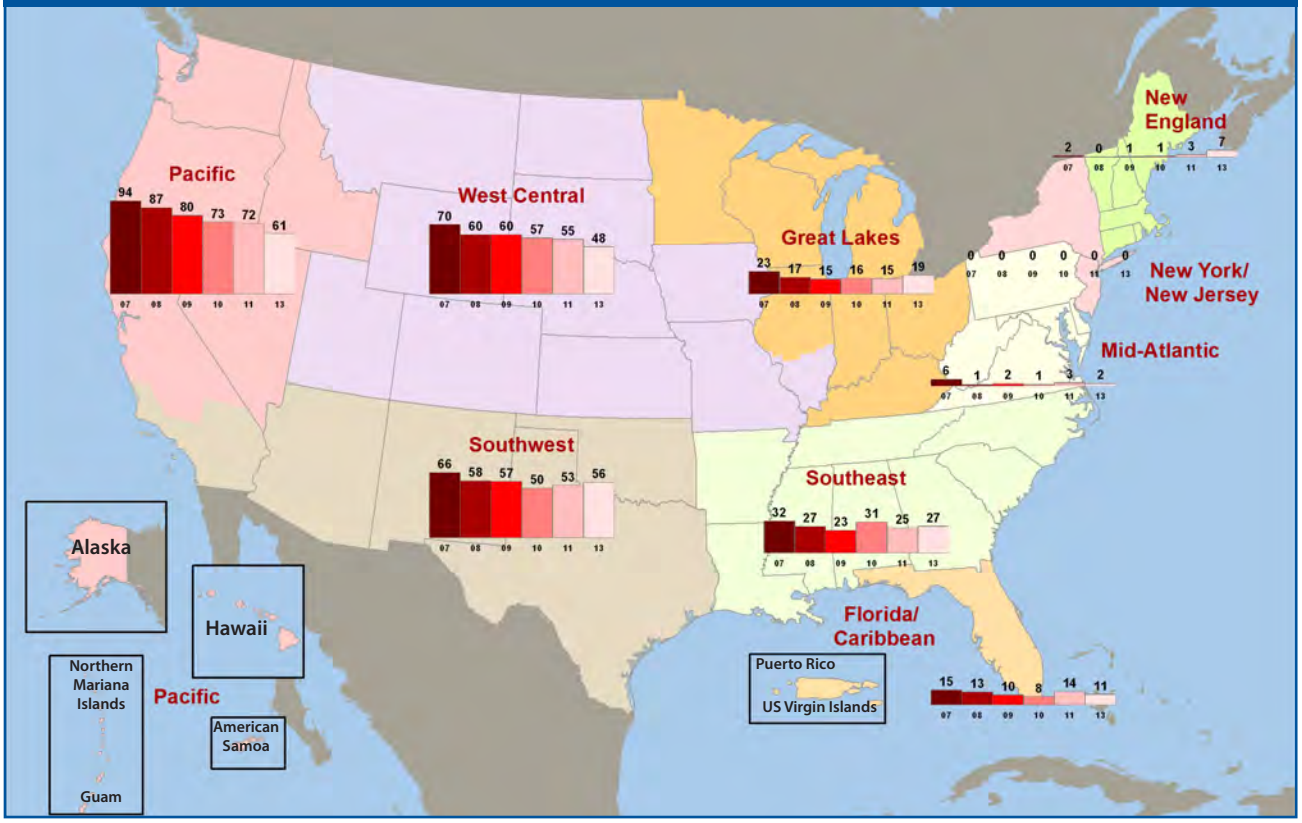
(U) Map A6: Marijuana as the Greatest Drug Threat, Represented Regionally, as Reported by State and Local Agencies 2007–2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

Note: The National Drug Threat Survey was not administered in 2012.

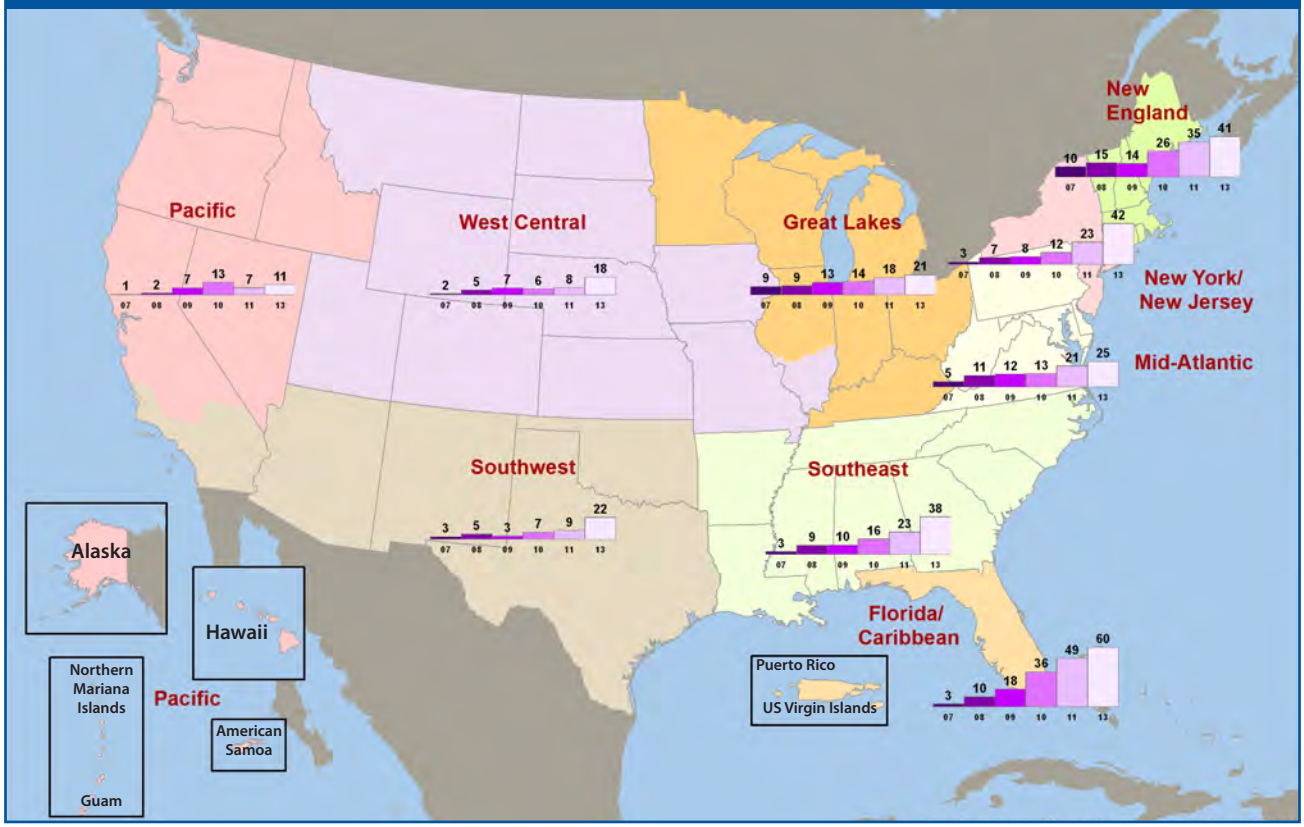
(U) Map A7: Methamphetamine as the Greatest Drug Threat, Represented Regionally, as Reported by State and Local Agencies 2007–2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

Note: The National Drug Threat Survey was not administered in 2012.

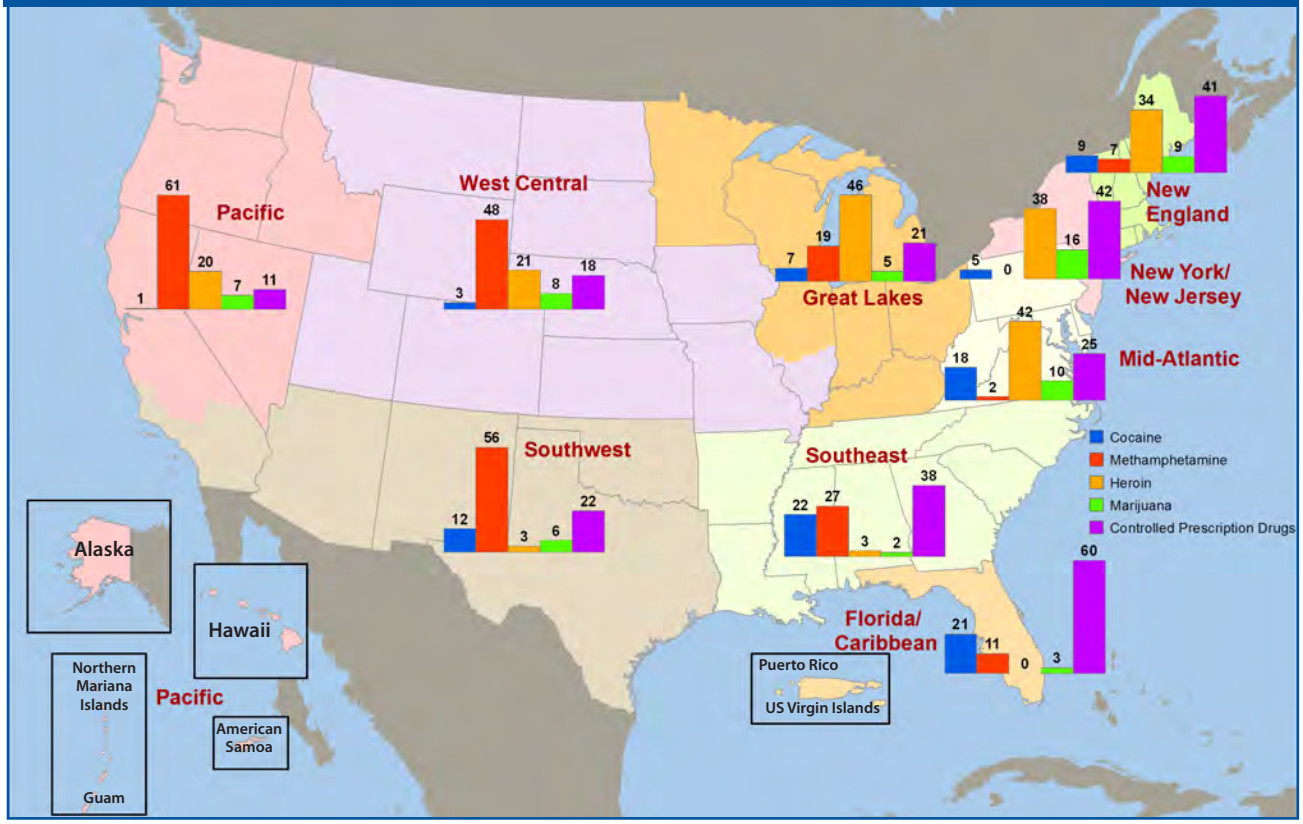
(U) Map A8: Controlled Prescription Drugs as the Greatest Drug Threat, Represented Regionally, as Reported by State and Local Agencies, 2007–2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

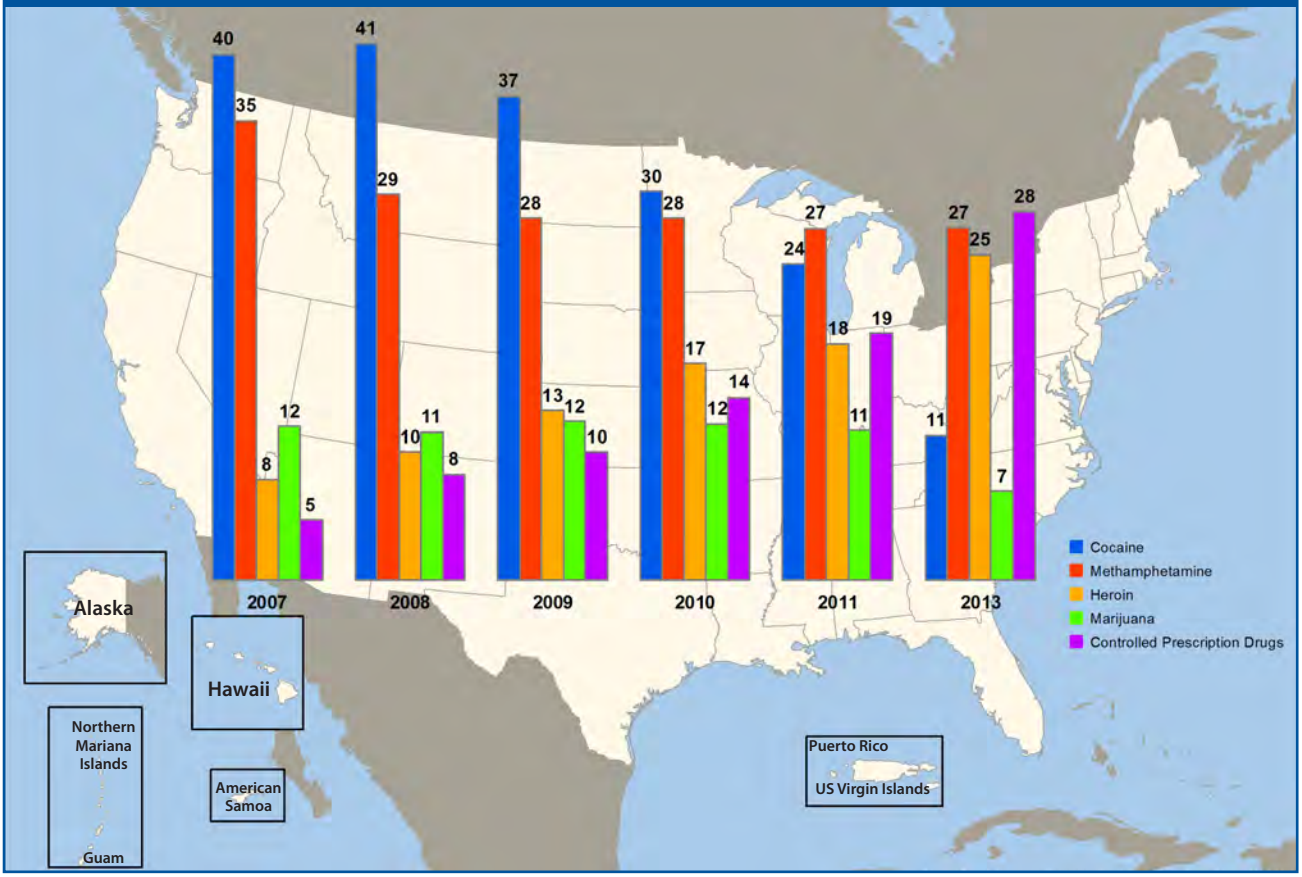
Note: The National Drug Threat Survey was not administered in 2012.

(U) Map A9: Greatest Drug Threat Represented Regionally, as Reported by State and Local Agencies 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2013

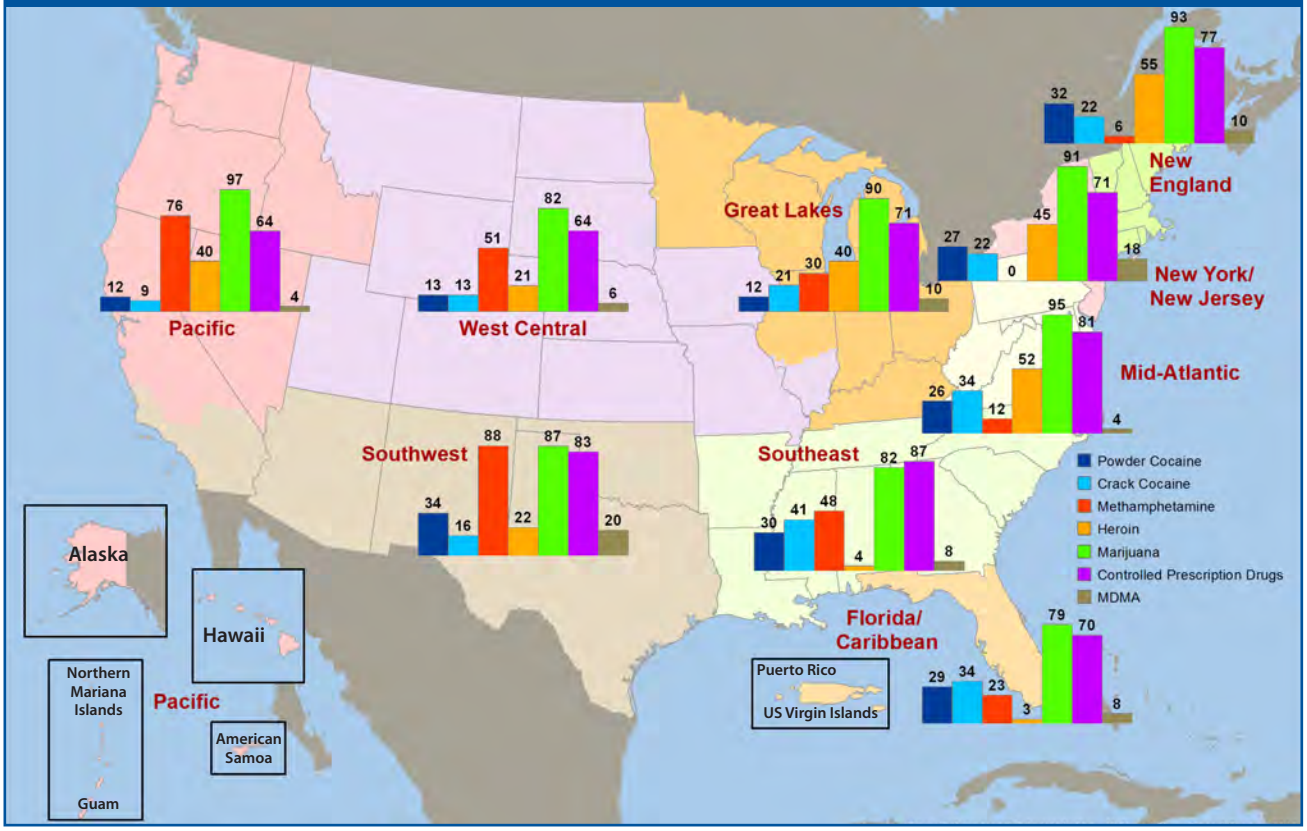
(U) Map A10: Greatest Drug Threat Represented Nationally, As Reported by State and Local Agencies 2007 - 2011, 2013



Source: Drug Enforcement Administration, National Drug Threat Survey 2007 - 2011, 2013

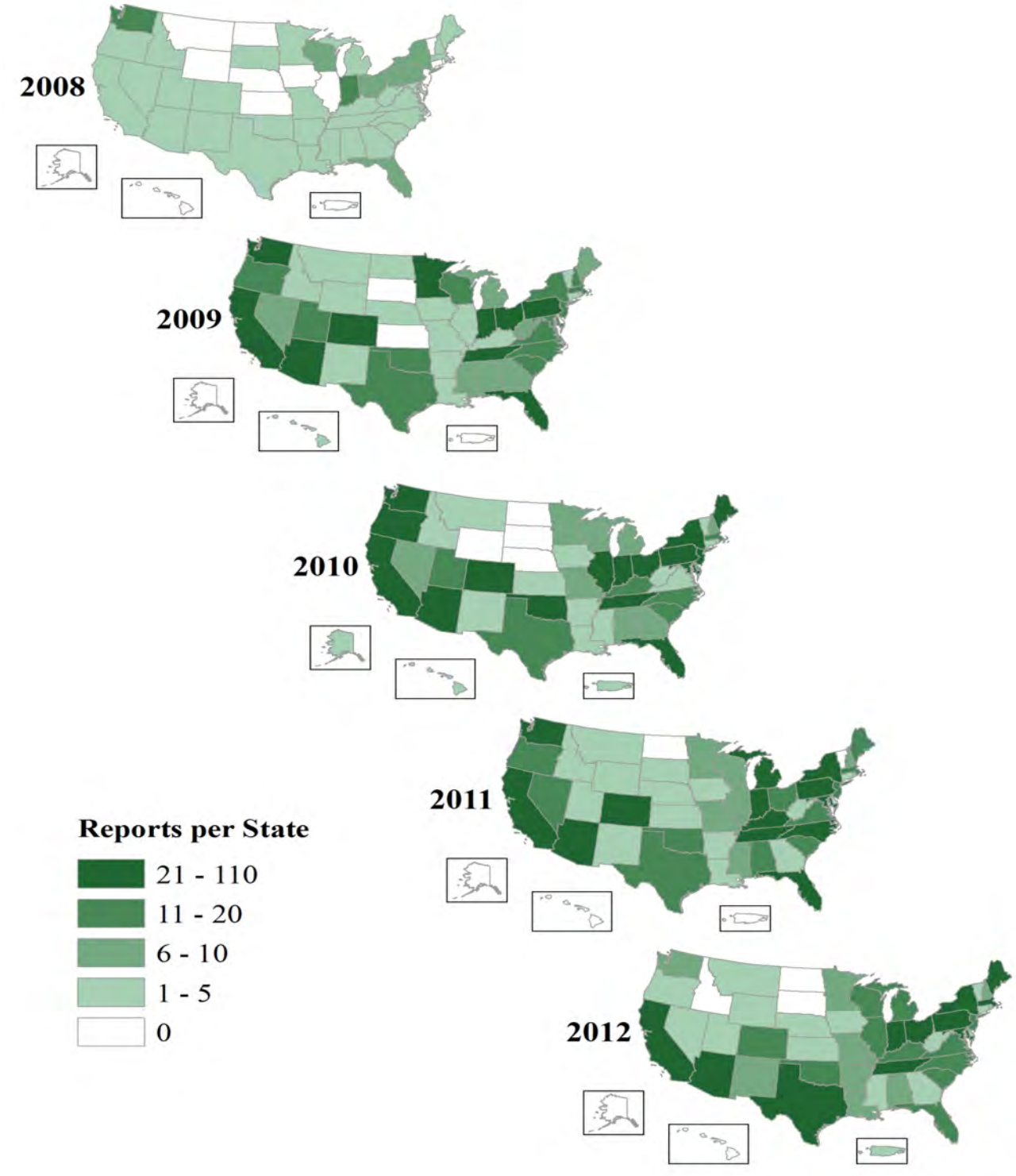
Note: The National Drug Threat Survey was not administered in 2012.

(U) Map A11: 2013 Drug Availability by Region—Percentage of State and Local Agencies Reporting High Availability



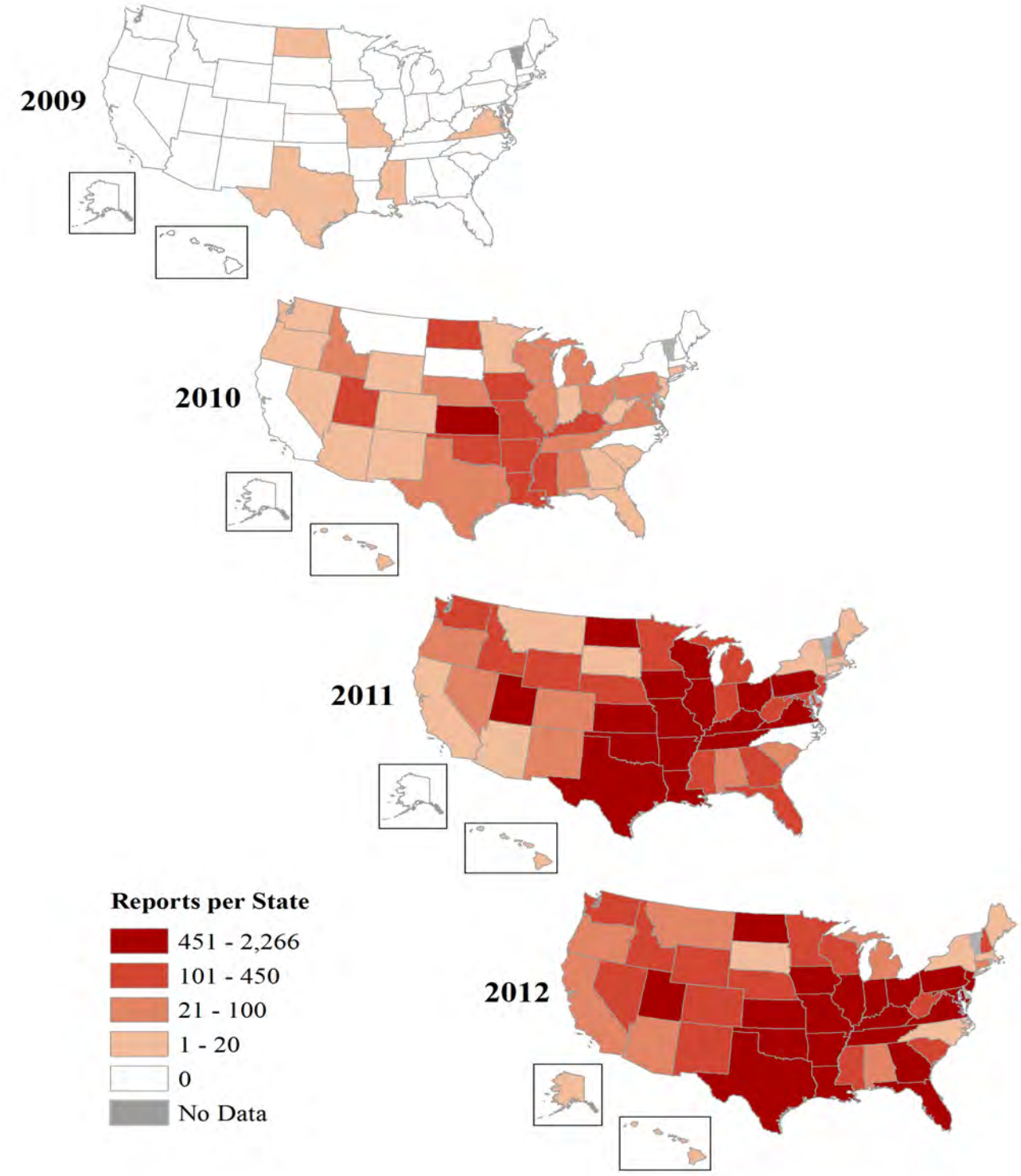
Source: Drug Enforcement Administration, National Drug Threat Survey 2013

(U//LES) Map A12: Armed Robberies Reported by Pharmacies, 2008 - 2012



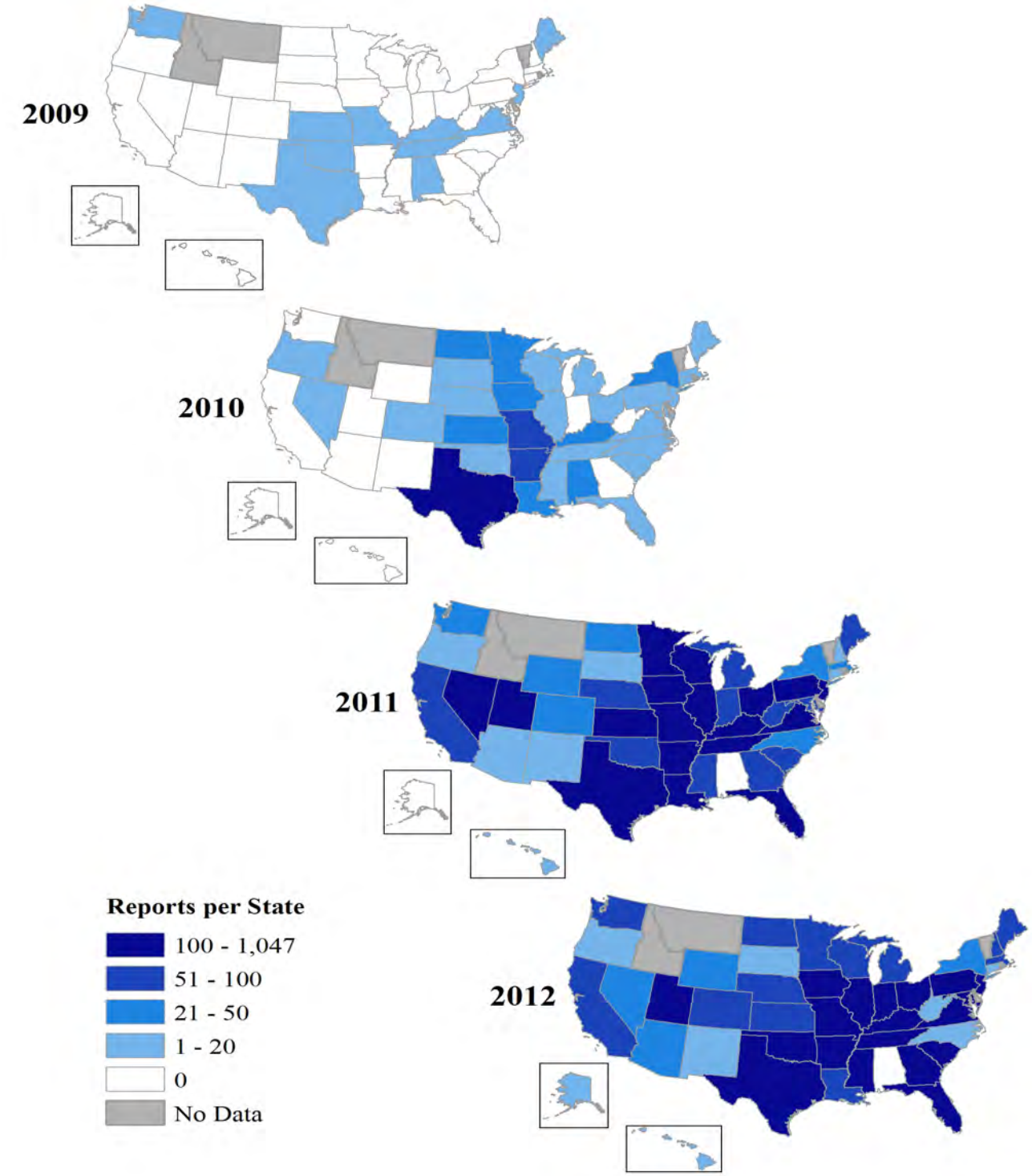
Source: Drug Enforcement Administration, Drug Theft and Loss Database

(U) Map A13: Synthetic Cannabinoid Reports, by State, 2009 - 2012



Source: National Forensic Laboratory Information System (NFLIS)

(U) Map A14: Synthetic Cathinone Reports, by State, 2009 - 2012



Source: National Forensic Laboratory Information System (NFLIS)

(U) Appendix B: Tables

(U) Table B1. Percentage of NDTS Respondents Reporting Greatest Drug Threat, by Drug, by Region

OCDETF Region	Cocaine	Methamphetamine	Heroin	Marijuana	CPDs
Florida/Caribbean	21.0	10.6	0.0	3.0	60.4
Great Lakes	7.0	19.0	46.2	5.2	20.5
Mid-Atlantic	17.6	1.9	42.3	10.3	25.0
New England	9.2	7.3	33.7	8.7	41.1
New York/New Jersey	4.9	0.0	37.7	15.7	41.7
Pacific	0.6	61.0	20.4	7.4	10.6
Southeast	22.5	27.0	3.1	2.2	38.0
Southwest	12.5	56.0	3.1	6.1	22.0
West Central	3.5	48.0	21.0	8.4	18.1
Nationwide	11.0	26.9	24.8	6.8	28.1

Source: National Drug Threat Survey 2013

(U) Table B2. Percentage of NDTS Respondents Reporting High Availability, by Drug, by Region

OCDETF Region	Powder Cocaine	Crack Cocaine	Methamphetamine	Heroin	Marijuana	CPDs
Florida/Caribbean	29.3	33.7	22.7	3.3	78.9	70.5
Great Lakes	11.9	20.9	30.4	40.1	90.2	70.6
Mid-Atlantic	25.9	34.1	11.8	51.5	94.8	81.1
New England	32.1	21.6	6.0	55.4	93.1	76.7
New York/New Jersey	27.4	21.8	0.1	45.1	91.3	70.6
Pacific	11.8	8.7	76.5	40.2	97.2	64.1
Southeast	30.5	40.8	47.7	3.9	82.4	87.2
Southwest	33.9	15.9	87.5	22.3	87.3	82.8
West Central	13.1	13.2	50.7	20.6	82.3	64.2
Nationwide	22.9	24.1	39.5	30.3	88.2	75.4

Source: National Drug Threat Survey 2013

(U) Table B3. Percentage of NDTS Respondents Reporting Nationwide High Availability, by Drug, by Calendar Years 2007-2011, 2013

	2007	2008	2009	2010	2011	2013
Powder Cocaine	37.4	38.5	36.4	34.3	28.3	22.9
Crack Cocaine	48.4	49.3	45.9	44.5	39.0	24.1
Methamphetamine	38.6	36.0	34.4	35.4	33.6	39.5
Heroin	13.4	16.8	19.5	23.4	24.3	30.3
Marijuana	89.3	90.3	90.0	90.1	90.3	88.2
Controlled Prescription Drugs (CPDs)	40.7	48.7	53.5	74.6	73.8	75.4
MDMA	9.9	10.6	12.1	11.0	10.1	10.0

Source: National Drug Threat Survey 2007-2011, 2013

Note: The National Drug Threat Survey was not administered in 2012

(U//LES) Table B4. Six Main Mexico-based TCOs with a Presence in the United States			
TCO	**CPOT Leaders**	**Primary Drugs**	**OCDETF Regions With TCO Activity**
Sinaloa Cartel	Joaquin Guzman-Loera Juan Jose Esparragoza-Moreno Ismael Mario Zambada-Garcia	Cocaine Heroin Marijuana MDMA Methamphetamine	Florida/Caribbean Great Lakes Mid-Atlantic New England New York/New Jersey Pacific Southeast Southwest West Central
Los Zetas	Miguel Angel Trevino-Morales	Cocaine Marijuana	Florida/Caribbean Great Lakes New York/New Jersey Southeast Southwest
Gulf Cartel	Jorge Eduardo Castilla-Sanchez	Cocaine Marijuana	Florida/Caribbean Great Lakes Mid-Atlantic New England New York/New Jersey Southeast Southwest
Juárez Cartel	Vicente Carrillo-Fuentes	Cocaine Marijuana	Great Lakes New York/New Jersey Southeast Southwest West Central
Los Caballeros Templarios (Split from La Familia Michoacana)	Servando Gomez-Martinez Enrique Plancarte-Solis	Cocaine Heroin Marijuana Methamphetamine	Florida/Caribbean Great Lakes New England Southeast Southwest West Central
Tijuana Cartel	Fernando Sanchez-Arellano	Cocaine Heroin Marijuana Methamphetamine	Great Lakes Pacific Southwest West Central

Source: Organized Crime Drug Enforcement Task Forces (OCDETF), Consolidated Priority Organization Targets (CPOTs), February 2013.

(U) Table B5. Admissions to Publicly Licensed Treatment Facilities, by Primary Substance, CY2006 – CY2010					
	2006	2007	2008	2009	2010
Cocaine	273,491	251,680	231,321	187,207	155,290
Powdered Cocaine	78,551	71,707	66,542	52,992	45,540
Crack Cocaine	194,940	179,973	164,779	134,215	109,750
Heroin	267,968	262,226	281,746	286,686	270,855
Marijuana	310,155	308,399	348,405	363,224	353,271
Methamphetamine	161,391	146,302	127,216	116,880	115,360
Other Opiates*	84,196	99,254	122,836	143,564	166,233

*The TEDS "Other Opiates" category is comprised of CPD painkillers.

Source: Treatment Episode Data Set

(U) Table B6. Estimated Number of Emergency Department Visits Involving Illicit Drugs, CY2006 – CY2010					
	2006	2007	2008	2009	2010
Cocaine	548,608	553,530	482,188	422,901	488,101
Heroin	189,787	188,162	200,666	213,118	224,706
Marijuana	290,565	308,547	374,438	376,486	461,028
Methamphetamine	79,924	67,954	66,308	64,117	94,929
MDMA	16,784	12,751	17,886	22,846	21,836
CPD Painkillers	84,671	94,448	123,948	146,377	179,787

Source: Drug Abuse Warning Network

(U) Table B7. Total US Seizures, by Drug, in Kilograms, CY2008 – CY2012					
	2008	2009	2010	2011	2012
Cocaine	51,985.3	59,806.2	60,923.4	67,032.3	41,857.7
Heroin	2,059.9	2,557.7	3,286.6	3,926.0	4,475.9
Methamphetamine	6,420.2	6,992.4	11,672.7	13,142.7	21,000.0
Marijuana	1,656,708.6	2,287,826.5	2,358,325.0	2,144,562.6	1,859,836.8
MDMA[1]	2,438.8	3,073.6	2,079.4	943.8	432.7

Source: National Seizure System.

[1] MDMA seizures in kilograms include seizures of powder as well as dosage units (tablets). MDMA dosage units vary in size and weight depending on the manufacturing process, the type of pill press used, and the amount of adulterants incorporated into the tablets. DEA uses the conversion ratio of 7,143 tablets to 1 kilogram of MDMA powder.

(U) Table B8. Trends in Percentage of Past-Year Drug Use, CY2007–CY2011					
	2007	2008	2009	2010	2011
Cocaine (any form)					
Individuals (12 and older)	2.3	2.1	1.9	1.8	1.5
Adolescents (12-17)	1.5	1.2	1.0	1.0	0.9
Young Adults (18-25)	6.4	5.5	5.3	4.7	4.6
Adults (26 and older)	1.7	1.6	1.4	1.4	1.0
Crack					
Individuals (12 and older)	0.6	0.4	0.4	0.3	0.2
Adolescents (12-17)	0.3	0.1	0.1	0.1	0.1
Young Adults (18-25)	0.8	0.6	0.5	0.5	0.3
Adults (26 and older)	0.6	0.4	0.4	0.4	0.2
Heroin					
Individuals (12 and older)	0.1	0.2	0.2	0.2	0.2
Adolescents (12-17)	0.1	0.2	0.1	0.1	0.2
Young Adults (18-25)	0.4	0.5	0.5	0.6	0.7
Adults (26 and older)	0.1	0.1	0.2	0.2	0.2
Marijuana					
Individuals (12 and older)	10.1	10.3	11.3	11.6	11.5
Adolescents (12-17)	12.5	13.0	13.6	14.0	14.2
Young Adults (18-25)	27.5	27.6	30.6	30.0	30.8
Adults (26 and older)	6.8	7.0	7.7	8.0	7.9
Methamphetamine					
Individuals (12 and older)	0.5	0.3	0.5	0.4	0.4
Adolescents (12-17)	0.5	0.4	0.4	0.4	0.4
Young Adults (18-25)	1.2	0.8	0.9	0.8	0.7
Adults (26 and older)	0.4	0.3	0.4	0.3	0.4
MDMA					
Individuals (12 and older)	0.9	0.9	1.1	1.0	0.9
Adolescents (12-17)	1.3	1.4	1.7	1.9	1.7
Young Adults (18-25)	3.5	3.9	4.3	4.4	4.1
Adults (26 and older)	0.3	0.3	0.5	0.4	0.3
Prescription Psychotherapeutics					
Individuals (12 and older)	5.0	4.8	4.9	4.8	4.3
Adolescents (12-17)	6.7	6.5	6.6	6.3	5.9
Young Adults (18-25)	12.1	12.0	11.9	11.1	9.8
Adults (26 and older)	3.6	3.3	3.5	3.6	3.2

Source: National Survey on Drug Use and Health

(U) Table B9. Adolescent Trends in Percentage of Past Year Drug Use CY2008–CY2012					
	2008	2009	2010	2011	2012
Cocaine (any form)					
8th Grade	1.8	1.6	1.6	1.4	1.2
10th Grade	3.0	2.7	2.2	1.9	2.0
12th Grade	4.4	3.4	2.9	2.9	2.7
Crack					
8th Grade	1.1	1.1	1.0	0.9	0.6
10th Grade	1.3	1.2	1.0	0.9	0.8
12th Grade	1.6	1.3	1.4	1.0	1.2
Heroin					
8th Grade	0.9	0.7	0.8	0.7	0.5
10th Grade	0.8	0.9	0.8	0.8	0.6
12th Grade	0.7	0.7	0.9	0.8	0.6
Marijuana					
8th Grade	10.9	11.8	13.7	12.5	11.4
10th Grade	23.9	26.7	27.5	28.8	28.0
12th Grade	32.4	32.8	34.8	36.4	36.4
Methamphetamine					
8th Grade	1.2	1.0	1.2	0.8	1.0
10th Grade	1.5	1.6	1.6	1.4	1.0
12th Grade	1.2	1.2	1.0	1.4	1.1
MDMA					
8th Grade	1.7	1.3	2.4	1.7	1.1
10th Grade	2.9	3.7	4.7	4.5	3.0
12th Grade	4.3	4.3	4.5	5.3	3.8
Prescription Narcotics					
8th Grade	NA	NA	NA	NA	NA
10th Grade	NA	NA	NA	NA	NA
12th Grade	9.1	9.2	8.7	8.7	7.9

Source: Monitoring the Future

(U) Table B10. Number of Synthetic Cannabinoid Reports Submitted to the National Forensic Laboratory Information System (NFLIS), CY2009 - CY2012

Synthetic Cannabinoid	2009	2010	2011	2012
A-796,260	0	0	0	53
AB-001 (1-PENTYL-3-(1-ADAMANTOYL)INDOLE)	0	0	8	25
AKB48 (N-(1-ADAMANTYL)-1-PENTYL-1H-INDAZOLE-3-CARBOXAMIDE)	0	0	47	374
AKB48 N-(5-FLUOROPENTYL)	0	0	0	2
AM-1220 (1-[(N-METHYL-2-PIPERIDINYL)METHYL]-3-(1-NAPHTHOYL)INDOLE)	0	0	10	25
AM-1241 (1-(METHYLPIPERIDIN-2-YLMETHYL)-3-(2-IODO-5-NITROBENZOYL)INDOLE)	0	0	0	4
AM-1248 (1-[(N-METHYLPIPERIDIN-2-YL)METHYL]-3-(ADAMANT-1-OYL)INDOLE)	0	0	1	51
AM-2201 (1-(5-FLUOROPENTYL)-3-(1-NAPHTHOYL)INDOLE)	0	13	6,828	11,365
AM-2201 N-(4-FLUOROPENTYL)	0	0	0	1
AM-2233 (1-[(N-METHYL-2-PIPERIDINYL)METHYL]-3-(2-IODOBENZOYL)INDOLE)	0	0	16	131
AM-356 (METHANANDAMIDE)	0	1	0	1
AM-679 (1-PENTYL-3-(2-IODOBENZOYL)INDOLE)	0	0	0	7
AM-694 (1-(5-FLUOROPENTYL)-3-(2-IODOBENZOYL)INDOLE)	0	6	118	26
CB-13 (1-NAPHTHALENYL[4-(PENTYLOXY)-1-NAPHTHALENYL]METHANONE)	0	0	46	48
CP 47,497 (5-(1,1-DIMETHYLHEPTYL)-2-(3-HYDROXYCYCLOHEXYL)-PHENOL)	0	0	3	2
CP 47,497-C8-HOMOLOG (5-(1,1-DIMETHYLOCTYL)-2-(3-HYDROXYCYCLOHEXYL)-PHENOL)	0	5	6	1
EAM-2201 (1-(5-FLUOROPENTYL)-3-(4-ETHYL-1-NAPHTHOYL)INDOLE)	0	0	0	5
HU-210 (((6AR,10AR)-9-(HYDROXYMETHYL)-6,6-DIMETHYL-3-(2-METHYLOCTAN-2-YL)-6A,7,10, 10A-TETRAHYDROBENZO[C]CHROMEN-1-OL)	0	0	1	3
HU-211 (((6AS,10AS)-9-(HYDROXYMETHYL)-6,6-DIMETHYL-3-(2-METHYLOCTAN-2-YL)-6A,7,10, 10A-TETRAHYDROBENZO[C]CHROMEN-1-OL)	0	0	1	1
HU-308 (4-[4-(1,1-DIMETHYLHEPTYL)-2,6-DIMETHOXYPHENYL]-6,6-DIMETHYL-BICYCLO[3.1.1]HEPT-2-ENE-2-METHANOL)	0	0	0	4
JWH-015 ((2-METHYL-1-PROPYL-1H-INDOL-3-YL)-1-NAPHTHALENYLMETHANONE)	0	0	4	0
JWH-018 (1-PENTYL-3-(1-NAPHTHOYL)INDOLE)	19	2,049	3,097	779
JWH-018 ADAMANTYL CARBOXAMIDE	0	0	6	40
JWH-019 (1-HEXYL-3-(1-NAPHTHOYL)INDOLE)	0	15	154	59
JWH-022 (1-PENTYL-3-(4-METHYL-1-NAPHTHOYL)INDOLE)	0	0	24	41
JWH-073 (1-BUTYL-3-(1-NAPHTHOYL)INDOLE)	2	301	522	76
JWH-081 ([1-PENTYL-3-[1-(4-METHOXY)NAPHTHOYL]INDOLE])	0	182	1,117	283
JWH-122 (1-PENTYL-3-(4-METHYL-1-NAPHTHOYL)INDOLE)	0	0	2,691	2,015
JWH-122 N-(4-PENTENYL) ANALOG	0	0	0	21
JWH-200 ([1-[2-(4-MORPHOLINYL)ETHYL]-3-(1-NAPTHOYL)INDOLE])	0	61	55	6
JWH-201 (1-PENTYL-3-(4-METHOXYPHENYLACETYL)INDOLE)	0	2	19	3
JWH-203 (1-PENTYL-3-(2-CHLOROPHENYLACETYL)INDOLE)	0	0	589	177
JWH-210 (1-PENTYL-3-(4-ETHYL-1-NAPHTHOYL)INDOLE)	0	13	1,894	1,495
JWH-250 (1-PENTYL-3-(2-METHOXYPHENYLACETYL)INDOLE)	0	461	2,650	532
JWH-251 (1-PENTYL-3-(2-METHYLPHENYLACETYL)INDOLE)	0	3	3	1
JWH-267 (1-PENTYL-3-(2-METHOXY-1-NAPHTHOYL)INDOLE)	0	0	0	1
JWH-302 (1-PENTYL-3-(3-METHOXYPHENYLACETYL)INDOLE)	0	3	33	6
MAM-2201 (1-(5-FLUOROPENTYL)-3-(4-METHYL-1-NAPHTHOYL)INDOLE)	0	0	0	1,208
RCS-4 (1-PENTYL-3-(4-METHOXYBENZOYL)INDOLE)	0	18	628	154
RCS-4, C4 HOMOLOG (1-BUTYL-3-(4-METHOXYBENZOYL)INDOLE)	0	0	4	1
RCS-8 (1-(2-CYCLOHEXYLETHYL)-3-(2-METHOXYPHENYLACETYL)INDOLE)	0	3	78	61
STS-135 (N-ADAMANTYL-1-FLUOROPENTYLINDOLE-3-CARBOXAMIDE)	0	0	0	40

(U) Table B10. Continued

Synthetic Cannabinoid	2009	2010	2011	2012
SYNTHETIC CANNABINOID	0	112	1,182	1,188
SYNTHETIC CANNABINOID (BENZOYLINDOLES)	0	0	6	2
SYNTHETIC CANNABINOID (NAPHTHOYLINDOLES)	0	3	176	444
SYNTHETIC CANNABINOID (PHENYLACETYLINDOLES)	0	0	43	64
UR-144 ((1-PENTYLINDOL-3-YL)-(2,2,3,3-TETRAMETHYLCYCLOPROPYL)METHANONE)	0	1	0	4,129
UR-144 N-(5-CHLOROPENTYL) ANALOG	0	0	0	1
URB597 (3-(AMINOCARBONYL)[1,1-BIPHENYL]-3-YL)-CYCLOHEXYLCARBAMATE)	0	0	3	37
URB-602 (CYCLOHEXYL BIPHENYL-3-YLCARBAMATE)	0	0	4	153
URB754 (6-METHYL-2-[(4-METHYLPHENYL)AMINO]-1-BENZOXAZIN-4-ONE)	0	0	40	376
WIN 55,212-2	0	0	2	0
XLR-11 (1-(5-FLUOROPENTYL-1H-3-YL)(2,2,3,3-TETRAMETHYLCYCLOPROPYL)METHANONE)	0	0	0	3,945
Total Number of Synthetic Cannabinoids Reports	**21**	**3,252**	**22,109**	**29,467**

Note: 2012 data is still being reported
Data from state and local laboratories based on date sent to the DEA laboratory
Data query run date: January 8, 2013
Source: U.S. Department of Justice, Drug Enforcement Administration, Office of Diversion Control, National Forensic Laboratory Information System

(U) Table B11. Number of Synthetic Cathinone Reports Submitted to the National Forensic Laboratory Information System (NFLIS), CY2009 - CY2012

Synthetic Cannabinoid	2009	2010	2011	2012
3,4-DIMETHYLMETHCATHINONE (3,4-DMMC)	0	0	6	16
3,4-METHYLENEDIOXYETHYLCATHINONE (ETHYLONE)	0	0	11	40
3-METHYLETHCATHINONE (3-MEC)	0	0	0	3
4-FLUOROISOCATHINONE	0	0	0	3
4'-METHOXY-ALPHA-PYRROLIDINOPROPIOPHENONE (MOPPP)	0	0	0	1
4'-METHYL-ALPHA-PYRROLIDINOHEXIOPHENONE (MPHP)	0	0	0	8
4'-METHYL-ALPHA-PYRROLIDINOPROPIOPHENONE (4-MEPPP)	0	0	79	152
4-METHYLBUPHEDRONE	0	0	0	6
4-METHYLMETHCATHINONE (4-MMC) (MEPHEDRONE)	9	232	308	35
4-METHYL-N-ETHYLCATHINONE (4-MEC)	0	5	173	681
ALPHA-PYRROLIDINOBUTIOPHENONE (ALPHA-PBP)	0	0	0	43
ALPHA-PYRROLIDINOPENTIOPHENONE (ALPHA-PVP)	0	0	15	1,873
BUPHEDRONE (ALPHA-METHYLAMINO-BUTYROPHENONE (MABP))	0	0	0	24
BUTYLONE (SS-KETO-N-METHYLBENZO-DIOXYLPROPYLAMINE)	0	3	170	188
DIBUTYLONE (BETA-KETO-N,N-DIMETHYL-1,3-BENZODIOXOLYLBUTANAMINE; BK-DMBDB)	0	0	2	1
DIMETHYLONE (3,4-METHYLENEDIOXYDIMETHYLCATHINONE; BK-MDDMA)	0	0	0	1
ETHYLCATHINONE	0	7	4	19
FLUOROMETHCATHINONE	0	4	167	88
ISOPENTEDRONE (1-METHYLAMINO-1PHENYLPENTAN-2-ONE)	0	0	2	2
MDPBP (3',4'-METHYLENEDIOXY-ALPHA-PYRROLIDINOBUTIOPHENONE)	0	0	11	10
MDPPP (3,4-METHYLENEDIOXY-A-PYRROLIDINOPROPIOPHENONE)	0	1	0	10
METHCATHINONE	11	8	20	16
METHEDRONE (4-METHOXYMETHCATHINONE)	0	0	9	9
METHYLENEDIOXYPYROVALERONE (MDPV)	2	304	3,248	2,649
NAPHTHYLPYROVALERONE (NAPHYRONE)	0	1	20	11
N-ETHYLBUPHEDRONE	0	0	0	3
N-METHYL-3,4-METHYLENEDIOXYCATHINONE (METHYLONE)	4	71	1,700	2,436
PENTEDRONE (2-(METHYLAMINO)-1-PHENYLPENTAN-1-ONE)	0	0	119	718
PENTYLONE (SS-KETO-METHYLBENZODIOXOLYLPENTANAMINE)	0	0	34	120
SUBSTITUTED CATHINONE	0	0	68	23
Total Synthetic Cathinone Reports	**26**	**636**	**6,166**	**9,189**

Note: 2012 data is still being reported
Data from state and local laboratories based on date sent to the DEA laboratory

Data query run date: January 8, 2013

(U) Table B12: Synthetic Drug Abuse Prevention Act 2012
Banned Synthetic Substances
2-(3-hydroxycyclohexyl)phenol with substitution at the 5-position of the phenolic ring by alkyl or alkenyl, whether or not substituted on the cyclohexyl ring to any extent
3-(1-naphthoyl)indole or 3-(1-naphthylmethane)indole by substitution at the nitrogen atom of the indole ring, whether or not further substituted on the indole ring to any extent, whether or not substituted on the naphthoyl or naphthyl ring to any extent
3-(1-naphthoyl)pyrrole by substitution at the nitrogen atom of the pyrrole ring, whether or not further substituted in the pyrrole ring to any extent, whether or not substituted on the naphthoyl ring to any extent
1-(1-naphthylmethylene)indene by substitution of the 3-position of the indene ring, whether or not further substituted in the indene ring to any extent, whether or not substituted on the naphthyl ring to any extent
3-phenylacetylindole or 3-benzoylindole by substitution at the nitrogen atom of the indole ring, whether or not further substituted in the indole ring to any extent, whether or not substituted on the phenyl ring to any extent
5-(1,1-dimethylheptyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (CP-47,497)
5-(1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (cannabicyclohexanol or CP-47,497 C8-homolog)
1-pentyl-3-(1-naphthoyl)indole (JWH-018 and AM678)
1-butyl-3-(1-naphthoyl)indole (JWH-073)
1-hexyl-3-(1-naphthoyl)indole (JWH-019)
1-[2-(4-morpholinyl)ethyl]-3-(1-naphthoyl)indole (JWH-200)
1-pentyl-3-(2-methoxyphenylacetyl)indole (JWH-250)
1-pentyl-3-[1-(4-methoxynaphthoyl)]indole (JWH-081)
1-pentyl-3-(4-methyl-1-naphthoyl)indole (JWH-122)
1-pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398)
1-(5-fluoropentyl)-3-(1-naphthoyl)indole (AM2201)
1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole (AM694)
1-pentyl-3-[(4-methoxy)-benzoyl]indole (SR-19 and RCS-4)
1-cyclohexylethyl-3-(2-methoxyphenylacetyl)indole (SR-18 and RCS-8)
1-pentyl-3-(2-chlorophenylacetyl)indole (JWH-203)
4-methylmethcathinone (Mephedrone)
3,4-methylenedioxypyrovalerone (MDPV)
2-(2,5-Dimethoxy-4-ethylphenyl)ethanamine (2C-E)
2-(2,5-Dimethoxy-4-methylphenyl)ethanamine (2C-D)
2-(4-Chloro-2,5-dimethoxyphenyl)ethanamine (2C-C)
2-(4-Iodo-2,5-dimethoxyphenyl)ethanamine (2C-I)
2-[4-(Ethylthio)-2,5-dimethoxyphenyl]ethanamine (2C-T-2)
2-[4-(Isopropylthio)-2,5-dimethoxyphenyl]ethanamine (2C-T-4)
2-(2,5-Dimethoxyphenyl)ethanamine (2C-H)
2-(2,5-Dimethoxy-4-nitro-phenyl)ethanamine (2C-N)
2-(2,5-Dimethoxy-4-(n)-propylphenyl)ethanamine (2C-P)

Source: S. 3190 (112th): Synthetic Drug Abuse Prevention Act of 2012

(U) Appendix C: Scope and Methodology

(U) The *2013 National Drug Threat Assessment (NDTA)* is a comprehensive assessment of the threat posed to the United States by the trafficking and abuse of illicit drugs. The report provides a strategic analysis of the domestic drug situation during 2012, based upon the most recent law enforcement, intelligence, and public health data available for the period. It also considers data and information beyond 2012, when appropriate, to provide the most accurate assessment possible to policymakers, law enforcement authorities, and intelligence officials.

(U) The *NDTA 2013* factors in information provided by 1,307 state and local law enforcement agencies through the National Drug Threat Survey (NDTS) 2013. (See Maps A2–A11 in Appendix A and Tables B1-B3 in Appendix B.) NDTS data used in this report do not imply that there is only one drug threat per state or region or that only one drug is available per state or region. A percentage given for a state or region represents the proportion of state and local law enforcement agencies in that state or region that identified a particular drug as their greatest threat or as available at low, moderate, or high levels.

(U) This report addresses emerging developments related to the trafficking and use of primary illicit substances of abuse, the nonmedical use of CPDs, and the laundering of proceeds generated through illicit drug sales. It also addresses the role that TCOs and organized gangs play in domestic drug trafficking. In the preparation of this report, DEA intelligence analysts considered quantitative data from various sources (seizures, investigations, arrests, drug purity or potency, and drug prices; law enforcement surveys; laboratory analyses; and interagency production and cultivation estimates) and qualitative information (subjective views of individual agencies on drug availability, information on the involvement of organized criminal groups, information on smuggling and transportation trends, and indicators of changes in smuggling and transportation methods).

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